

CHAPTER 12

OVERSEAS TRANSACTIONS

This chapter includes statistics of overseas trade, balance of payments and overseas investment by private investors, but through limitations of space the statistics are, in the main, restricted to summarised form. For detailed information *see* the annual bulletins on Overseas Investment, *Overseas Trade* (preliminary and final), *Australian Exports*, and *Imports Cleared for Home Consumption* and the half-yearly bulletin *The Balance of Payments*. Preliminary information is available in summary form in the statements *Balance of Payments: Quarterly Summary*; *Overseas Investment: Preliminary Estimates* (annual); *Australian Overseas Trade: Total Recorded Overseas Trade* (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 Additional unpublished details of imports and exports can be supplied on request.

A subscription service is available from this Bureau to provide for the detailed requirements of individual users of overseas trade statistics. These special periodical returns are obtainable monthly or quarterly and show trade according to items of the Australian Export and Import Commodity Classifications or statistical key code dissections of Australian Customs Tariff items.

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 and 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, Ireland, Canada, New Zealand, Papua, and New Guinea, and certain goods the produce or manufacture of 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* 1966 (other than section twenty 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* 1966 (other than section twenty or a direction under section twenty-two 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* 1966 (other than section twenty or a direction under section twenty-two 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 a direction under section twenty-two of the *Customs Tariff* 1966 goods shall not be treated as the produce or manufacture of a country 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.

(4) For the purposes 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 tariff classification.

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 classification, which is a tariff classification containing the words 'as prescribed by by-law'. Such a classification 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 classification. 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 1961–1965 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 1959–1966. 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 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 exporters 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 1905-1966* 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 1921-1966* 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, as a result both 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, and 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, which received legal recognition on 27 June 1966, 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 January 1967 the contracting parties had held twenty-three 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 1967 seventy countries, whose foreign trade represents about eighty per cent of the total volume of world trade, were full contracting parties to the Agreement, four had acceded provisionally, eight applied the Agreement on a *de facto* basis, and two 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). Zambia terminated the Trade Agreement with Australia on 30 June 1966 and following the unilateral declaration of independence by the Rhodesian Government in November 1965 tariff preferences to Rhodesia were suspended. The re-negotiation of the Trade Agreement with Malawi is at present under consideration.

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 subsidised 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 stabilised 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 recognises 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 recognising

* 'Soft' wheat is fair average quality wheat; 'hard' wheat is premium grade wheat similar to that grown in North America. † An agreement, with reservations, not to discriminate against each other with tariff or non-tariff barriers.

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 while recognising existing preferences. 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.

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.

Poland. A trade agreement between Australia and Poland was signed in Warsaw on 20 June 1966. The agreement provides for the exchange of non-discriminatory treatment between the two countries, while recognising existing preferences. 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.

Bulgaria. A trade agreement between Australia and Bulgaria was signed in Sofia on 22 June 1966. The agreement provides for the exchange of non-discriminatory treatment between the two countries, while recognising existing preferences. 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.

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 1966 there were over 100 Trade Commissioners and Assistant Trade Commissioners in forty-three 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 organisations 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 organise 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 organised 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 organised to date.

Specialised selling mission. The approach is to organise 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 publicises its products and negotiates sales. Two specialised selling missions have been organised 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 services. 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, such as the cancellation of a valid import licence, exchange transfer difficulties, war or civil war.

The Corporation is charged to be self-supporting in its payments insurance operations, and applies principles similar to those of commercial insurers. 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 capital of the Corporation is \$4,000,000, and the statutory maximum contingent liability which it can assume under payments insurance contracts issued to exporters is at present \$200,000,000.

In addition to its primary function as a payments insurer, the Corporation also insures, as an agent for the Commonwealth Government, Australian investments in overseas countries against 'non-commercial' risks such as expropriation, war and convertibility.

Further information on the Corporation is contained in Year Book No. 49, page 544. For particulars of its operations see chapter 19, Private Finance.

Collection and presentation of statistics

Basic documents

Overseas trade statistics are derived from documents obtained under the Customs Act by the Department of Customs and Excise, and compiled by the Commonwealth Bureau of Census and Statistics. These documents are duplicate copies of export and import entries submitted by exporters and importers or their agents to the Department of Customs and Excise. Certain items for which customs entries are not required are excluded from the statistics. Export entries show date and port of shipment, country of consignment and the description, quantity (where required) and value of the goods. Prior to July 1966 the statistical item number was inserted and verified by officers of the Department of Customs and Excise in Canberra. As from July 1966 the statistical item number has been inserted by the exporter or his agent and verified by officers of the Department of Customs and Excise in the local offices of the Collectors of Customs. Import entries show date and port of entry, country of origin, description of goods, quantity (where required), value of the goods, and amount of duty paid thereon. The tariff item number under which the goods are admitted and the statistical key code are inserted by the importer or his agent, and these are verified by statistical officers of the Department of Customs and Excise in the local offices of the Collectors of Customs.

Scope of the statistics

All goods moving into or out of Australia are recorded in overseas trade statistics (except those exclusions listed on page 377) and the statistics are not confined to goods which are the subject of a commercial transaction. The area to which all overseas 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 overseas trade of Australia. Such transactions are shown separately, i.e. the trade of Australia with each particular area is separately recorded and tabulated.

Inclusions and exclusions

- (a) Imports and exports on government account including defence equipment are treated as normal transactions and are an integral part of overseas trade statistics.
- (b) Direct transit trade, i.e. goods being transhipped or moved through Australia for purposes of transport only, is not recorded.
- (c) 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. For exports, however, the value recorded for each item includes the value of the outside package.
- (d) Bunkers and stores supplied to vessels and aircraft have been excluded from statistics of exports since 1906.
- (e) Those migrants' and passengers' effects for which a customs entry is required are included in imports and exports.
- (f) Those parcel post imports and exports of small value for which customs entries are not received are excluded from overseas trade statistics.
- (g) Certain materials for intergovernmental defence projects for which customs entries are not required are excluded from imports.
- (h) The value of ores and concentrates imported and exported includes the value of the gold content and the latter is not included in imports and exports of gold.
- (i) Vessels and aircraft engaged in the transport of passengers or goods between Australia and other countries are excluded from imports and exports.
- (j) Vessels and aircraft purchased for use on overseas routes are excluded from imports and any subsequent overseas sales of such vessels and aircraft from exports.
- (k) Fish and other sea products landed abroad directly from the high seas by Australian vessels are excluded from exports.
- (l) Exports of uranium are not recorded.

Period covered by statistics

Exports. These are recorded statistically in the month in which the export entries are passed by the Department of Customs and Excise. Normally this is within a few days of shipment although delays sometimes occur in the lodging of entries. Shipments are at times delayed by abnormal factors affecting sales, deliveries for export and the loading of ships. When such delays occur, exports during the affected period are diminished and when the delays are overtaken shipments include substantial quantities of accumulated stocks as well as current disposals. Wool shipments in any trade year may be materially affected by the time spread of wool auctions which normally end in July. The carry-over for shipments varies from year to year. New season's wheat normally becomes available for shipment from December onwards, and the quantity shipped in any trade year (ending June) depends on the size of the crop, the time spread on sales for export, and physical factors affecting the scheduling of deliveries.

Imports. Imports are recorded statistically in the month in which import entries are passed by the Department of Customs and Excise. Normally this is within a few days of discharge of cargoes.

Since 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.

Valuation

Imports into Australia prior to 15 November 1947 were recorded in British currency values and full explanatory notes on the methods of recording import values before and since 15 November 1947 were included in Year Book No. 37, page 396.

All values in overseas 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 exported from the port of shipment are excluded. Only transport and service charges incurred, or usually incurred, prior to export 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 July 1937, as follows:

- (a) Goods sold to overseas 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 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).

Statistical concepts of trade

Trade systems. There are two generally accepted systems of recording overseas trade statistics, namely (a) special trade and (b) general trade. The Statistical Office of the United Nations defines the two systems as follows:

'System of Trade. Two systems of recording trade are in common use, differing mainly in the way warehoused and re-exported goods are recorded.

- (a) *Special Trade.* Special imports are the combined total of imports directly for domestic consumption (including transformation and repair) and withdrawals from bonded warehouses or free zones for domestic consumption. Special exports comprise exports of national merchandise, namely, goods wholly or partly produced or manufactured in the country, together with exports of nationalised goods. (Nationalised goods are goods which, having been included in special imports, are then exported without transformation).
- (b) *General Trade.* General imports are the combined total of imports directly for domestic consumption and imports into bonded warehouse or free zone. General exports are the combined total of national exports and re-exports. Re-exports, in the general trade system, consist of the outward movement of nationalised goods plus goods which, after importation move outward from bonded warehouse or free zone without having been transformed.

Direct transit trade, i.e. goods merely being transhipped or moving through the country for purposes of transport only, is excluded from the statistics of both special and general trade.'

Statistics in this volume are compiled on the 'general trade' basis.

Australian produce (national produce) is defined as goods, materials or articles which have been produced, manufactured or partly manufactured in Australia, except goods which were originally imported and have undergone only repair or minor operations which leave them essentially unchanged.

Re-exports are defined as goods, materials or articles originally imported which are exported in the same condition in which they were imported, and goods, materials or articles originally imported which are exported after undergoing repair or minor operations which leave them essentially unchanged. Minor operations include blending, packaging, bottling, cleaning, sorting, husking, and shelling.

Recorded trade. This term is used to denote the value of exports or imports recorded during the period specified.

Merchandise and non-merchandise trade. Recorded trade is divided into merchandise and non-merchandise trade. Merchandise trade is the equivalent of recorded trade less certain items specified as non-merchandise. Prior to July 1965 non-merchandise trade consisted of imports and exports of specie and gold and silver. In July 1965 merchandise and non-merchandise trade were redefined in accordance with international standards recommended by the United Nations, and since that date non-merchandise items include commodities such as gold, legal tender, decorations, trophies, samples, passengers' personal effects, military equipment and stores for Australian Forces abroad, goods for the use of diplomatic and consular representatives, goods imported with the intention of being re-exported, goods exported with the intention of being re-imported, etc. A complete description of these commodities is contained in the Australian Export and Import Commodity Classifications published by the Bureau.

Balance of payments basis. Statistics of exports and imports for Balance of Payments purposes are derived by making certain adjustments, relating both to scope and valuation, to statistics of merchandise exports and imports. Statistics on the adjusted basis are published in statistical bulletins relating to the Balance of Payments. The adjustments include the following. Imports are

adjusted for the overall excess of recorded value for duty over the actual selling price to the importer. Exports and imports of goods for repair and return and the value of repairs are deducted from merchandise trade; exports and imports 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. Adjustments are also made for timing differences between the change of ownership and the lodgment of import entries in the case of certain large items of equipment (e.g. warships).

The balance of trade is derived by comparing statistics of exports on a balance of payments basis with statistics of imports on that basis.

Balance of payments

Estimates of the balance of trade do not, however, 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.

Country of consignment or origin

'Country of consignment' referred to in exports tables means the country to which goods were consigned at the time of export. Where the country of consignment is not determined at the time of export the goods are recorded as exported 'For orders'. '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.

Throughout this chapter, where countries are listed, they are shown in alphabetical order and the separation of Commonwealth and foreign countries as in previous Year Books has been discontinued.

Commodity classifications

Overseas trade statistics for years up to and including 1964-65 were compiled according to the Statistical Classification of Imports and Exports. 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 in July 1965. In accordance with the principles of the S.I.T.C., imports of defence equipment by the Australian Services are normally classified according to the commodity imported, e.g. warships are classified under 'ships and boats'.

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, but the latter classification, naturally, does not apply to the statistics in this Year Book.

Variation in presentation

Because of the introduction in July 1965 of a new Australian Customs Tariff and a new Australian Import Commodity Classification based on the Standard International Trade Classification, the presentation of details of imports has been varied from that in previous Year Books to conform to the new classification.

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 external 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 recorded overseas trade

The following table shows the total recorded trade of Australia with overseas countries from 1901 to 1965-66. 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 TOTAL RECORDED OVERSEAS TRADE: AUSTRALIA, 1901 TO 1965-66
(£ 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—							
1956-57 . .	1,438	1,986	3,424	+548	150.8	208.3	359.1
1957-58 . .	1,584	1,636	3,220	+ 52	162.6	167.9	330.5
1958-59 . .	1,593	1,623	3,216	+ 30	160.1	163.1	323.2
1959-60 . .	1,854	1,875	3,730	+ 21	182.4	184.5	366.9
1960-61 . .	2,175	1,938	4,113	-237	209.3	186.5	395.8
1961-62 . .	1,769	2,155	3,924	+385	166.9	203.2	370.1
1962-63 . .	2,163	2,152	4,314	- 11	200.2	199.2	399.4
1963-64 . .	2,373	2,782	5,155	+410	215.5	252.7	468.2
1964-65 . .	2,905	2,651	5,556	-253	258.7	236.1	494.8
1965-66 . .	2,939	2,721	5,660	-218	256.8	237.7	494.5

(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 1963-64 to 1965-66 see page 405.

Plate 26 opposite shows the overseas trade of Australia from 1946-47 to 1965-66.

The following table shows particulars of total merchandise and non-merchandise trade for each of the years 1961-62 to 1965-66.

VALUE OF TOTAL MERCHANDISE AND NON-MERCHANDISE TRADE:
AUSTRALIA, 1961-62 TO 1965-66
(£'000 f.o.b.)

IMPORTS			
Year	Merchandise	Non-merchandise	Total recorded imports
1961-62 .	1,738,896	30,596	1,769,492
1962-63 .	2,128,311	34,359	2,162,670
1963-64 .	2,329,576	43,082	2,372,658
1964-65 .	2,841,326	63,377	2,904,703
1965-66 .	2,898,280	41,212	2,939,492

OVERSEAS TRADE

AUSTRALIA, 1946-47 TO 1965-66

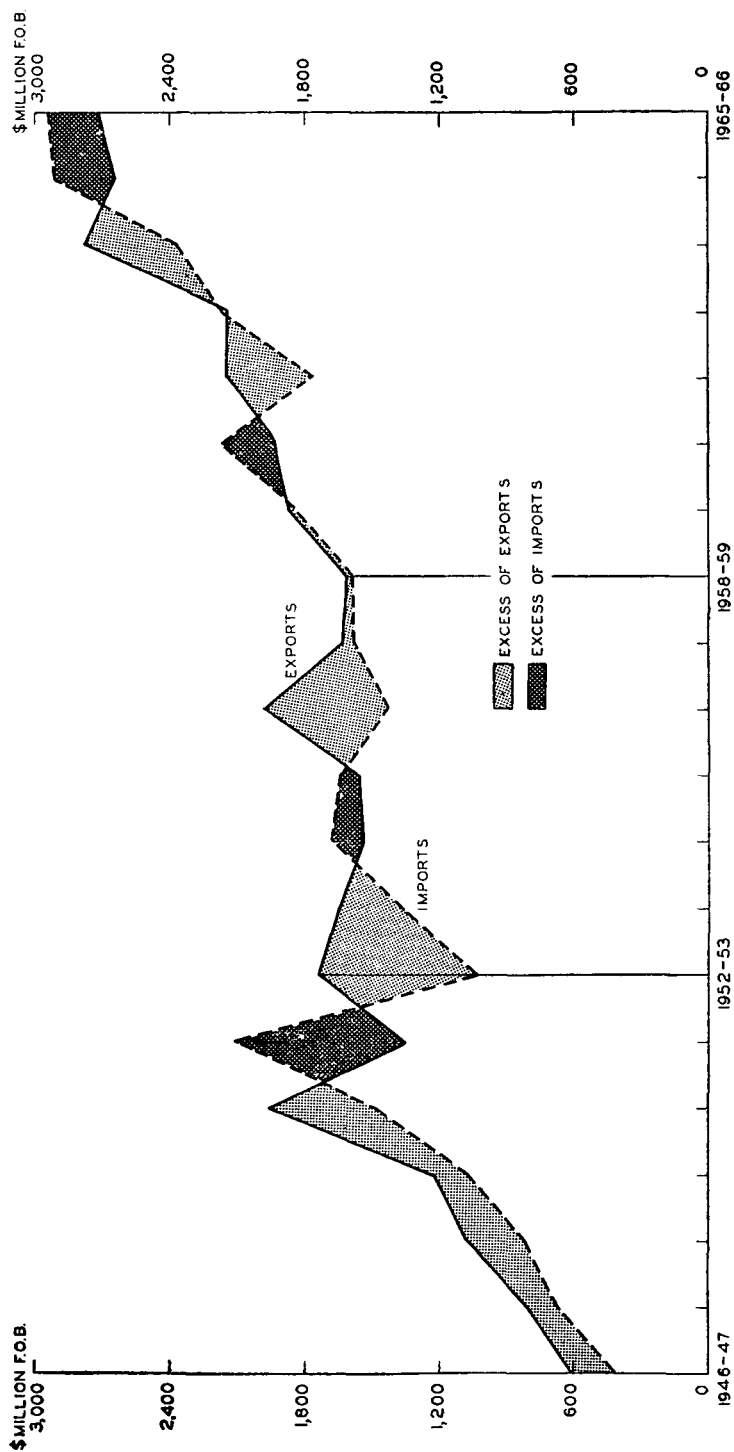


PLATE 26

VALUE OF TOTAL MERCHANDISE AND NON-MERCHANDISE TRADE
AUSTRALIA, 1961-62 TO 1965-66—continued

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

EXPORTS

Year	Merchandise			Non-merchandise			Total recorded exports
	Australian produce	Re-exports	Total	Australian produce	Re-exports	Total	
1961-62 .	2,070,943	29,352	2,100,295	30,505	23,768	54,273	2,154,568
1962-63 .	2,076,739	25,628	2,102,367	29,080	20,365	49,445	2,151,812
1963-64 .	2,691,345	34,301	2,725,646	35,569	21,245	56,814	2,782,460
1964-65 .	2,535,930	43,238	2,579,168	45,983	26,298	72,281	2,651,449
1965-66 .	2,578,184	55,348	2,633,532	59,913	27,508	87,421	2,720,953

Classified summary of Australian overseas trade

Exports

The following table shows for Australia (i) exports of Australian produce and (ii) recorded exports according to statistical classes for each of the years 1963-64 to 1965-66.

VALUE OF EXPORTS OF AUSTRALIAN PRODUCE AND RECORDED EXPORTS
BY STATISTICAL CLASS, 1963-64 TO 1965-66

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

Class	Australian produce			Total recorded exports(a)		
	1963-64	1964-65	1965-66	1963-64	1964-65	1965-66
I. Foodstuffs of animal origin, etc. .	362,592	427,189	418,962	362,764	427,312	419,287
II. Foodstuffs of vegetable origin; non-alcoholic beverages, etc. .	723,916	603,585	551,761	725,046	604,826	553,086
III. Alcoholic liquors, etc. .	5,422	6,037	6,168	5,536	6,245	6,463
IV. Tobacco, etc. .	1,522	1,625	1,443	1,780	1,925	2,003
V. Live animals and birds .	4,601	3,949	4,562	4,817	4,199	4,810
VI. Animal substances, etc. .	1,054,969	888,860	876,620	1,055,615	889,432	877,329
VII. Vegetable substances, etc. .	3,681	3,952	3,672	3,861	4,086	4,017
VIII. Apparel, textiles, etc. .	13,202	13,668	15,303	14,666	15,517	17,121
IX. Oils, fats and waxes .	54,105	41,731	33,711	57,969	43,456	34,395
X. Pigments, paints and varnishes .	2,519	2,713	5,186	2,661	2,837	5,361
XI. Rocks, minerals, etc. .	92,985	136,345	161,449	93,105	137,799	161,741
XII. Metals, metal manufactures and machinery .	265,779	289,923	366,562	280,541	307,358	398,397
XIII. Rubber and leather, etc. .	10,554	11,214	12,476	10,780	11,580	12,946
XIV. Wood and wicker, etc. .	5,838	5,252	4,559	6,166	5,655	4,813
XV. Earthenware, etc. .	3,154	3,500	4,117	3,390	3,649	4,292
XVI. Paper and stationery .	11,720	13,462	12,752	12,986	14,546	14,136
XVII. Jewellery, etc. .	9,901	10,057	13,479	10,641	11,051	14,616
XVIII. Optical, surgical and scientific instruments .	5,791	7,857	8,528	7,373	9,332	10,205
XIX. Chemicals, medicinal products, essential oils, fertilisers .	24,969	30,497	39,112	26,617	34,217	42,301
XX. Miscellaneous .	28,843	32,793	37,288	34,050	42,420	45,735
XXI. Silver .	5,281	1,722	476	5,281	1,727	476
<i>Total merchandise exports</i> .	<i>2,691,345</i>	<i>2,535,930</i>	<i>2,578,184</i>	<i>2,725,646</i>	<i>2,579,168</i>	<i>2,633,532</i>
XXII. Non-merchandise .	35,569	45,983	59,913	56,814	72,281	87,421
Total exports .	2,726,914	2,581,913	2,638,097	2,782,460	2,651,449	2,720,953

(a) Australian produce plus re-exports.

The following table shows the quantities and values of the principal articles of Australian produce exported during each of the years 1963-64 to 1965-66.

EXPORTS OF PRINCIPAL ARTICLES OF AUSTRALIAN PRODUCE
1963-64 TO 1965-66

Article	Quantity			Value (\$A'000 f.o.b.)		
	1963-64	1964-65	1965-66	1963-64	1964-65	1965-66
Butter tons	87,751	90,286	74,832	54,714	62,165	49,989
Cheese "	27,827	27,201	24,900	13,518	14,197	13,470
Chemicals, drugs, fertilisers				24,968	30,497	39,112
Coal tons	3,805,747	6,051,157	7,654,098	32,462	51,120	63,132
Copper and copper-base alloys "	50,475	17,759	62,015	27,510	11,240	60,575
Fish "				14,320	18,137	24,421
Fruit—						
Dried tons	66,748	73,933	85,679	21,046	24,100	28,439
Fresh, including frozen '000 bus.	10,953	9,853	11,769	33,156	30,543	37,819
Preserved in airtight containers tons	126,786	102,003	138,082	34,236	27,584	37,763
Gold "				14,289	18,404	24,418
Grains and cereals—						
Barley tons	396,335	363,407	223,089	18,298	18,002	11,508
Flour (wheaten), plain white tons(a)	684,628	572,114	390,729	42,238	37,334	24,753
Wheat tons	6,796,194	5,624,462	5,075,344	362,018	297,199	264,062
Other "				34,692	39,324	35,448
Hides and skins "				91,180	79,534	88,501
Iron and steel "				66,556	61,678	72,374
Lead, bullion tons	83,332	58,221	89,122	17,578	18,427	25,918
Lead, pig "	169,035	152,211	159,810	30,572	42,005	40,333
Lead and silver-lead ores and concentrates '000 cwt	2,370	2,039	2,365	15,517	19,236	21,337
Machines and machinery (other than dynamo electrical) "				35,008	42,373	43,098
Meats preserved by cold process—						
Beef and veal tons	281,286	316,030	273,487	176,522	200,363	195,477
Lamb "	18,574	24,166	15,881	7,718	10,832	8,176
Mutton "	66,927	72,766	78,761	24,752	29,517	37,242
Other "				15,006	19,934	20,764
Meats, tinned "	23,973	26,978	24,838	12,588	15,797	14,588
Milk and cream '000 lb	142,236	172,878	126,492	19,700	25,127	19,264
Ores and concentrates tons	1,136,114	1,330,716	1,751,701	56,334	78,458	90,990
Petroleum and shale oils "				38,624	22,273	19,737
Sugar (from cane) tons	1,116,190	1,269,139	1,252,575	156,512	112,682	93,926
Titanium and zirconium ores and concentrates '000 cwt	11,254	14,611	16,892	17,668	25,864	29,084
Wool '000 lb	1,508,242	1,452,153	1,445,535	960,880	805,850	784,844
Zinc, bars, blocks, sheets, etc. '000 cwt	1,712	1,740	2,004	18,236	25,177	27,379
Zinc, ores and concentrates "	4,552	4,061	4,899	11,227	15,260	16,834
All other articles "				227,270	251,677	273,303
Total . . . . .	..	..	..	2,726,914	2,581,913	2,638,097

(a) 2,000 lb.

Plate 27 on the following page shows exports in principal commodity groups in each of the years 1955-56 to 1965-66.

EXPORTS OF PRINCIPAL COMMODITIES

AUSTRALIA, 1955-56 TO 1965-66

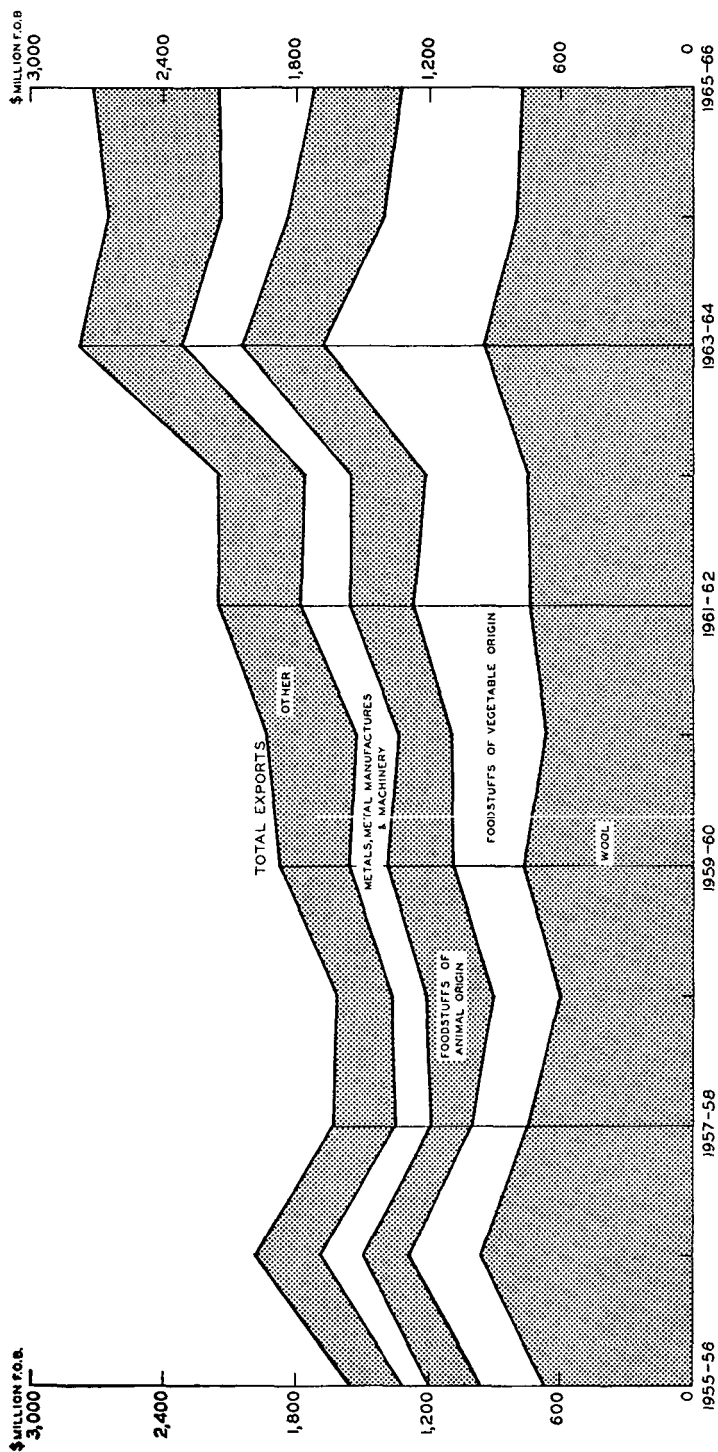
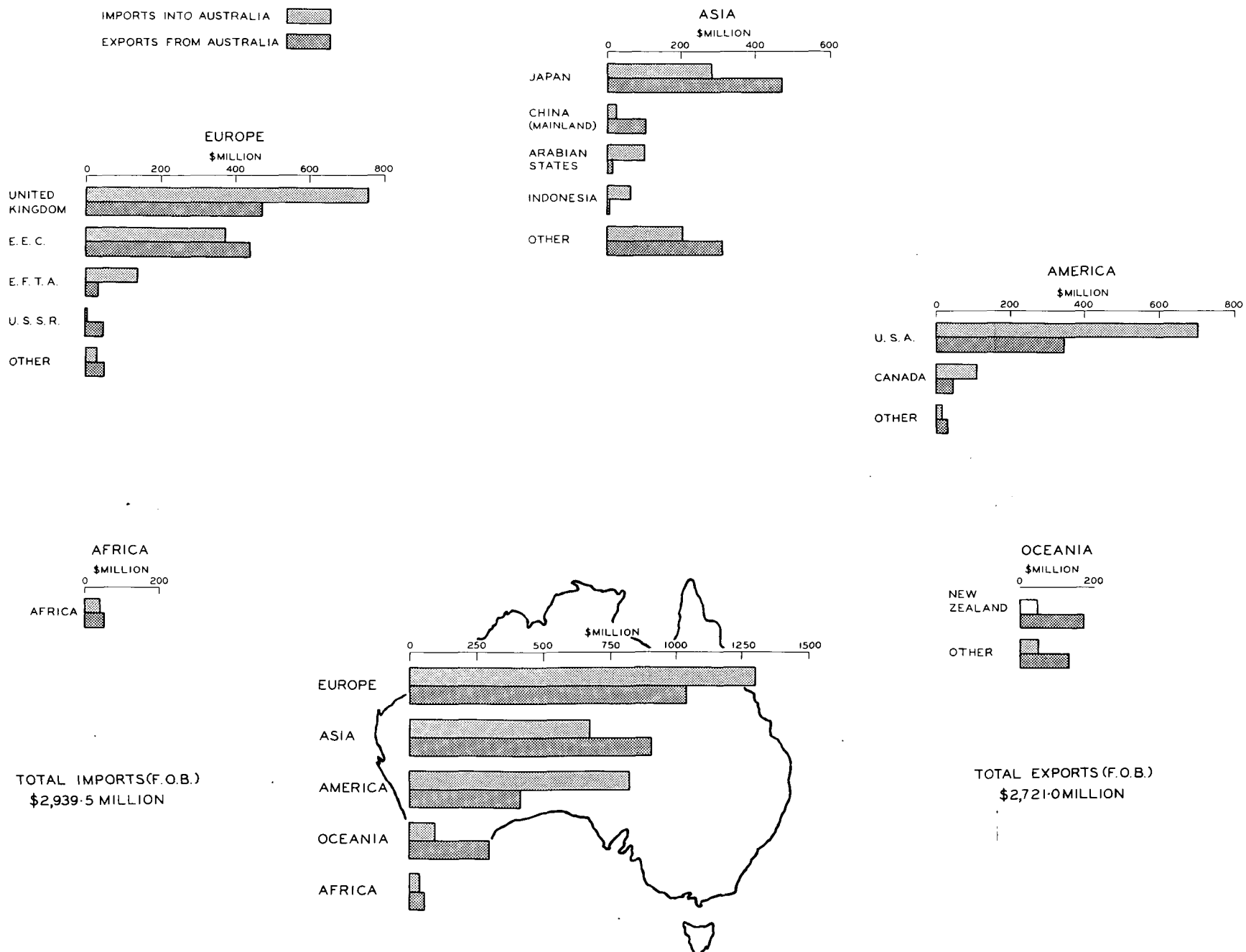


PLATE 27

OVERSEAS TRADE: BY MAJOR GROUPS OF COUNTRIES

AUSTRALIA, 1965-66

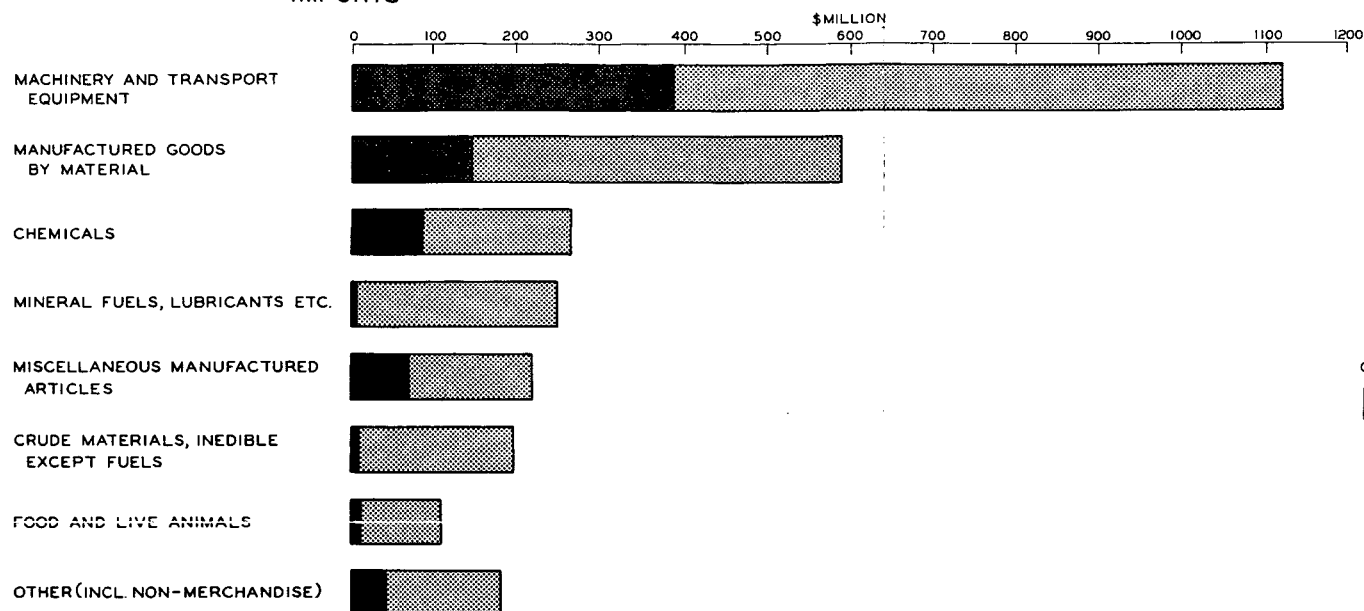


TRADE WITH UNITED KINGDOM AND OTHER COUNTRIES

AUSTRALIA, 1965-66

UNITED KINGDOM OTHER COUNTRIES

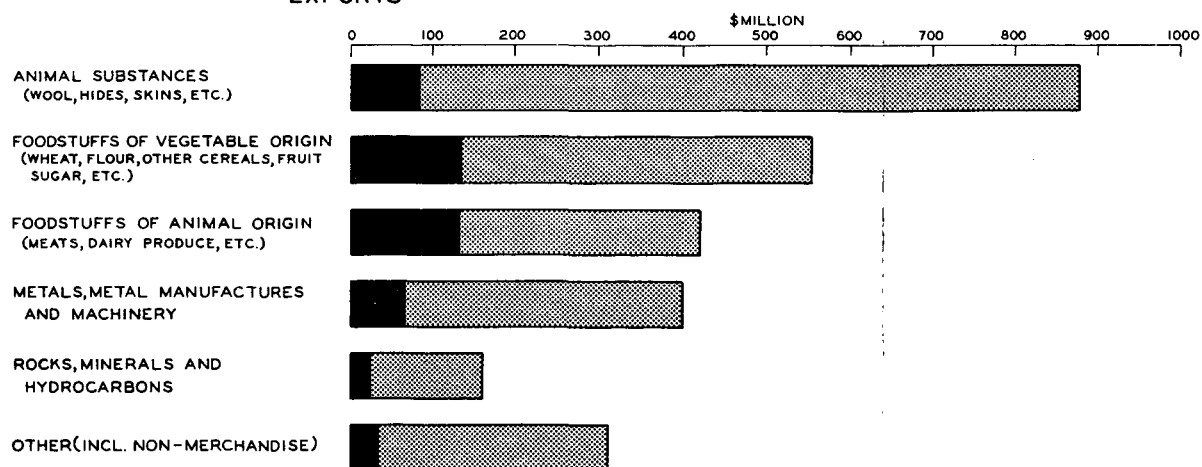
IMPORTS



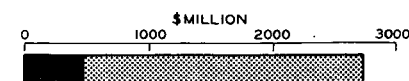
TOTAL IMPORTS



EXPORTS



TOTAL EXPORTS



Imports

The following table shows the value of recorded imports according to divisions of the Australian Import Commodity Classification (based on the Standard International Trade Classification) during each of the years 1963-64 to 1965-66.

**VALUE OF RECORDED IMPORTS: DIVISIONS OF THE AUSTRALIAN
IMPORT COMMODITY CLASSIFICATION, 1963-64 TO 1965-66**

Division no.	Description	Value (\$'000 f.o.b.)		
		1963-64(a)	1964-65(a)	1965-66
00	Live animals	1,818	2,352	1,786
01	Meat and meat preparations	2,028	1,260	459
02	Dairy products and eggs	2,462	2,889	3,340
03	Fish and fish preparations	22,194	24,023	29,488
04	Cereals and cereal preparations	1,212	1,453	2,302
05	Fruit and vegetables	11,538	15,000	17,246
06	Sugar and sugar preparations and honey	1,716	2,032	2,056
07	Coffee, tea, cocoa, spices and manufactures thereof	45,922	46,373	46,718
08	Feeding stuff for animals (excluding un- milled cereals)	2,300	3,110	5,270
09	Miscellaneous preparations chiefly for food	1,026	1,271	1,351
11	Beverages	9,164	10,780	11,279
12	Tobacco and tobacco manufactures	26,880	24,866	26,174
21	Hides, skins and fur skins, undressed	3,350	3,023	2,924
22	Oil seeds, oil nuts and oil kernels	6,194	6,690	10,845
23	Crude rubber (including synthetic and re- claimed)	28,558	31,972	26,005
24	Wood, timber and cork	35,492	40,143	34,522
25	Pulp and waste paper	23,264	28,450	26,249
26	Textile fibres and their waste	46,634	50,102	36,816
27	Crude fertilisers and crude minerals (ex- cluding coal, petroleum and precious stones)	32,286	39,960	45,519
28	Metalliferous ores and metal scrap	4,014	6,128	4,008
29	Crude animal and vegetable materials, n.e.s.	13,636	13,681	10,462
32	Coal, coke, and briquettes	235,036	243,421	487
33	Petroleum and petroleum products			251,492
34	Petroleum gases and other gaseous hydro- carbons	52	62	11
41	Animal oils and fats	13,798	14,410	1,753
42	Fixed vegetable oils and fats			12,149
43	Animal and vegetable oils and fats, pro- cessed, and waxes of animal or vegetable origin			1,341
51	Chemical elements and compounds	(b)	(b)	87,340
52	Mineral tar and crude chemicals from coal, petroleum and natural gas	(b)	(b)	3,291
53	Dyeing, tanning and colouring materials	12,310	13,735	15,039
54	Medicinal and pharmaceutical products	35,216	38,922	35,962
55	Essential oils and perfume materials; toilet, polishing and cleansing preparations	10,966	12,082	11,903
56	Fertilisers, manufactured	8,328	9,220	7,680
57	Explosives and pyrotechnic products	3,328	5,680	4,827
58	Plastic materials, regenerated cellulose and artificial resins	(c)	(c)	67,546
59	Chemical materials and products, n.e.s.	152,764	175,716	32,170
61	Leather, leather manufactures, n.e.s., and dressed fur skins	3,546	4,699	5,255
62	Rubber manufactures, n.e.s.	16,478	27,038	28,170
63	Wood and cork manufactures (excluding furniture)	6,718	8,922	9,499

For footnotes see next page.

**VALUE OF RECORDED IMPORTS: DIVISIONS OF THE AUSTRALIAN
IMPORT COMMODITY CLASSIFICATION, 1963-64 TO 1965-66—continued**

Division no.	Description	Value (\$'000 f.o.b.)		
		1963-64(a)	1964-65(a)	1965-66
64	Paper, paperboard and manufactures there- of	78,038	85,699	83,699
65	Textile yarn, fabrics, made-up articles and related products	213,984	250,840	232,420
66	Non-metallic mineral manufactures, n.e.s.	42,596	50,772	53,141
67	Iron and steel	59,774	103,054	86,228
68	Non-ferrous metals	22,638	63,383	19,516
69	Manufactures of metal, n.e.s.	859,968	1,101,929	71,707
71	Machinery, other than electric			565,998
72	Electrical machinery, apparatus and ap- pliances			180,972
73	Transport equipment (including warships, and military aircraft)			373,914
81	Sanitary, plumbing, heating and lighting fixtures and fittings	3,872	4,749	3,472
82	Furniture	2,682	3,091	3,426
83	Travel goods, handbags and similar articles	3,890	4,887	3,470
84	Clothing and clothing accessories and articles of knitted or crocheted fabric	15,834	18,308	19,122
85	Footwear, gaiters and similar articles and parts therefor	3,792	4,470	4,812
86	Professional, scientific and controlling in- struments; photographic and optical goods, watches and clocks	49,924	61,276	79,759
89	Miscellaneous manufactured articles, n.e.s.	93,338	101,635	106,182
9(a)	Commodities and transactions not classified according to kind	59,018	77,768	89,708
	<i>Total merchandise imports</i>	<i>2,329,576</i>	<i>2,841,326</i>	<i>2,898,280</i>
9(b)	Non-merchandise	43,082	63,377	41,212
	Total recorded imports	2,372,658	2,904,703	2,939,492

(a) Figures for 1963-64 and 1964-65 are estimated only. Estimates for those divisions which have been grouped are not available. (b) Included with divisions 58 and 59. (c) Includes divisions 51 and 52.

Imports of merchandise, by economic class

The following table shows the value of imports of merchandise into Australia during the years 1963-64 to 1965-66 classified according to economic classes of (i) purpose and (ii) degree of manufacture. The classification according to economic classes for the years 1955-56 to 1965-66 is shown in graphical form on plate 30, opposite.

IMPORTS OF MERCHANDISE, BY ECONOMIC CLASS

AUSTRALIA, 1961-62 TO 1965-66

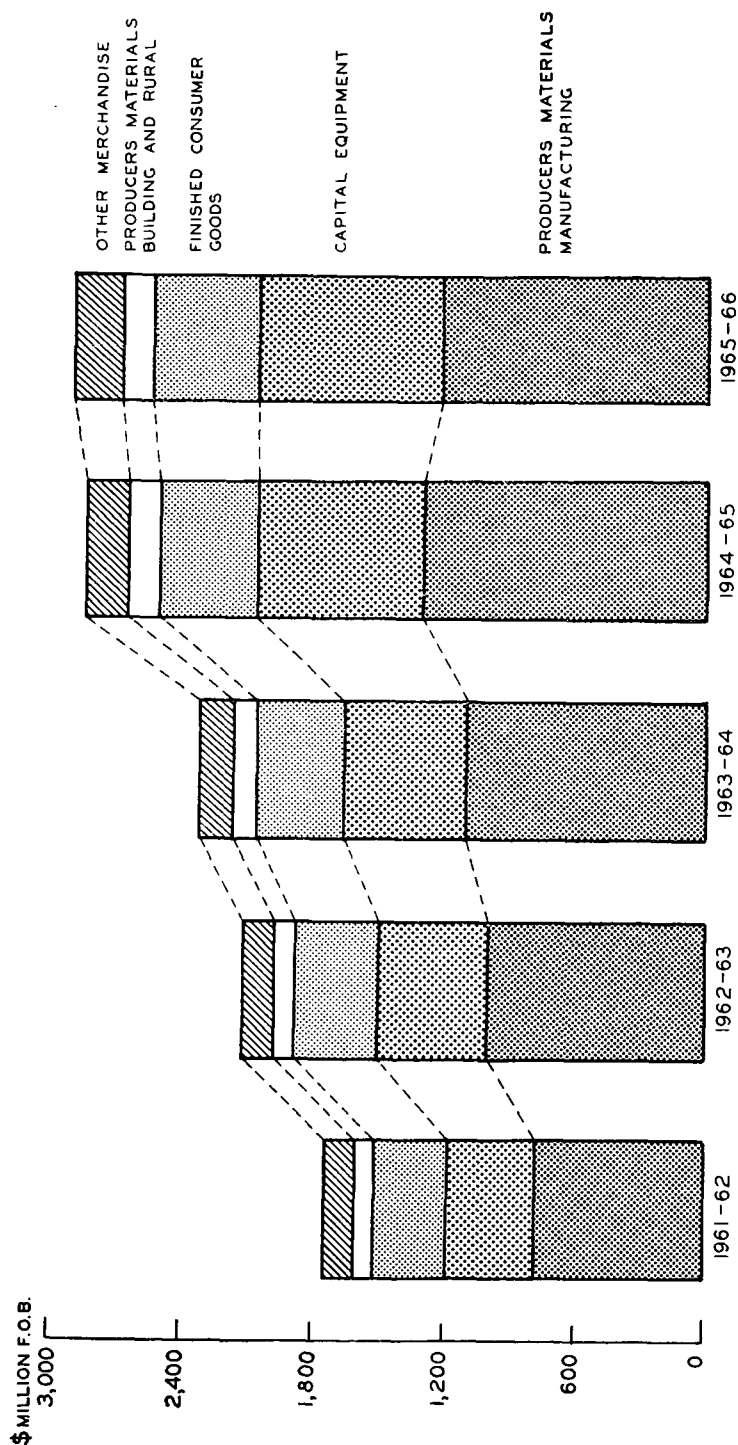


PLATE 30

**VALUE OF IMPORTS OF MERCHANDISE, BY ECONOMIC CLASS: AUSTRALIA
1963-64 TO 1965-66**

	Value (\$'000 f.o.b.)			Proportion of value of imports of merchandise (Per cent)		
	1963-64	1964-65	1965-66	1963-64	1964-65	1965-66
PURPOSE						
Producers' materials for use in—						
Building and construction	76,868	100,102	93,680	3.3	3.5	3.2
Rural industries	32,452	41,130	40,360	1.4	1.4	1.4
Manufacturing—						
Motor vehicle assembly(a)	208,542	229,384	207,855	9.0	8.1	7.2
Other(b)	900,378	1,085,056	1,015,816	38.6	38.2	35.0
<i>Total, producers' materials(b)</i>	<i>1,218,240</i>	<i>1,455,672</i>	<i>1,357,711</i>	<i>52.3</i>	<i>51.2</i>	<i>46.8</i>
Capital equipment(c)—						
Producers' equipment	470,468	596,900	671,586	20.2	21.0	23.1
Transport equipment—						
Complete road vehicles and assembled chassis	55,786	79,972	74,671	2.4	2.8	2.6
Railway equipment, vessels and civil aircraft	39,180	71,004	92,276	1.7	2.5	3.2
<i>Total, capital equipment</i>	<i>565,434</i>	<i>747,876</i>	<i>838,533</i>	<i>24.3</i>	<i>26.3</i>	<i>28.9</i>
Finished consumer goods—						
Food, beverages and tobacco	91,524	102,868	109,574	3.9	3.6	3.8
Clothing and accessories	16,706	19,920	21,150	0.7	0.7	0.7
All other(d)	282,040	322,972	344,548	12.1	11.4	11.9
<i>Total, finished consumer goods(d)</i>	<i>390,270</i>	<i>445,760</i>	<i>475,272</i>	<i>16.7</i>	<i>15.7</i>	<i>16.4</i>
Fuels and lubricants(e)	57,596	54,024	48,385	2.5	1.9	1.7
Auxiliary aids to production(f)	70,292	84,244	92,471	3.0	3.0	3.2
Munitions and war stores	27,744	53,750	85,907	1.2	1.9	3.0
Grand total	2,329,576	2,841,326	2,898,280	100.0	100.0	100.0

DEGREE OF MANUFACTURE(g)

Producers' materials—						
Crude	349,260	374,632	376,196	15.0	13.2	13.0
Simply transformed	187,930	256,470	202,959	8.1	9.0	7.0
Elaborately transformed	681,050	824,570	778,555	29.2	29.0	26.9
Finished consumer goods—						
Crude	25,502	26,568	29,796	1.1	0.9	1.0
Simply transformed	37,030	43,404	43,982	1.6	1.5	1.5
Elaborately transformed	327,738	375,788	401,494	14.0	13.3	13.8
Total imports—						
Crude	374,762	401,200	405,992	16.1	14.1	14.0
Simply transformed	324,354	402,286	343,023	13.9	14.2	11.8
Elaborately transformed	1,630,460	2,037,840	2,149,265	70.0	71.7	74.2
Grand total	2,329,576	2,841,326	2,898,280	100.0	100.0	100.0

(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, by industrial group

The following table provides an analysis of the value of Australian exports for the years 1963-64 to 1965-66. 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.

VALUE OF EXPORTS OF AUSTRALIAN PRODUCE, BY INDUSTRIAL GROUP
1963-64 TO 1965-66

Industrial group	Value (\$'000 f.o.b.)			Proportion of value of exports of Australian produce (excluding gold) (per cent)		
	1963-64	1964-65	1965-66	1963-64	1964-65	1965-66
Agriculture, horticulture and viticulture—						
Unprocessed	440,172	375,404	339,334	16.2	14.6	13.0
Processed	282,852	227,422	210,353	10.5	8.9	8.0
Total, agriculture, etc.	723,024	602,826	549,687	26.7	23.5	21.0
Pastoral—						
Unprocessed	1,177,422	1,065,265	1,054,084	43.4	41.6	40.3
Processed	144,810	123,701	133,284	5.3	4.8	5.1
Total, pastoral	1,322,232	1,188,966	1,187,368	48.7	46.4	45.4
Dairy and farmyard—						
Unprocessed	4,954	3,622	4,045	0.2	0.1	0.2
Processed	95,948	114,262	97,165	3.5	4.5	3.7
Total, dairy, etc.	100,902	117,884	101,210	3.7	4.6	3.9
Mines and quarries (other than gold)—						
Unprocessed	82,112	124,358	147,018	3.0	4.9	5.6
Processed	109,626	118,673	151,851	4.1	4.6	5.8
Total, mines, etc.	191,738	243,031	298,869	7.1	9.5	11.4
Fisheries—						
Unprocessed	14,658	18,197	25,805	0.6	0.7	1.0
Processed	1,036	1,246	1,216	..	..	..
Total, fisheries	15,694	19,443	27,021	0.6	0.7	1.0
Forestry—						
Unprocessed	1,028	968	557	..	..	..
Processed	5,484	4,785	4,182	0.2	0.2	0.2
Total, forestry	6,512	5,753	4,739	0.2	0.2	0.2
Total, primary produce—						
Unprocessed	1,720,346	1,587,814	1,570,843	63.4	61.9	60.1
Processed	639,756	590,089	598,051	23.6	23.0	22.8
Total, primary produce	2,360,102	2,177,903	2,168,894	87.0	84.9	82.9
Manufactures	279,612	320,911	375,129	10.3	12.5	14.5
Refined petroleum oils	38,626	22,315	18,985	1.4	0.9	0.7
Unclassified	34,284	42,379	50,671	1.3	1.7	1.9
Total Australian produce (excluding gold)	2,712,625	2,563,509	2,613,679	100.0	100.0	100.0
Re-exports (excluding gold)	55,546	69,536	82,856	..	..	..
Gold exports	14,289	18,404	24,418	..	..	..
Total value of recorded exports	2,782,460	2,651,449	2,720,953	..	..	..

In the year 1965-66 Australian produce (other than gold) exported amounted to approximately \$2,614 million. Of this, \$2,169 million or 83 per cent was mainly the produce of primary industries, comprising \$1,571 million of unprocessed produce and \$598 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): raw sugar, 92,760; flour, etc., 24,754; canned fruit, 37,763; dried fruit, 28,439; wool (scoured, tops, etc.), 85,078; canned meats, 14,588; butter, 49,989; milk (condensed, dried, etc.), 19,264; pig lead 40,333; lead bullion, 25,918; zinc bars, blocks, etc., 26,996; copper ingots, 20,357; and undressed timber, 2,704. The value of manufactures exported as classified on page 389 was \$375 million, approximately 15 per cent of Australian produce (other than gold) exported in 1965-66. The values of principal individual items here included were (\$'000): manufactures of metal, 138,899; implements and machinery, 43,098; drugs and chemicals, 34,538; and paper and stationery, 12,753. 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 1965-66 were (\$'000): individual consignments of less than \$100 in value, 13,086; and military equipment and stores and supplies for Australian projects overseas, 10,469.

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 statistics of countries is possible only when the general conditions prevailing therein, and the system of record, are more or less identical. For example, in one country the value of recorded 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 recorded imports and exports in one may be based on transaction values, whereas in another they may be based on 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 recorded 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. Finally, the external trade statistics 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 have substantial re-exports, whereas in Canada, Australia and New Zealand re-exports account for a comparatively small proportion of the total recorded trade.

Direction of overseas trade

Tables on pages 392-6 give details of recorded exports to principal countries by statistical class and of recorded imports by section of the *Australian Import Commodity Classification*. Australia's trade with major groups of countries is shown in the table on pages 396-7. Particulars of Australia's balance of payments with countries in these groups are shown on pages 418-19.

The two following tables show the value of Australian recorded imports and exports during each of the years 1963-64 to 1965-66 according to principal country of origin and consignment respectively, the second table in terms of percentage. The proportions of Australian imports and exports by country of origin or consignment are shown graphically on plate 31 opposite.

VALUES OF IMPORTS AND EXPORTS: PROPORTIONS, BY COUNTRY

AUSTRALIA, 1961-62 TO 1965-66

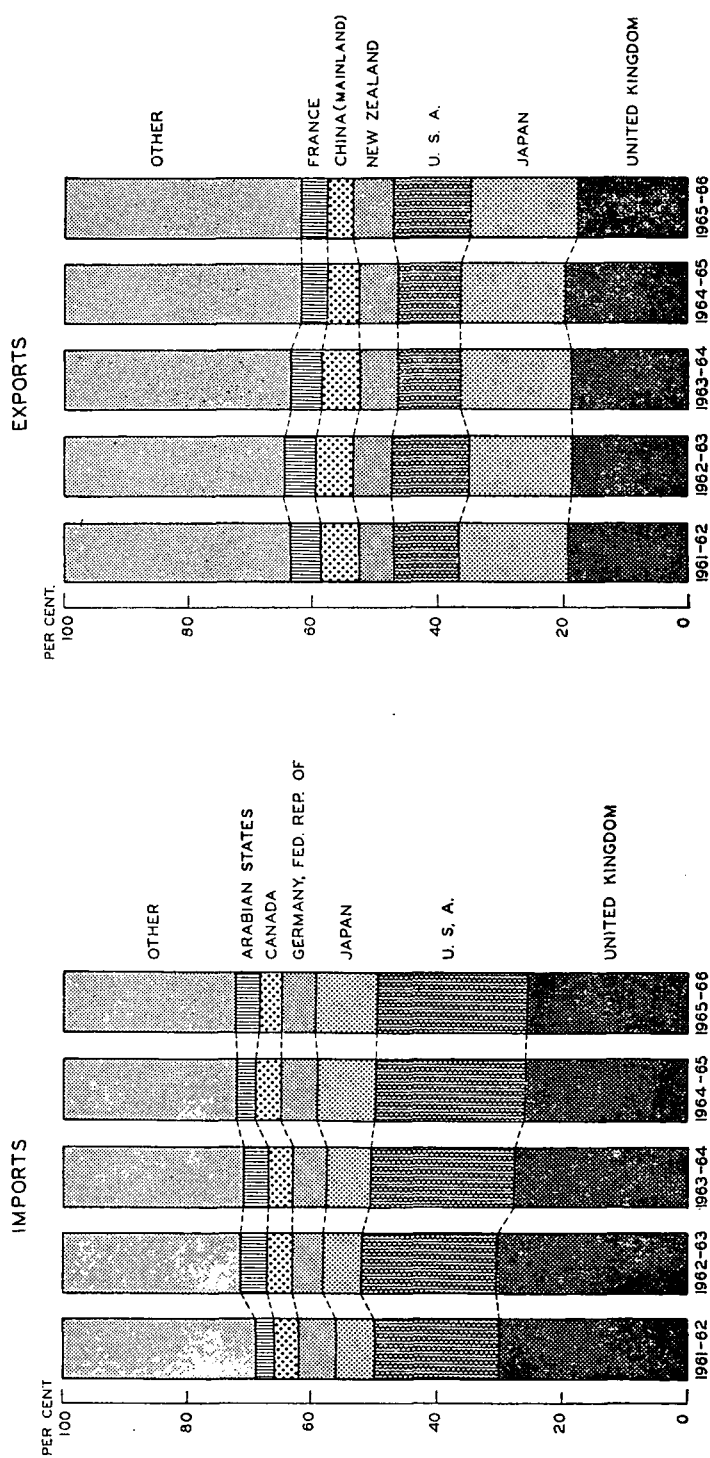


PLATE 31

**VALUES OF AUSTRALIAN RECORDED IMPORTS AND EXPORTS, BY COUNTRY OF
ORIGIN OR CONSIGNMENT, 1963-64 TO 1965-66**
(\$'000 f.o.b.)

Country	Imports			Exports		
	1963-64	1964-65	1965-66	1963-64	1964-65	1965-66
Belgium-Luxembourg	16,754	24,880	16,530	59,776	59,514	50,570
Canada	95,872	117,006	107,972	50,390	39,914	43,171
China (mainland)	16,356	22,862	23,460	168,190	135,633	106,541
France	40,058	66,903	91,670	137,570	111,781	118,408
Germany, Federal Republic of	130,776	161,014	168,226	91,846	83,837	100,300
Hong Kong	18,826	24,414	25,358	50,194	54,757	58,774
India	34,610	40,909	35,012	35,434	55,400	28,001
Indonesia	55,438	64,034	61,763	9,648	7,431	5,359
Iran	37,704	26,698	34,159	5,028	18,449	14,118
Italy	40,158	50,511	49,701	108,624	85,190	110,244
Japan	162,468	258,574	280,173	487,810	440,740	470,410
Malaysia	29,608	(a)52,322	(a)31,924	32,080	(a)82,917	(a)49,770
Netherlands	31,130	36,762	40,223	15,854	20,702	38,985
New Zealand	44,894	46,541	46,859	166,350	158,302	171,277
Papua and New Guinea	18,128	19,720	17,633	48,508	58,517	72,722
Saudi Arabia	40,938	49,974	45,839	4,812	5,431	6,321
Singapore	6,830	(b)	(b)3,699	36,996	(b)	(b)34,004
Sweden	45,618	53,568	51,787	5,366	8,584	9,135
Switzerland	30,010	35,458	43,011	3,022	4,136	4,789
United Kingdom	659,068	761,412	758,751	511,988	516,226	473,358
United States of America	542,494	692,246	703,597	280,800	264,193	338,388
U.S.S.R.	1,850	2,167	1,578	114,132	76,441	47,892
Other countries	269,304	290,653	289,469	339,254	355,894	363,089
Country unknown	3,766	6,075	11,098	18,788	7,460	5,327
Total	2,372,658	2,904,703	2,939,492	2,782,460	2,651,449	2,720,953

(a) Includes Singapore from 1 July 1964 to 30 September 1965.
1 July 1964 to 30 September 1965.

(b) Included with Malaysia from

VALUES OF AUSTRALIAN RECORDED IMPORTS AND EXPORTS: PROPORTIONS
BY COUNTRY OF ORIGIN OR CONSIGNMENT, 1963-64 TO 1965-66

(Per cent of total)

Country	Imports			Exports		
	1963-64	1964-65	1965-66	1963-64	1964-65	1965-66
Belgium-Luxembourg	0.71	0.86	0.56	2.16	2.24	1.86
Canada	4.04	4.03	3.67	1.81	1.51	1.59
China (mainland)	0.69	0.79	0.80	6.05	5.12	3.91
France	1.69	2.30	3.12	4.95	4.22	4.35
Germany, Federal Republic of . .	5.51	5.54	5.72	3.30	3.16	3.69
Hong Kong	0.79	0.84	0.86	1.80	2.07	2.16
India	1.46	1.41	1.19	1.27	2.09	1.03
Indonesia	2.34	2.20	2.10	0.35	0.28	0.20
Iran	1.59	0.92	1.16	0.18	0.70	0.52
Italy	1.69	1.74	1.69	3.90	3.21	4.05
Japan	6.85	8.90	9.53	17.53	16.62	17.29
Malaysia	1.25	(a)1.80	(a)1.09	1.15	(a)3.13	(a)1.83
Netherlands	1.31	1.27	1.37	0.57	0.78	1.43
New Zealand	1.89	1.60	1.60	5.98	5.97	6.29
Papua and New Guinea	0.76	0.68	0.60	1.74	2.21	2.67
Saudi Arabia	1.73	1.72	1.56	0.17	0.20	0.23
Singapore	0.29	(b)	(b)0.13	1.33	(b)	(b)1.25
Sweden	1.92	1.84	1.76	0.19	0.32	0.32
Switzerland	1.26	1.22	1.46	0.11	0.16	0.18
United Kingdom	27.78	26.21	25.81	18.40	19.47	17.40
United States of America . . .	22.86	23.83	23.94	10.09	9.96	12.44
U.S.S.R.	0.08	0.08	0.05	4.10	2.88	1.76
Other countries	11.35	10.01	9.85	12.19	13.42	13.35
Country unknown	0.16	0.21	0.38	0.68	0.28	0.20
Total	100.00	100.00	100.00	100.00	100.00	100.00

(a) Includes Singapore from 1 July 1964 to 30 September 1965. (b) Included with Malaysia from 1 July 1964 to 30 September 1965.

**VALUE OF RECORDED EXPORTS TO PRINCIPAL COUNTRIES, BY
STATISTICAL CLASS: AUSTRALIA, 1963-64 TO 1965-66**
(\$'000 f.o.b.)

Class	Year	China (main- land)	France	Germany Federal Republic of	Hong Kong	Italy	Japan
I. Foodstuffs of animal origin	1963-64	12	2,957	2,462	3,595	2,993	13,311
	1964-65	8	6,507	4,550	3,718	11,847	14,989
	1965-66	16	4,545	3,734	3,524	5,291	22,126
II. Foodstuffs of vegetable origin	1963-64	133,361	651	23,500	7,978	2,074	94,062
	1964-65	117,722	917	17,443	5,978	4,063	71,648
	1965-66	100,382	1,549	24,587	5,932	4,836	44,041
III. Spirituous and alcoholic liquors	1963-64	..	..	4	89	4	38
	1964-65	..	..	..	96	2	36
	1965-66	..	..	1	102	1	29
IV. Tobacco and preparations thereof	1963-64	..	..	..	42	..	..
	1964-65	..	..	..	2	..	1
	1965-66	..	..	1	2	..	..
V. Live animals	1963-64	..	..	1	346	..	56
	1964-65	49	..	1	170	..	105
	1965-66	48	..	3	41	1	55
VI. Animal substances	1963-64	31,247	131,496	58,810	11,192	95,974	287,622
	1964-65	15,348	100,862	53,740	7,948	64,126	248,855
	1965-66	3,976	105,449	54,205	8,524	91,198	272,654
VII. Vegetable substances and fibres	1963-64	..	19	311	11	124	67
	1964-65	..	19	412	9	165	137
	1965-66	..	12	368	5	175	152
VIII. Yarns and manufactured fibres, textiles and apparel	1963-64	15	53	19	600	432	650
	1964-65	40	46	32	715	272	658
	1965-66	15	56	133	723	485	600
IX. Oils, fats and waxes	1963-64	1,233	38	58	139	269	5,742
	1964-65	1,876	273	66	166	304	3,412
	1965-66	785	33	200	161	494	2,086
X. Pigments, paints and varnishes	1963-64	..	1	1	47	15	35
	1964-65	..	..	22	73	1	23
	1965-66	149	18	26	163	27	37
XI. Rocks, minerals and hydrocarbons	1963-64	364	1,268	1,381	71	1,066	46,487
	1964-65	296	1,893	2,778	272	909	69,478
	1965-66	..	2,610	3,528	499	1,305	86,110
XII. Metals, metal manufactures and machinery	1963-64	1,792	541	3,448	6,099	5,110	29,185
	1964-65	274	370	3,110	6,538	2,730	18,786
	1965-66	1,096	2,557	10,974	7,235	5,385	26,279
XIII. Rubber and leather and manufactures thereof	1963-64	50	7	128	1,003	34	224
	1964-65	5	15	144	1,191	24	412
	1965-66	49	23	107	1,323	24	383
XIV. Wood and wicker	1963-64	3	11	12	81	7	8
	1964-65	..	11	58	165	5	80
	1965-66	..	5	40	97	13	121
XV. Earthenware, cement, china, glass and stoneware	1963-64	..	1	11	24	2	3
	1964-65	..	1	6	75	..	18
	1965-66	..	1	53	89	10	10
XVI. Paper and stationery	1963-64	..	11	13	454	14	332
	1964-65	..	10	29	771	6	95
	1965-66	..	20	22	771	11	88
XVII. Sporting material, toys, fancy goods, jewellery and timepieces	1963-64	1	66	386	1,064	13	5,050
	1964-65	4	76	444	1,297	40	4,359
	1965-66	15	177	690	1,462	38	4,924
XVIII. Optical, surgical and scientific instruments and photographic goods, n.e.i.	1963-64	..	24	137	63	20	67
	1964-65	..	38	269	50	33	86
	1965-66	6	94	273	52	115	129
XIX. Chemicals, medicinal and pharmaceutical products, essential oils and fertilisers	1963-64	7	116	309	472	28	4,237
	1964-65	3	26	299	1,535	61	6,390
	1965-66	1	272	461	626	193	9,462
XX. Miscellaneous	1963-64	105	44	513	1,950	47	199
	1964-65	1	141	210	5,066	108	482
	1965-66	2	334	308	1,946	85	431
XXI. Silver	1963-64	..	..	..	..	..	..
	1964-65	..	189	..	1	..	..
	1965-66	..	..	..	..	..	..
Total merchandise exports	1963-64	168,190	137,304	91,504	35,320	108,226	487,376
	1964-65	135,626	111,394	83,615	35,835	84,696	440,048
	1965-66	106,541	117,755	99,714	33,279	109,687	469,718
XXII. Non-merchandise	1963-64	..	266	342	14,874	397	434
	1964-65	7	387	223	18,922	494	692
	1965-66	..	652	586	25,495	557	692
Total recorded exports	1963-64	168,190	137,570	91,846	50,194	108,624	487,810
	1964-65	135,633	111,781	83,837	54,757	85,190	440,740
	1965-66	106,541	118,408	100,300	58,774	110,244	470,410

VALUE OF RECORDED EXPORTS TO PRINCIPAL COUNTRIES, BY
STATISTICAL CLASS: AUSTRALIA, 1963-64 TO 1965-66—continued

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

Class	Year	New Zealand	Papua and New Guinea	United Kingdom	United States of America	Total Recorded Exports
I. Foodstuffs of animal origin	1963-64	51	4,095	100,409	163,784	362,764
	1964-65	31	5,630	164,520	118,167	427,312
	1965-66	163	6,758	133,386	156,562	419,287
II. Foodstuffs of vegetable origin	1963-64	24,864	6,107	155,228	22,978	725,046
	1964-65	19,025	6,762	124,359	19,691	604,826
	1965-66	16,038	9,002	136,903	21,526	553,086
III. Spirituous and alcoholic liquors	1963-64	210	964	1,686	52	5,536
	1964-65	263	837	2,254	48	6,245
	1965-66	296	814	1,983	63	6,463
IV. Tobacco and preparations thereof	1963-64	26	1,137	..	..	1,780
	1964-65	34	1,168	44	2	1,925
	1965-66	35	1,209	1	13	2,003
V. Live animals	1963-64	175	123	3	457	4,817
	1964-65	255	209	5	101	4,199
	1965-66	319	125	4	446	4,810
VI. Animal substances	1963-64	2,148	8	160,715	45,617	1,055,615
	1964-65	3,351	11	116,670	65,780	889,432
	1965-66	3,193	61	84,564	71,422	877,329
VII. Vegetable substances and fibres	1963-64	604	50	719	1,119	3,861
	1964-65	932	69	397	960	4,086
	1965-66	499	62	350	1,194	4,017
VIII. Yarns and manufactured fibres, textiles and apparel	1963-64	7,238	830	826	886	14,666
	1964-65	7,810	966	441	1,143	15,517
	1965-66	7,731	1,136	1,074	1,306	17,121
IX. Oils, fats and waxes	1963-64	24,233	717	4,938	248	57,969
	1964-65	8,318	988	5,079	463	43,456
	1965-66	6,350	1,289	2,055	180	34,395
X. Pigments, paints and varnishes	1963-64	549	505	42	69	2,661
	1964-65	501	490	60	40	2,837
	1965-66	1,846	726	56	400	5,361
XI. Rocks, minerals and hydrocarbons	1963-64	824	114	15,073	14,180	93,105
	1964-65	1,214	176	21,084	20,888	137,799
	1965-66	1,440	272	22,030	22,153	161,741
XII. Metals, metal manufactures and machinery	1963-64	73,872	12,364	50,777	16,823	280,541
	1964-65	80,763	16,640	56,757	21,329	307,358
	1965-66	92,144	21,854	65,187	39,685	398,397
XIII. Rubber and leather, and manufactures thereof	1963-64	1,047	298	5,166	495	10,780
	1964-65	1,229	405	4,768	481	11,580
	1965-66	1,263	504	5,786	695	12,946
XIV. Wood and wicker	1963-64	1,794	120	688	450	6,166
	1964-65	1,704	134	731	535	5,655
	1965-66	1,969	230	838	432	4,813
XV. Earthenware, cement, china, glass and stoneware	1963-64	1,060	892	202	15	3,390
	1964-65	1,082	1,012	28	15	3,649
	1965-66	1,085	1,581	32	26	4,292
XVI. Paper and stationery	1963-64	5,267	1,459	831	335	12,986
	1964-65	4,470	1,521	1,228	777	14,546
	1965-66	4,790	1,675	1,101	711	14,136
XVII. Sporting material, toys, fancy goods, jewellery and timepieces	1963-64	357	79	1,831	735	10,641
	1964-65	429	94	1,880	877	11,051
	1965-66	583	130	3,280	1,325	14,616
XVIII. Optical, surgical and scientific instruments and photographic goods, n.e.i.	1963-64	2,495	365	2,347	755	7,373
	1964-65	3,185	391	2,624	922	9,332
	1965-66	3,564	536	2,342	1,098	10,205
XIX. Chemicals, medicinal and pharmaceutical products, essential oils and fertilisers	1963-64	8,040	1,648	2,085	2,794	26,617
	1964-65	10,058	1,741	2,302	4,175	34,217
	1965-66	11,999	2,063	2,261	6,924	42,301
XX. Miscellaneous	1963-64	6,486	7,646	4,368	961	34,050
	1964-65	7,680	8,920	4,120	1,520	42,420
	1965-66	8,709	10,930	2,466	3,542	45,735
XXI. Silver	1963-64	46	..	1,540	..	5,281
	1964-65	111	3	251	1	1,727
	1965-66	175	..	300	..	476
<i>Total merchandise exports</i>	1963-64	161,387	39,521	509,474	272,753	2,725,646
	1964-65	152,446	48,167	509,602	257,915	2,579,168
	1965-66	164,190	60,955	465,999	329,699	2,633,532
XXII. Non-merchandise	1963-64	4,964	8,987	2,514	8,047	56,814
	1964-65	5,856	10,350	6,624	6,278	72,281
	1965-66	7,087	11,767	7,359	8,689	87,421
<i>Total recorded exports</i>	1963-64	166,350	48,508	511,988	280,800	2,782,460
	1964-65	158,302	58,517	516,226	264,193	2,651,449
	1965-66	171,277	72,722	473,358	338,388	2,720,953

VALUE OF RECORDED IMPORTS FROM PRINCIPAL COUNTRIES
SECTIONS OF THE AUSTRALIAN IMPORT COMMODITY CLASSIFICATION
1963-64 TO 1965-66
(\$'000 f.o.b.)

Section number	Description	Year	France	Germany, Federal Republic of	Japan	United Kingdom	United States of America	Total recorded imports
0	Food and live animals	1963-64	424	1,235	4,943	8,004	4,445	92,216
		1964-65	382	1,055	6,345	9,248	6,051	99,763
		1965-66	385	1,376	8,235	11,140	8,441	110,016
1	Beverages and tobacco	1963-64	651	99	12	8,806	18,344	36,044
		1964-65	945	112	9	10,093	14,508	35,646
		1965-66	960	115	14	10,477	17,453	37,453
2	Crude materials, inedible, except fuels	1963-64	1,026	1,504	5,086	10,333	44,497	193,428
		1964-65	933	1,801	5,256	10,769	47,253	220,149
		1965-66	1,345	1,181	5,669	8,660	43,536	197,350
3	Mineral fuels, lubricants and related materials	1963-64	47	76	1,385	2,068	11,056	235,088
		1964-65	628	118	1,718	2,085	9,121	243,483
		1965-66	133	495	4,390	2,034	7,512	251,990
4	Animal and vegetable oils and fats	1963-64	66	361	530	896	2,245	13,798
		1964-65	39	498	1,796	911	3,540	14,410
		1965-66	24	875	1,931	897	3,661	15,243
5	Chemicals	1963-64	4,994	26,062	13,535	74,156	66,409	222,912
		1964-65	7,584	27,286	13,344	87,276	74,862	255,355
		1965-66	6,772	29,881	19,290	88,279	76,956	265,758
6	Manufactured goods classified chiefly by material	1963-64	(a)	(a)	(a)	(a)	(a)	(a)
		1964-65	(a)	(a)	(a)	(a)	(a)	(a)
		1965-66	9,770	20,800	132,535	147,221	77,379	589,635
	Machinery and transport equipment	1963-64	(b) 28,940	(b) 84,252	(b) 115,439	(b) 466,443	(b) 333,924	b) 1,303,740
		1964-65	(b) 50,878	(b) 109,009	(b) 195,371	(b) 532,299	(b) 460,887	b) 1,696,336
		1965-66	53,657	92,174	72,660	388,649	387,912	1,120,884
8	Miscellaneous manufactured articles	1963-64	2,536	13,010	18,169	60,819	38,068	173,332
		1964-65	3,230	15,158	24,111	67,872	41,875	198,416
		1965-66	3,691	16,355	26,488	71,466	51,446	220,243
9(a)	Commodities and transactions of merchandise trade not elsewhere classified	1963-64	1,058	3,240	2,843	19,181	13,573	59,018
		1964-65	1,531	3,834	3,828	20,359	20,422	77,768
		1965-66	14,187	4,165	4,851	22,866	22,745	89,708
	<i>Total merchandise imports</i>	1963-64	39,744	129,839	161,941	650,708	532,562	2,329,576
		1964-65	66,152	158,871	251,779	740,911	678,521	2,841,326
		1965-66	90,924	167,417	276,061	751,691	697,041	2,898,280
9(b)	Non-merchandise	1963-64	314	937	527	8,360	9,932	43,082
		1964-65	751	2,143	6,795	20,501	13,725	63,377
		1965-66	746	809	4,112	7,060	6,556	41,212
	<i>Total recorded imports</i>	1963-64	40,058	130,776	162,468	659,068	542,494	2,372,658
		1964-65	66,903	161,014	258,574	761,412	692,246	2,904,703
		1965-66	91,670	168,226	280,173	758,751	703,597	2,939,492

(a) Section 6 for the years 1963-64 and 1964-65 is not recorded separately, and has been included with section 7. (b) Includes section 6. See footnote (a).

VALUE OF RECORDED TRADE OF AUSTRALIA, BY MAJOR GROUP OF COUNTRIES, 1964-65 AND 1965-66
(\$'000 f.o.b.)

	1964-65	1965-66
STERLING AREA		
Recorded imports—		
From—United Kingdom	761,412	758,751
Other countries	348,256	335,293
Total	1,109,668	1,094,044
Recorded exports—		
To—United Kingdom	516,226	473,358
Other countries	553,968	554,322
Total	1,070,194	1,027,680
Excess of exports (+) or imports (—)	—39,474	—66,362

VALUE OF RECORDED TRADE OF AUSTRALIA,
BY MAJOR GROUP OF COUNTRIES, 1964-65 AND 1965-66—*continued*
(\$'000 f.o.b.)

	1964-65	1965-66
NON-STERLING COUNTRIES—NORTH AMERICA		
Recorded imports—		
From—Canada	117,006	107,972
United States of America(a)	692,356	703,775
Total	809,362	811,747
Recorded exports—		
To—Canada	39,914	43,171
United States of America(a)	268,440	343,747
Total	308,354	386,918
Excess of exports (+) or imports (–)	–501,008	–424,829
OTHER NON-STERLING COUNTRIES		
Recorded imports—		
From—European Economic Community	345,235	372,282
European Free Trade Association(b)	133,584	138,518
Other countries—		
Japan	258,574	280,173
Eastern Europe, China (mainland), etc.	46,469	40,685
Other	201,811	202,043
Total	985,673	1,033,701
Recorded exports—		
To—European Economic Community	385,737	438,929
European Free Trade Association(b)	33,271	29,991
Other countries—		
Japan	440,740	470,410
Eastern Europe, China (mainland), etc.	246,908	188,727
Other	166,245	178,298
Total	1,272,901	1,306,355
Excess of exports (+) or imports (–)	+287,228	+272,652
ALL GROUPS		
Total recorded imports	2,904,703	2,939,492
Total recorded exports	2,651,449	2,720,953
Excess of exports (+) or imports (–)	–253,254	–218,539

(a) Includes United States of America Territories and Dependencies. (b) Other than United Kingdom.

Countries comprising the several groups are listed below.

STERLING AREA—

Antarctica
Bahama Is.
Bahrain
Barbados
Basutoland
Bechuanaland
Bermuda
Brunei
Burma
Ceylon
Christmas Is.
Cocos Is.
Cook Is.
Cyprus
Falkland Is.
Fiji
Gambia
Ghana
Gibraltar
Gilbert and Ellice Is.
Guyana
Honduras (British)
Hong Kong
Iceland
India
Ireland
Jamaica
Jordan
Kenya
Kuwait
Leeward Is.
Libya
Malawi
Malaysia
Maldives Is.
Malta
Mauritius
Muscat and Oman
Nauru
New Zealand
Nigeria
Norfolk Is.
Pakistan
Papua and New Guinea
Qatar
Rhodesia, Southern
Ross Dependency
St. Helena and
Ascension
Seychelles
Sierra Leone

Singapore
Solomon Is.
South Africa
South Arabia,
Federation of
South West Africa
Swaziland
Tanzania
Tonga
Trinidad and Tobago
Trucial States
Uganda
United Kingdom
Virgin Is. (British)
Western Samoa
Windward Is.
Zambia

NON-STERLING COUNTRIES—

NORTH AMERICA—
Canada
United States of
America and
Dependencies
(Guam, Puerto Rico,
Samoa, Virgin Is.
and other Pacific Is.)

EUROPEAN ECONOMIC COMMUNITY—

Algeria
Belgium-Luxembourg
Burundi
Cameroon
Central African
Republic
Chad
Congo-Brazzaville
Congo-Leopoldville
Dahomey
France
Gabon
German, Federal
Republic of
Greece
Guiana (French)
Italy
Ivory Coast
Madagascar
Mali

Mauritania
Netherlands
New Caledonia
Niger
Polynesia
Reunion and
Southern Is.
Rwanda
St. Pierre and
Miquelon
Senegal
Somaliland (French)
Togo
Upper Volta
West Indies (French)

EUROPEAN FREE TRADE ASSOCIATION(a)—

Angola
Austria
Cape Verde Is.
Denmark
Finland
Guinea
Macao
Mozambique
Norway
Portugal
Sweden
Switzerland
Timor

EASTERN EUROPE, CHINA (MAINLAND), etc.—

Albania
Bulgaria
China (mainland)
Czechoslovakia
Germany (East)
Hungary
Korea (North)
Mongolia
Poland
Romania
U.S.S.R.
Vietnam, North

OTHER—

Afghanistan
Antilles
Argentina
Bhutan

Bolivia
Brazil
Cambodia
Chile
China, Republic of
(Formosa)
Colombia
Costa Rica
Cuba
Dominican Republic
Ecuador
El Salvador
Ethiopia
Guatemala
Guinea
Haiti
Honduras (not British)
Indonesia
Iran
Iraq
Israel
Japan
Korea, Republic of
Laos
Lebanon
Liberia
Mexico
Morocco
Nepal
New Hebrides
Nicaragua
Panama
Paraguay
Peru
Philippines
Saudi Arabia
Somalia
Spain
Spanish Equatorial
(West) Africa
Sudan
Surinam
Syria
Thailand
Tunisia
Turkey
United Arab Republic
Uruguay
Venezuela
Vietnam, Republic of
Yemen
Yugoslavia

(a) Other than United Kingdom.

Recorded trade with the United Kingdom

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 369-70 in this chapter.

The tables following show details of Australia's recorded exports to the United Kingdom by statistical class and for principal products, and recorded imports from the United Kingdom by division of the Australian Import Commodity Classification (based on the Standard International Trade Classification), for each of the years 1963-64 to 1965-66.

**VALUE OF RECORDED EXPORTS TO THE UNITED KINGDOM
BY STATISTICAL CLASS, AUSTRALIA, 1963-64 TO 1965-66**

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

Class	1963-64	1964-65	1965-66
I. Foodstuffs of animal origin, etc.	100,409	164,520	133,386
II. Foodstuffs of vegetable origin, non-alcoholic beverages, etc.	155,228	124,359	136,903
III. Alcoholic liquors, etc.	1,686	2,254	1,983
IV. Tobacco, etc.	..	44	1
V. Live animals and birds	3	5	4
VI. Animal substances, etc.	160,715	116,670	84,564
VII. Vegetable substances, etc.	719	397	350
VIII. Apparel, textiles, etc.	826	441	1,074
IX. Oils, fats and waxes	4,938	5,079	2,055
X. Pigments, paints and varnishes	42	60	56
XI. Rocks, minerals, etc.	15,073	21,084	22,030
XII. Metals, metal manufactures and machinery	50,777	56,757	65,187
XIII. Rubber and leather, etc.	5,166	4,768	5,786
XIV. Wood and wicker, etc.	688	731	838
XV. Earthenware, etc.	202	28	32
XVI. Paper and stationery	831	1,228	1,101
XVII. Jewellery, etc.	1,831	1,880	3,280
XVIII. Optical, surgical and scientific instruments	2,347	2,624	2,342
XIX. Chemicals, medicinal products, essential oils, fertilisers	2,085	2,302	2,261
XX. Miscellaneous	4,368	4,120	2,466
XXI. Silver	1,540	251	300
<i>Total merchandise exports</i>	<i>509,474</i>	<i>509,602</i>	<i>465,999</i>
XXII. Non-merchandise	2,514	6,624	7,359
Total recorded exports	511,988	516,226	473,358

**EXPORTS OF PRINCIPAL ARTICLES OF AUSTRALIAN PRODUCE
TO THE UNITED KINGDOM, 1963-64 TO 1965-66**

Article	Quantity			Value (\$'000 f.o.b.)		
	1963-64	1964-65	1965-66	1963-64	1964-65	1965-66
Butter tons	74,361	75,695	61,311	44,676	49,655	38,891
Cheese tons	13,059	16,061	2,548	5,236	7,183	4,029
Copper and copper based alloys '000 cwt	5	5	4	1,326	1,477	897
Dynamo electrical machinery and electrical appliances	..	..	..	404	569	748
Eggs tons	..	..	..	1,716	3,108	2,085
Fruit, dried tons	28,206	28,118	35,628	9,684	9,592	12,041
" fresh tons	..	..	..	14,982	15,183	16,140
" preserved in airtight containers tons	106,801	43,696	88,552	28,592	20,834	24,639
Grains and cereals—						
Barley tons	112,467	38,114	34,761	4,924	1,781	1,808
Flour (wheaten) plain white tons(a)	48,743	45,563	32,935	2,888	2,759	2,064
Wheat tons	753,923	512,470	623,929	40,376	26,698	32,499
Other tons	..	..	..	2,310	3,044	2,799
Hides and skins tons	..	..	..	6,332	5,277	3,732
Iron and steel tons	..	..	..	5,859	1,417	2,044
Lead bullion tons	60,715	36,275	66,665	13,452	12,106	19,993
" pig tons	76,631	83,565	77,124	13,358	24,061	18,620
Lead and silver-lead ores and concentrates '000 cwt	525	117	198	3,470	928	1,429
Lead and zinc slags and residues "	13	21	12	133	220	201
Leather tons	..	..	..	4,630	4,169	5,150
Machines and machinery (other than dynamo electrical)	..	..	..	1,944	2,267	2,354

(a) 2,000 lb.

**EXPORTS OF PRINCIPAL ARTICLES OF AUSTRALIAN PRODUCE
TO THE UNITED KINGDOM, 1963-64 TO 1965-66—continued**

Article	Quantity			Value (\$'000 f.o.b.)		
	1963-64	1964-65	1965-66	1963-64	1964-65	1965-66
Meats preserved by cold process—						
Beef and veal tons	36,961	107,027	80,444	20,860	64,847	54,619
Lamb "	13,005	17,052	8,458	4,982	7,051	3,410
Mutton "	5,350	11,617	3,747	1,636	5,053	1,686
Rabbit and hare "				3,204	3,338	3,761
Meats, tinned "	10,119	13,777	11,031	5,334	7,637	5,931
Milk and cream '000 lb	8,691	9,048	5,175	1,202	1,414	926
Sugar (cane) tons	422,058	402,861	453,362	49,496	42,722	43,762
Tallow, inedible "	10,568	16,135	3,594	1,228	2,488	536
Titanium and zirconium ores and concentrates '000 cwt	3,208	4 526	5,170	3,017	4,312	4,907
Wine fermented '000 gal	1,054	1,412	1,250	1,610	2,127	1,873
Wool "	247,586	206,309	149,264	153,528	110,015	79,857
Zinc bars, etc. tons	21,750	27 094	21,362	4,488	7,735	5,834
Zinc ores and concentrates '000 cwt	3,136	2,971	3,494	7,222	10,700	11,541
All other articles . . . . . "	..	..	..	39,869	41,606	53,062
Total . . . . .	..	..	..	503,968	503,483	463,808

**VALUE OF RECORDED IMPORTS OF UNITED KINGDOM ORIGIN: DIVISIONS
OF THE AUSTRALIAN IMPORT COMMODITY CLASSIFICATION
1963-64 TO 1965-66(a)
(\$'000)**

Division no.	Description	1963-64	1964-65	1965-66
00	Live animals	469	376	503
01	Meat and meat preparations	77	140	84
02	Dairy products and eggs	24	26	26
03	Fish and fish preparations	5,542	6,242	7,397
04	Cereals and cereal preparations	410	455	651
05	Fruit and vegetables	306	812	825
06	Sugar and sugar preparations and honey	505	561	660
07	Coffee, tea, cocoa, spices and manufactures thereof	470	375	353
08	Feeding stuff for animals (excluding unmilled cereals)	11	11	215
09	Miscellaneous preparations chiefly for food	190	250	426
11	Beverages	7,787	8,853	9,100
12	Tobacco and tobacco manufactures	1,019	1,240	1,377
21	Hides, skins and fur skins, undressed	98	79	88
22	Oil seeds, oil nuts and oil kernels	44	80	56
23	Crude rubber (including synthetic and reclaimed)	493	409	705
24	Wood, timber and cork	137	147	56
25	Pulp and waste paper	66	5	3
26	Textile fibres and their waste	6,237	6,690	5,503
27	Crude fertilisers and crude minerals (excluding coal, petroleum and precious stones)	1,648	1,527	1,348
28	Metalliferous ores and metal scrap	316	382	79
29	Crude animal and vegetable materials, n.e.s.	1,294	1,450	822
32	Coal, coke and briquettes	2,067	2,084	2,035
33	Petroleum and petroleum products			
34	Petroleum gases and other gaseous hydrocarbons	1	1	..
41	Animal oils and fats	896	911	112
42	Fixed vegetable oils and fats			
43	Animal and vegetable oils and fats, processed and waxes of animal or vegetable origin			
51	Chemical elements and compounds	(b)	(b)	20,825
52	Mineral tar and crude chemicals from coal, petroleum and natural gas	(b)	(b)	154

VALUE OF RECORDED IMPORTS OF UNITED KINGDOM ORIGIN: DIVISIONS
OF THE AUSTRALIAN IMPORT COMMODITY CLASSIFICATION
1963-64 TO 1965-66(a)—continued
(\$'000)

Division no.	Description	1963-64	1964-65	1965-66
53	Dyeing, tanning and colouring materials	5,740	5,993	6,478
54	Medicinal and pharmaceutical products	13,821	16,275	14,093
55	Essential oils and perfume materials; toilet, polishing and cleansing preparations	4,104	4,565	4,518
56	Fertilisers, manufactured	72	913	389
57	Explosives and pyrotechnic products	1,867	2,725	1,513
58	Plastic materials, regenerated cellulose and artificial resins	(c)	(c)	26,372
59	Chemical materials and products, n.e.s.	48,552	56,805	13,937
61	Leather, leather manufactures, n.e.s., and dressed fur skins	1,104	1,378	1,671
62	Rubber manufactures, n.e.s.	8,366	11,232	10,771
63	Wood and cork manufactures (excluding furniture)	618	948	711
64	Paper, paperboard and manufactures thereof	13,051	11,116	11,512
65	Textile yarn, fabrics, made-up articles and related products	50,099	57,244	47,924
66	Non-metallic mineral manufactures, n.e.s.	17,231	19,826	18,539
67	Iron and steel	20,096	24,793	21,913
68	Non-ferrous metals	8,565	13,192	8,539
69	Manufactures of metal, n.e.s.	347,313	392,570	25,641
71	Machinery, other than electric			200,363
72	Electric machinery, apparatus and appliances			67,242
73	Transport equipment (including warships, and military aircraft)			121,044
81	Sanitary, plumbing, heating and lighting fixtures and fittings	1,577	1,919	1,665
82	Furniture	750	880	1,020
83	Travel goods, handbags and similar articles	900	1,158	416
84	Clothing and clothing accessories and articles of knitted or crocheted fabric	5,206	5,647	6,142
85	Footwear, gaiters, and similar articles and parts therefor	734	681	744
86	Professional, scientific and controlling instruments; photographic and optical goods, watches and clocks	13,791	17,103	23,596
89	Miscellaneous manufactured articles, n.e.s.	37,861	40,484	37,883
9(a)	Commodities and transactions not classified according to kind	19,180	20,359	22,865
	<i>Total merchandise imports</i>	650,708	740,911	751,691
9(b)	Non-merchandise specie	8,360	20,501	7,060
	Grand total	659,068	761,412	758,751

(a) Figures for 1963-64 and 1964-65 are estimated only. Estimates for those divisions which have been grouped are not available. (b) Included with divisions 58 and 59. (c) Includes divisions 51 and 52.

Recorded trade with eastern countries

The values of recorded imports from, and recorded exports to, eastern countries during the years 1963-64 to 1965-66 are shown in the following table, and tables on page 403 provide commodity classifications of this trade.

**VALUE OF RECORDED TRADE OF AUSTRALIA WITH EASTERN COUNTRIES
BY COUNTRY OF ORIGIN OR CONSIGNMENT, 1963-64 TO 1965-66**

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

Country	Imports			Exports		
	1963-64	1964-65	1965-66	1963-64	1964-65	1965-66
Brunei	9,702	7,232	9,353	172	125	213
Burma	154	72	91	5,582	5,114	4,165
Cambodia	6	2	30	84	296	134
Ceylon	17,158	17,277	17,563	14,314	18,671	17,408
China, Republic of (Formosa)	2,868	4,355	4,270	7,252	8,137	16,227
China (mainland)	16,356	22,862	23,460	168,190	135,633	106,541
Hong Kong	18,826	24,414	25,358	50,194	54,757	58,774
India	34,610	40,909	35,012	35,434	55,400	28,001
Indonesia	55,438	64,034	61,763	9,648	7,431	5,359
Japan	162,468	258,574	280,173	487,810	440,740	470,410
Korea (North)	96	86	..	2,298	2,305	5,446
Korea, Republic of	798	774	1,761	6,450	3,972	4,849
Laos . . . . .	..	16	..	50	2	127
Macao	80	85	55	10	18	11
Malaysia(a)	29,608	(a)52,322	(a)31,924	32,080	(a)82,917	(a)49,770
Nepal	8	14	1	2	2	3
Pakistan	13,960	13,188	16,390	8,028	9,274	7,383
Philippines	2,140	3,242	2,518	20,734	20,920	23,990
Singapore(b)	6,830	(b)	(b)3,699	36,996	(b)	(b)34,004
Thailand	986	1,139	1,150	10,244	13,855	15,573
Timor	4	..	55	284	208	300
Vietnam (North) . . . . .	..	1	..	18	155	65
Vietnam, Republic of . . .	42	49	41	1,488	2,617	6,520
Total	372,138	510,647	514,667	897,362	862,549	855,273

(a) Includes Singapore from 1 July 1964 to 30 September 1965.

(b) See note (a).

**VALUE OF EXPORTS OF PRINCIPAL ARTICLES TO EASTERN COUNTRIES
AUSTRALIA, 1965-66**

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

Article	Ceylon	China (mainland)	Hong Kong	India	Indonesia	Japan	Malaysia	Pakistan	Singapore
Animal (except marine) oils and fats	658	782	95	64	..	581	616	1,243	96
Butter	812	..	944	19	14	536	1,245	..	1,069
Cheese	166	..	151	64	11	2,362	132	2	128
Coal	77	..	448	..	..	59,476	83	154	33
Copper	3	..	1,183	311	..	13,632	22	293	60
Fruit, fresh or preserved . .	..	..	827	..	6	..	1,224	..	1,636
Grains and cereals—									
Wheat	22	100,381	3,918	9,660	..	18,679	5,306	2,234	6,311
Flour (wheaten), plain white	10,352	1	91	9	235	..	2,101	..	130
Other	53	..	513	23	7	5,395	1,775	..	730
Infants' and invalids' foods .	289	..	654	1	15	19	2,001	1	603
Leather	38	49	1,198	35	2	41	271	..	334
Machines and machinery . .	539	58	1,229	615	593	526	4,314	695	1,259
Meats, all kinds	397	11	1,143	53	638	16,106	1,747	8	2,921
Metals and metal manufactures except zinc bars, etc. . . .	479	1,023	4,128	4,399	767	12,073	3,905	584	2,553
Milk and cream	994	5	340	994	268	535	4,298	39	1,003
Petroleum oils . . . . .	..	..	6	..	78	1,501	427	..	3,069
Sugar—from cane (raw) . .	..	..	2	..	1	18,109	3,336	..	..
Wool . . . . .	..	3,475	8,393	5,441	3	259,735	..	1,015	..
Zinc bars, blocks, etc. . . .	19	15	695	4,290	11	49	366	342	434
All other articles	2,510	741	32,816	2,023	2,710	61,055	16,601	773	11,635
Total	17,408	106,541	58,774	28,001	5,359	470,410	49,770	7,383	34,004

**VALUE OF RECORDED TRADE OF AUSTRALIA WITH EASTERN COUNTRIES: IMPORTS
BY SECTION OF THE AUSTRALIAN IMPORT COMMODITY CLASSIFICATION, EXPORTS
OF PRINCIPAL ARTICLES, 1963-64 TO 1965-66**
(\$'000 f.o.b.)

Section no.	Imports			Exports						
	Description	1963-64	1964-65	1965-66	Article	1963-64	1964-65	1965-66		
0	Food and live animals	33,655	38,645	41,399	Animal (except marine)					
1	Beverages and tobacco	113	217	77	oils and fats	7,580	8,526	6,007		
2	Crude materials, inedible except fuels	39,890	51,883	38,850	Butter	5,074	4,660	5,135		
3	Mineral fuels, lubricants and related materials	66,788	75,848	80,164	Cheese	2,864	2,660	4,045		
4	Animal and vegetable oils and fats	5,085	3,328	3,474	Coal	31,242	49,360	60,781		
5	Chemicals	15,782	16,115	21,489	Copper	13,512	3,622	15,730		
6	Manufactured goods classified chiefly by material	172,257	267,042	199,194	Fruit, fresh or preserved	4,502	4,626	4,098		
7	Machinery and transport equipment				74,062	12,876	Grains and cereals—			
8	Miscellaneous manufactured articles						28,962	38,651	43,806	Wheat	182,268	180,726	156,041
9(a)	Commodities and transactions of merchandise trade not elsewhere classified	7,483	10,518	7,393			Flour (wheaten), plain white	20,686	22,024	13,572
	<i>Total merchandise imports</i>	370,015	502,247	509,908	Other	24,494	22,876	12,436		
9(b)	Non-merchandise	2,123	8,400	4,759	Infants' and invalids' foods	4,922	5,828	5,592		
					Leather	1,498	1,854	2,050		
					Machines and machinery	15,860	16,514	17,029		
					Meats, all kinds	16,072	18,582	24,738		
					Metals and metal manufactures except zinc bars, etc.	50,392	43,578	41,516		
					Milk and cream	12,990	16,914	12,488		
					Petroleum oils	8,060	7,600	5,530		
					Sugar—from cane (raw)	55,848	38,416	21,448		
					Wool	345,110	284,638	289,090		
					Zinc bars, blocks, etc.	8,538	13,884	10,690		
					All other articles	85,850	115,661	147,257		
	Grand total	372,138	510,647	514,667	Total	897,362	862,549	855,273		

**VALUE OF RECORDED IMPORTS FROM EASTERN COUNTRIES: BY SECTION OF
THE AUSTRALIAN IMPORT COMMODITY CLASSIFICATION 1965-66**
(\$'000 f.o.b.)

Section no.	Description	Brunei	Ceylon	China (mainland)	Hong Kong	India	Indonesia	Japan	Malaysia	Pakistan	Singapore
0	Food and live animals	..	16,441	1,987	711	6,897	4,532	8,235	1,160	17	82
1	Beverages and tobacco	..	..	1	6	3	30	14	..	..	..
2	Crude materials, inedible, except fuels	9	622	2,625	501	1,878	138	5,668	22,062	3,378	61
3	Mineral fuels, lubricants and related products	9,343	..	3	548	420	56,678	4,390	5,488	..	3,294
4	Animal and vegetable oils and fats	..	17	497	18	196	3	1,931	779	..	33
5	Chemicals	..	13	1,148	213	278	177	19,289	40	3	11
6	Manufactured goods classified chiefly by material	..	83	13,131	9,623	24,273	18	132,535	1,870	12,601	38
7	Machinery and transport equipment	..	..	192	836	236	1	72,660	13	9	32
8	Miscellaneous manufactured articles	..	2	3,346	12,292	338	1	26,489	87	266	86
9(a)	Commodities and transactions of merchandise trade not elsewhere classified	..	381	520	477	444	159	4,852	121	106	21
	<i>Total merchandise imports</i>	9,352	17,559	23,450	25,225	34,963	61,737	276,063	31,620	16,380	3,658
9(b)	Non-merchandise	1	4	10	133	49	26	4,110	304	10	41
	<i>Grand total</i>	9,353	17,563	23,460	25,358	35,012	61,763	280,173	31,924	16,390	3,699

Recorded overseas trade at customs ports

The following table shows the value of recorded imports and exports at customs ports of Australia during the year 1965-66, and the totals for each State and Territory.

VALUE OF RECORDED OVERSEAS TRADE: CUSTOMS PORTS
AUSTRALIA, 1965-66
(\$'000 f.o.b.)

Port	Imports	Exports	Port	Imports	Exports
New South Wales—			Port Pirie (incl. Port Germein)	52	77,641
Sydney	1,054,852	523,551	Port Wallaroo	1,146	5,546
Kingsford-Smith airport	82,007	69,796	Whyalla	10,155	2,511
Coffs Harbour (incl. Ballina)		786	Parcels post, Adelaide	2,074	(a)
Botany Bay (Kurnell)	54,360	1,679	Total, South Australia	198,156	296,276
Newcastle (incl. Port Stephens)	24,189	109,958			
Port Kembla	29,324	75,436	Western Australia—		
Parcels post, Sydney	12,871	(a)	Fremantle	120,707	232,381
Total, New South Wales	1,257,603	781,206	Perth (incl. airport)	3,683	883
			Kwinana	40,008	8,516
Victoria—			Albany	1,874	26,359
Melbourne	895,112	654,626	Broome	6	1,809
Melbourne airport	46,876	4,003	Bunbury	2,413	12,486
Geelong	62,196	89,677	Busselton		319
Portland	2,914	19,757	Derby	6	320
Parcels post, Melbourne	10,262	(a)	Esperance	371	1,652
Total, Victoria	1,017,360	768,063	Exmouth (North West Cape)		7
			Geraldton	1,751	24,514
Queensland—			King Bay (Dampier)	1,633	
Brisbane	215,108	271,510	Point Samson (incl. Roebourne)		474
Brisbane airport	3,771	1,536	Port Hedland	1,819	2,084
Bowen	3	5,152	Wyndham	99	2,451
Bundaberg	15	2,192	Yampi Sound (Cockatoo Island)		149
Cairns (incl. airport)	2,204	21,074	Parcels post, Perth	1,320	(a)
Gladstone	7,732	20,508	Total, Western Australia	175,690	314,404
Innisfail	2	12,446			
Mackay	2,185	45,472	Tasmania—		
Maryborough (incl. Urongan)	156	4	Hobart (incl. airport)	21,660	51,179
Rockhampton (incl. airport and Port Alma)	1,229	17,712	Burnie (incl. airport)	7,836	13,417
Thursday Island	54	468	Devonport (incl. airport and Ulverstone)	920	6,586
Townsville (incl. airport)	6,529	61,139	Launceston (incl. airport and Beauty Point)	13,169	20,825
Weipa	200	3,384	Parcels Post	(b)	(b)
Parcels post, Brisbane	1,161	(a)	Total, Tasmania	43,585	92,007
Total, Queensland	240,349	462,597			
			Northern Territory—		
South Australia—			Darwin	5,596	6,398
Port Adelaide (incl. Stenhouse Bay)	157,120	177,068			
Adelaide city (incl. airport)	3,581		Australian Capital Territory—		
Port Stanvac	22,666	336	Canberra	1,153	1
Ardrossan		7,094	Total recorded trade	2,939,492	2,720,953
Cape Thevenard		4,566			
Edithburgh		101			
Port Augusta	1	4,693			
Port Lincoln	1,361	16,720			

(a) Included with main port. (b) Included with respective port.

In the table above exports are shown against the port from which the goods were finally shipped overseas.

Ships' and aircraft stores

The value of ships' and aircraft stores loaded on overseas ships and aircraft are excluded from exports. The value of these stores is shown in the table below for each of the years 1963-64 to 1965-66.

**VALUE OF STORES LOADED ON BOARD OVERSEAS VESSELS
AND AIRCRAFT: AUSTRALIA 1963-64 TO 1965-66**
(\$'000)

Stores	1963-64	1964-65	1965-66
Cigarettes, cigars and tobacco .	562	751	814
Fuel, lubricating oil and lubricants	18,264	18,599	21,142
Foodstuffs for human consumption—			
Meats	2,628	3,416	3,716
Sugar	82	50	36
Milk and cream, preserved .	64	61	60
Butter	262	331	254
Cheese	48	66	65
Eggs in shell	378	408	471
Seafoods	378	433	462
Prepared grains	168	218	236
Vegetables	470	692	620
Fruit	298	339	306
Other	440	437	468
Fodder	188	159	159
Alcoholic beverages	1,190	1,387	1,513
Coal	2	221	1
Other ships' stores	4,448	2,791	3,828
Total	29,870	30,359	34,151

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 1963-64 to 1965-66.

**VALUES OF RECORDED IMPORTS AND EXPORTS OF BULLION AND SPECIE
AUSTRALIA, 1963-64 TO 1965-66**
(\$ f.o.b.)

	Imports			Exports		
	1963-64	1964-65	1965-66	1963-64	1964-65	1965-66
Gold—Bullion . .	4,581,410	4,058,438	4,177,183	14,289,380	18,404,346	24,417,466
Specie	15,248	75,782	9,790	..	..	720
<i>Total, gold . .</i>	<i>4,596,658</i>	<i>4,134,220</i>	<i>4,186,973</i>	<i>14,289,380</i>	<i>18,404,346</i>	<i>24,418,186</i>
Silver—Bullion . .	144,616	108,514	141,945	5,281,322	1,726,956	475,666
Specie	40,806	55,100	620,346	571,642	501,198	360,285
<i>Total, silver . .</i>	<i>185,422</i>	<i>163,614</i>	<i>762,291</i>	<i>5,852,964</i>	<i>2,228,154</i>	<i>835,951</i>
Other (including bronze and cupro-nickel)—Specie .	2,084	102	741,709	3,750	3,900	722,914
Total—						
Australian produce . .	..	..	..	20,117,296	20,575,744	25,957,620
Re-exports . . . .	..	..	..	28,798	60,656	19,431
<i>Grand total . .</i>	<i>4,784,164</i>	<i>4,297,936</i>	<i>5,690,973</i>	<i>20,146,094</i>	<i>20,636,400</i>	<i>25,977,051</i>

The following table shows the imports and exports of bullion and specie from and to various countries during the year 1965-66.

VALUES OF AUSTRALIAN RECORDED IMPORTS AND EXPORTS OF BULLION AND SPECIE, BY COUNTRY OF ORIGIN OR CONSIGNMENT, 1965-66
(\$ f.o.b.)

Country	Imports			Exports		
	Bullion	Specie	Total	Bullion	Specie	Total
Austria . . . . .	..	2,642	2,642	..	..	..
Canada . . . . .	..	7,284	7,284	282	..	282
Cyprus . . . . .	..	82	82	..	..	..
Fiji	3,342,502	34	3,342,536	4,510	210	4,720
France	416	..	416	..	..	..
Germany, Federal Republic of	19,883	..	19,883	..	..	..
Gilbert and Ellice Is. . . . .	..	..	..	..	17,200	17,200
Greece . . . . .	..	180	180	..	..	..
Hong Kong . . . . .	..	..	..	24,141,400	..	24,141,400
Iran . . . . .	..	62	62	..	..	..
Ireland . . . . .	..	56	56	..	..	..
Italy	38	16	54	..	..	..
Lebanon . . . . .	..	42	42	..	26	26
Malaysia . . . . .	..	150	150	..	..	..
Nauru . . . . .	..	..	..	..	3,640	3,640
New Hebrides . . . . .	..	..	..	..	520	520
New Zealand	53,507	150,034	203,541	424,988	3,202	428,190
Norfolk Is. . . . .	..	..	..	..	1,112	1,112
Papua and New Guinea	860,196	2,159	862,355	..	979,140	979,140
Sierra Leone . . . . .	..	1,556	1,556	..	..	..
Solomon Is. . . . .	..	..	..	..	58,500	58,500
Singapore . . . . .	..	400	400	..	..	..
Switzerland . . . . .	..	5,280	5,280	..	..	..
Tonga . . . . .	..	..	..	..	800	800
United Kingdom	41,810	941,112	982,922	312,426	18,849	331,275
United States of America	776	893	1,669	9,526	720	10,246
Australia re-imported . . . . .	..	259,863	259,863	..	..	..
Total	4,319,128	1,371,845	5,690,973	24,893,132	1,083,919	25,977,051

Ratios of net customs revenue to value of total merchandise imports

The following table shows the ratios of net customs revenue collected, including and excluding net primeage, to value of total merchandise imports during the years 1961-62 to 1965-66. The calculations are based on the assumption that the total value of clearances for home consumption approximated the value of total recorded imports during the same period. For particulars of customs revenue collections see the chapter Public Finance.

RATIOS OF NET CUSTOMS REVENUE COLLECTED TO VALUE OF TOTAL MERCHANDISE IMPORTS: AUSTRALIA, 1961-62 TO 1965-66
(Per cent)

Ratio of—	1961-62	1962-63	1963-64	1964-65	1965-66
Net customs revenue collected (excluding net primeage) to value of total merchandise imports	9.4	9.5	9.6	9.1	9.2
Net customs revenue collected plus net primeage to value of total merchandise imports	9.6	9.7	9.8	9.3	9.4
Net customs revenue collected (excluding net primeage) to value of dutiable goods only	22.4	22.5	22.3	22.9	23.6

Imports and exports 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. These figures, however, 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 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. In making comparisons the qualifications referred to on page 390 should be borne in mind.

VALUES OF IMPORTS CLEARED FOR HOME CONSUMPTION, AND EXPORTS OF DOMESTIC PRODUCTS (MERCHANDISE ONLY(a)): VARIOUS COUNTRIES, 1966

Country	Imports cleared c.i.f.	Exports f.o.b.	Total	Trade per head of population		
				Imports cleared	Exports	Total
	\$m	\$m	\$m	\$	\$	\$
United States of America	(b) 22,744	c d 26,799	49,543	115.54	136.15	251.69
Germany, Federal Republic of	16,093	17,978	34,071	279.95	312.74	592.69
United Kingdom	14,479	(d) 12,611	27,090	263.42	229.44	492.86
France	10,603	9,730	20,333	214.46	196.81	411.27
Japan	(e) 8,503	8,729	17,232	86.01	88.29	174.30
Canada	(b)(e) 8,148	8,488	16,636	409.05	426.13	835.18
Italy	7,653	7,171	14,824	147.57	138.28	285.85
Netherlands	7,159	6,027	13,186	574.79	483.90	1,058.69
Belgium-Luxembourg	6,272	6,004	12,276	635.98	608.81	1,244.79
Sweden	(e) 4,082	3,824	7,906	522.80	489.75	1,012.55
Switzerland	3,522	2,929	6,451	582.19	484.16	1,066.35
Australia(f)	(b) 2,915	(c)(d) 2,578	5,493	254.72	225.27	479.99
Denmark	(e) 2,681	2,191	4,872	558.99	456.82	1,015.81
Austria	2,078	1,504	3,582	285.05	206.31	491.36
Norway	(e) 2,145	1,392	3,537	571.54	370.91	942.45
Spain	3,206	1,120	4,326	100.59	35.14	135.73
Finland	(e) 1,541	1,344	2,885	332.18	289.72	621.90
Portugal	900	549	1,449	97.63	59.56	157.19
Greece	1,092	362	1,454	126.80	42.03	168.83
Turkey	647	438	1,085	19.67	13.31	32.98

(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 1966.

Total recorded overseas trade in calendar years

For the purpose of comparison with countries which record overseas trade in calendar years, the following table has been compiled to show estimates of total Australian recorded imports and exports for each of the calendar years 1965 and 1966.

VALUE OF TOTAL RECORDED OVERSEAS TRADE IN CALENDAR YEARS
AUSTRALIA, 1965 AND 1966
(\$'000 f.o.b.)

Year	Merchandise		Non-merchandise		Total recorded	
	Imports	Exports	Imports	Exports	Imports	Exports
1965	2,959,404	2,603,723	55,789	79,513	3,015,193	2,683,236
1966	2,853,901	2,744,164	41,197	88,959	2,895,098	2,833,123

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 1964-65 and 1965-66.

QUANTITY OF SPIRITS, BEER, TOBACCO, ETC. ON WHICH EXCISE DUTY WAS PAID: AUSTRALIA, 1964-65 AND 1965-66

Article	1964-65	1965-66	Article	1964-65	1965-66
	'000 gallons	'000 gallons		'000 lb 47,328	'000 lb 48,747
Beer	264,889	270,546		'000 gallons	'000 gallons
	'000 proof gallons	'000 proof gallons	Cigarettes—machine-made .	9,391	12,932
Spirits—			Petrol—		
Brandy	1,009	955	Aviation petrol (by-law)(a)	228	(b)
Gin	372	346	Aviation petrol (non by-	1,494,362	1,593,253
Whisky	359	330	law)(a)		
Rum	565	521	Petrol, n.e.i.(a)		
Liqueurs	75	67	Total petrol	1,503,981	1,606,185
Other	128	135	Aviation turbine fuel(a) . .	67,553	80,224
			Diesel fuel	90,990	113,426
Total spirits (potable)	2,508	2,354	Playing cards	doz packs 105,595	doz packs 113,780
Spirits for—				60 papers or tubes	60 papers or tubes
Fortifying wine	2,185	2,248	Cigarette papers and tubes .	'000 61,773	'000 58,981
Industrial or scientific pur-	352	382		8,640	8,640
poses			matches		matches
Manufacture of—			Matches	3,503,737	3,474,931
Essences	118	126		'000 tons	'000 tons
Scents and toilet prepa-	104	99	Coal	17,972	18,686
rations	248	218		'000 doz	'000 doz
Vinegar			containers	7,032	6,511
Tobacco	'000 lb 8,922	'000 lb 8,334	Canned fruit	'000	
Cigars	141	130	Cathode ray tubes	(c) 51	..

(a) As from July 1964 includes supplies to Commonwealth Government on which excise was paid. During 1965-66 refunds were made on 40,714,000 gallons. (b) Not recorded separately. (c) Operative to 12 August 1964.

OVERSEAS INVESTMENT BY PRIVATE INVESTORS

Surveys of overseas investment have been conducted since 1947-48 to obtain particulars of certain types of private capital flows to and from Australia. The surveys, when supplemented by other information, provide statistics of overseas investment in companies in Australia and in Australian public authority securities repayable in Australian currency, as well as 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 surveys.

Certain types of private overseas investment are not included in the statistics which follow. Investment in real estate (except when made through companies) 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 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. 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 included as a flow of investment between Australia and overseas. Similar considerations apply to overseas life insurance companies with branches in Australia.

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

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

Overseas. For the purpose of these statistics, Papua and New Guinea and the other external Territories under the control of Australia are regarded as overseas countries.

Portfolio investment and institutional loans. Investment other than direct investment, including loans raised overseas from financial institutions and other companies which have no direct investment in the borrowing company.

Subsidiaries. For the purpose of these statistics this term is applied to all companies in which there is a 'direct' overseas holding of ordinary shares (or voting stock). A holding is treated as 'direct' when there is ownership of twenty-five 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 fifty per cent or more of a company's ordinary shares (or voting stock) by individuals or companies in one country.

Undistributed profits. This term refers, in the case of Australian subsidiaries, to the equity of the overseas parent in the net earnings for taxation purposes of the Australian company, less tax (or tax provision) and less dividends declared. 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.

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.

The annual bulletin *Insurance and Other Private Finance* and the *Annual Bulletin of Overseas 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 1961-62, and a classification by country of origin, are shown in the following two tables.

ANNUAL INFLOW OF PRIVATE OVERSEAS INVESTMENT IN COMPANIES IN AUSTRALIA, BY CATEGORY OF INVESTMENT AND TYPE OF COMPANY^(a)
1961-62 TO 1964-65
(\$ million)

Year	Annual inflow of direct private overseas investment in companies in Australia					Portfolio investment and institu- tional loans (b)	Total
	Australian branches		Australian subsidiaries		Total		
	Un- remitted profits	Other investment	Undis- tributed profits	Other direct investment			
1961-62 .	9	44	57	110	220	76	296
1962-63 .	16	5	90	267	379	83	462
1963-64 .	23	30	110	240	403	28	431
1964-65 .	12	57	108	344	521	43	564
1965-66 .	13	72	102	255	442	222	664

(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 OVERSEAS INVESTMENT IN COMPANIES IN AUSTRALIA, BY DOMICILE OF INVESTOR AND CATEGORY OF INVESTMENT(a)
1961-62 TO 1965-66
(\$ million)

Year	United Kingdom	New Zealand	U.S.A. and Canada	Other countries	Total
Undistributed income(b)—					
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	40	8	120
1965-66 . . .	58	3	49	5	115
Other investment(c)—					
1961-62 . . .	82	7	126	15	230
1962-63 . . .	136	4	157	58	356
1963-64 . . .	104	6	148	40	298
1964-65 . . .	186	11	194	53	444
1965-66 . . .	200	..	256	93	549
Total—					
1961-62 . . .	125	10	142	19	296
1962-63 . . .	207	5	184	65	462
1963-64 . . .	184	9	193	45	431
1964-65 . . .	255	14	234	62	564
1965-66 . . .	258	2	305	98	664

(a) See footnote (a) to preceding table. (b) Unremitted profits of Australian branches plus undistributed profits of Australian subsidiaries. (c) Consists of other direct investment in Australian branches and subsidiaries, and portfolio investment and institutional loans

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

INVESTMENT INCOME PAYABLE OVERSEAS BY COMPANIES IN AUSTRALIA BY CATEGORY OF INCOME AND TYPE OF COMPANY, 1961-62 TO 1965-66
(\$ million)

Year	Income payable on direct investment						Income paid on portfolio investment and institutional loans			Total
	Australian branches		Australian subsidiaries			Total	Divi- dends	Interest	Total	
	Un- remitted profits	Remitted profits and interest	Undis- tributed profits	Distributed profits						
				Divi- dends payable	Interest remitted					
1961-62 .	9	37	57	72	(a)	175	20	(a)	20	201
1962-63 .	16	39	90	81	(a)	226	26	(a)	26	259
1963-64 .	23	42	110	70	7	252	29	4	33	285
1964-65 .	12	47	108	78	12	257	32	5	37	294
1965-66 .	13	47	102	85	14	261	35	7	42	303

(a) Separate details of interest payments are not available for these years. The amount payable by Australian companies (excluding branches of overseas companies) was \$6m in 1961-62 and \$7m in 1962-63.

**INVESTMENT INCOME PAYABLE OVERSEAS BY COMPANIES IN AUSTRALIA
BY COUNTRY TO WHICH PAYABLE AND CATEGORY OF INCOME**

1961-62 TO 1965-66

(\$ million)

Year	United Kingdom	New Zealand	U.S.A. and Canada	Other Countries	Total
Undistributed income					
(a)—					
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	40	8	120
1965-66 . . .	58	3	49	5	115
Other income(b)—					
1961-62 . . .	(c) 59	(c) 6	(c) 58	(c) 6	135
1962-63 . . .	(c) 69	(c) 8	(c) 62	(c) 7	153
1963-64 . . .	77	8	58	9	152
1964-65 . . .	92	9	59	13	173
1965-66 . . .	108	9	58	12	188
Total income payable overseas—					
1961-62 . . .	(c) 102	(c) 9	(c) 74	(c) 10	201
1962-63 . . .	(c) 140	(c) 9	(c) 89	(c) 14	259
1963-64 . . .	157	11	103	14	285
1964-65 . . .	161	12	100	21	294
1965-66 . . .	166	12	108	17	303

(a) Unremitted profits of Australian branches plus undistributed profits of Australian subsidiaries.
 (b) Consists of remitted profits and interest of Australian branches, distributed profits of Australian subsidiaries, and income paid on portfolio investment and institutional loans. (c) See footnote (a) to preceding table.

A classification by broad industry groups of the inflow of direct investment and the income payable overseas on direct investment in 1965-66 is shown in the following table.

**INFLOW OF DIRECT PRIVATE OVERSEAS INVESTMENT IN COMPANIES IN
AUSTRALIA AND INCOME FROM DIRECT INVESTMENT PAYABLE
OVERSEAS BY COMPANIES IN AUSTRALIA, BY INDUSTRY
IN WHICH CAPITAL INVESTED, 1965-66**

(\$ million)

Category of investment or income	Primary production and mining	Manufacturing	Other industries	Total
Inflow of direct investment—				
Undistributed income(a) . . .	15	77	23	115
Other direct investment . . .	97	97	134	327
<i>Total</i>	<i>111</i>	<i>173</i>	<i>157</i>	<i>442</i>
Income from direct investment payable overseas—				
Undistributed income(a) . . .	15	77	23	115
Distributed income from direct investment(b)	9	86	51	146
<i>Total income from direct investment payable overseas . . .</i>	<i>24</i>	<i>163</i>	<i>74</i>	<i>261</i>

(a) Unremitted profits of Australian branches plus undistributed profits of Australian subsidiaries.
 (b) Consists of remitted profits and interest of Australian branches, and distributed profits of Australian subsidiaries.

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

The outflow of Australian investment in companies since 1961-1962 and a classification by country in which the capital was invested are shown in the following two tables.

ANNUAL OUTFLOW OF PRIVATE AUSTRALIAN INVESTMENT IN COMPANIES OVERSEAS BY CATEGORY OF INVESTMENT AND TYPE OF COMPANY(a)

1961-62 TO 1965-66

(\$ million)

(\$ million)

Year	Annual outflow of direct private Australian investment in companies overseas					Portfolio investment and institutional loans	Total
	Overseas branches		Overseas subsidiaries		Total		
	Unre-mitted profits	Other	Undis-tributed profits	Other direct invest-ment			
1961-62 . . .	1	8	8	3	20	-4	16
1962-63 . . .	..	-4	9	9	14	-6	8
1963-64 . . .	1	3	13	-5	12	-8	4
1964-65 . . .	..	3	20	10	32	-6	26
1965-66 . . .	3	3	15	22	42	-4	38

(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 PRIVATE AUSTRALIAN INVESTMENT IN COMPANIES OVERSEAS BY COUNTRY IN WHICH CAPITAL INVESTED AND CATEGORY OF INVESTMENT(a), 1961-62 TO 1965-66

(\$ million)

Year	United Kingdom	New Zealand	U.S.A. and Canada	Other countries	Total
Undistributed income					
<i>(b)</i> —					
1961-62 . . .	1	3	..	5	9
1962-63 . . .	..	3	..	6	9
1963-64 . . .	-1	9	1	5	14
1964-65 . . .	..	10	..	10	19
1965-66 . . .	..	9	1	8	18
Other investment(c) —					
1961-62 . . .	-1	4	-1	5	7
1962-63 . . .	1	8	..	-10	-1
1963-64 . . .	-16	9	..	-3	-10
1964-65 . . .	-7	2	..	12	8
1965-66 . . .	2	14	..	4	20
Total annual outflow —					
1961-62 . . .	..	7	-1	10	16
1962-63 . . .	1	11	..	-4	8
1963-64 . . .	-17	18	1	2	4
1964-65 . . .	-7	12	..	21	26
1965-66 . . .	3	23	1	11	38

(a) Increases in investment by some Australian investors are offset against withdrawals of investment by other Australian investors. (b) Unre-mitted profits of overseas branches plus undistributed profits of overseas subsidiaries of Australian companies. (c) Consists of other direct investment in overseas branches and subsidiaries and portfolio investment and institutional loans.

Minus sign (-) denotes inflow.

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

**INCOME FROM DIRECT INVESTMENT RECEIVABLE BY AUSTRALIAN COMPANIES
FROM COMPANIES OVERSEAS, BY TYPE OF COMPANY, AND CATEGORY
OF INCOME, 1961-62 TO 1965-66**
(\$ million)

Year	Overseas branches		Overseas subsidiaries		Total
	Unremitted profits (net)	Remitted profits and interest	Undistributed profits (net)	Dividends and interest receivable	
1961-62	1	5	8	(a) 8	(a) 22
1962-63 . . . . .	..	9	9	11	29
1963-64	1	5	13	13	32
1964-65 . . . . .	..	4	20	18	41
1965-66	3	4	15	16	38

(a) Excludes interest payments.

**INCOME FROM DIRECT INVESTMENT RECEIVABLE BY AUSTRALIAN COMPANIES
FROM COMPANIES OVERSEAS, BY COUNTRY FROM WHICH RECEIVABLE AND
CATEGORY OF INCOME, 1961-62 TO 1965-66**
(\$ million)

Year	United Kingdom	New Zealand	U.S.A. and Canada	Other countries	Total
Undistributed income(a)—					
1961-62	1	3	..	5	9
1962-63 . . . . .	..	3	..	6	9
1963-64	-1	9	1	5	14
1964-65 . . . . .	..	10	..	10	19
1965-66 . . . . .	..	9	1	8	18
Distributed income from direct investment(b)—					
1961-62(c)	1	7	..	5	13
1962-63	1	9	..	10	20
1963-64	1	7	..	10	18
1964-65	2	11	..	9	22
1965-66	2	7	..	11	20
Total—					
1961-62(c)	2	10	..	10	22
1962-63	1	12	..	16	29
1963-64 . . . . .	..	16	1	15	32
1964-65	2	21	..	18	41
1965-66	3	16	1	18	38

(a) Unremitted profits of overseas branches plus undistributed profits of overseas subsidiaries of Australian companies. (b) Consists of remitted profits and interest of overseas branches, and dividends and interest receivable from overseas subsidiaries. (c) Excludes interest payments.

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. In addition to private overseas investment, the annual inflow of overseas investment in Australian public authority securities, net overseas remittances by life insurance companies, and the net change in non-residents' deposits and advances with Australian trading banks, have been incorporated in both tables.

**NET ANNUAL FLOW OF INVESTMENT BETWEEN
AUSTRALIA AND OVERSEAS COUNTRIES(a)**

1961-62 TO 1965-66

(\$ million)

Year	Annual inflow of investment	Annual outflow of investment	Net annual flow
1961-62 . .	309	15	294
1962-63 . .	547	8	539
1963-64 . .	451	9	442
1964-65 . .	548	16	532
1965-66 . .	641	32	609

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

**NET ANNUAL FLOW OF INVESTMENT BETWEEN AUSTRALIA AND OVERSEAS
COUNTRIES, BY COUNTRY, 1961-62 TO 1965-66**

(\$ million)

Year	United Kingdom	New Zealand	U.S.A. and Canada	Other Countries	I.B.R.D. (a)	Net change in non- residents' deposits and advances with Australian trading banks(b)	Net annual flow
1961-62 . .	123	1	165	19	-16	3	294
1962-63 . .	222	-8	244	67	12	1	539
1963-64 . .	227	-9	175	41	7	1	442
1964-65 . .	211	..	268	46	-1	9	532
1965-66 . .	221	-22	327	87	-7	3	609

(a) Particulars are not available of the domicile of securities issued to the International Bank for Reconstruction and Development. (b) Particulars are not available of the domicile of the non-residents who have deposits or advances with Australian trading banks.

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 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 summarised 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 organisations 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 capitalised. 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 transfers in kind where no foreign exchange movement takes place. The values of transfers 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 monetary payments occur. The remaining items are smaller than those mentioned above, and include travel, government transactions, transfers (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 415.

Tables—Balance of payments on current and capital accounts

The following tables show, for the three years 1963-64 to 1965-66, 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, 1963-64 TO 1965-66
(\$ million)

	1963-64	1964-65	1965-66p
1. Exports f.o.b.(a)	2,732	2,575	2,629
2. Imports f.o.b.(a)	2,237	2,739	2,822
<i>Balance of trade</i>	495	—164	—193
Invisible credits—			
3. Gold production	29	27	25
4. Transportation—			
Expenditure of overseas carriers	179	190	191
Australian carriers	75	89	100
	254	279	291
5. Travel	43	54	58
6. Property income—			
Undistributed income	14	20	16
Royalties and copyrights	3	3	4
Other	77	95	91
	94	118	111
7. Government—			
Australian Government receipts	31	27	32
Foreign government expenditure	31	33	45
	62	60	77
8. Miscellaneous—			
Business expenses	21	30	29
Other	22	25	27
	43	55	56
9. Transfers—			
Immigrants' funds	67	80	86
Other	33	32	33
	100	112	119
<i>Total invisible credits</i>	625	705	737

For footnotes see next page.

BALANCE OF PAYMENTS ON CURRENT ACCOUNT: AUSTRALIA, 1963-64
TO 1965-66—continued
(\$ million)

	1963-64	1964-65	1965-66p
Invisible debits—			
10. Transportation(b)—			
Freight	253	290	302
Other	165	194	210
	418	484	512
11. Travel	102	114	122
12. Property income—			
Public authority interest	70	70	71
Direct investment	119	136	133
Undistributed income	133	121	126
Royalties and copyrights	40	46	50
Other	34	38	42
	396	411	422
13. Government—			
Defence	20	29	39
Other	22	22	26
	42	51	65
14. Miscellaneous—			
Business expenses	33	42	51
Other	34	44	46
	67	86	97
15. Transfers—			
Government—			
Papua and New Guinea	63	71	90
Other foreign aid	21	33	35
Contributions	3	3	4
Private	61	65	74
	148	172	203
<i>Total invisible debits</i>	1,173	1,318	1,421
Balance on current account	—53	—777	—877

(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 \$283 million in 1963-64, \$333 million in 1964-65 and \$353 million in 1965-66.

Minus sign (—) denotes deficit.

BALANCE OF PAYMENTS ON CAPITAL ACCOUNT: AUSTRALIA, 1963-64 TO 1965-66
(\$ million)

	1963-64	1964-65	1965-66p
CHANGES IN ASSETS—			
1. International reserves	447	—318	21
2. International Monetary Fund . . . . .	..	..	89
3. Other international financial agencies	3	4	6
4. Other government	52	16	—50
5. Marketing authorities	—30	61	—38
6. Portfolio investment	—8	—6	—4
7. Direct investment—			
Branches—Unremitted profits	1	..	1
Other	3	3	3
Subsidiaries—Undistributed profits	13	20	15
Other	—5	9	20
	12	32	39
8. Life insurance	5	—10	—5
<i>Total, changes in assets</i>	481	—221	58

BALANCE OF PAYMENTS ON CAPITAL ACCOUNT: AUSTRALIA, 1963-64
TO 1965-66—continued
(\$ million)

	1963-64	1964-65	1965-66
CHANGES IN LIABILITIES—			
9. Government loans—			
International Bank for Reconstruction and Development	7	— 1	— 7
Other central government	16	—14	—17
Local government and semi-governmental . . . . .	..	— 6	— 3
Discounts, etc.	— 1	1	2
	22	—20	—25
10. International Monetary Fund . . . . .	..	—22	49
11. Other international financial agencies	— 5	1	..
12. Foreign banks	— 3	1	..
13. Portfolio investment—Government securities	— 3	— 5	— 1
Companies, etc.	28	43	228
	25	38	227
14. Direct investment—			
Branches—Unremitted profits	23	12	14
Other	28	53	65
Subsidiaries—Undistributed profits	110	109	112
Other	240	340	237
	401	514	428
15. Balancing item	94	44	256
<i>Total, changes in liabilities</i>	534	556	935
Balance on capital account	53	777	877

BALANCE OF PAYMENTS ON CURRENT ACCOUNT, BY MAJOR GROUP
OF COUNTRIES: AUSTRALIA, 1963-64 TO 1965-66
(\$ million)

	1963-64	1964-65	1965-66p
EXPORTS f.o.b.(a)—			
Sterling—			
United Kingdom	516	507	466
Other	462	511	501
Non-sterling—			
North America	326	300	375
European Economic Community	426	381	435
European Free Trade Association(b)	27	30	29
Japan	486	439	466
Eastern Europe, China (mainland), etc.	322	247	189
Other	167	160	168
<i>Total, exports</i>	2,732	2,575	2,629
IMPORTS f.o.b.(a)—			
Sterling—			
United Kingdom	610	685	697
Other	291	326	309
Non-sterling—			
North America	587	782	821
European Economic Community	264	327	352
European Free Trade Association(b)	109	126	134
Japan	161	250	274
Eastern Europe, China (mainland), etc.	29	46	41
Other	186	197	194
<i>Total, imports</i>	2,237	2,739	2,822

For footnotes see next page.

BALANCE OF PAYMENTS ON CURRENT ACCOUNT, BY MAJOR GROUP
OF COUNTRIES: AUSTRALIA, 1963-64 TO 1965-66—*continued*

(\$ million)

	1963-64	1964-65	1965-66p
INVISIBLES (NET)—			
Sterling—			
United Kingdom	-139	-153	-143
Other	-110	-135	-178
Non-sterling—			
North America	-205	-207	-231
European Economic Community	-52	-70	-78
European Free Trade Association(b)	14	10	10
Japan	1	-4	5
Eastern Europe, China (mainland), etc.	-2	-1	-2
Other	-65	-61	-73
International agencies	-19	-19	-19
Gold production	29	27	25
<i>Total, invisibles (net)</i>	<i>-548</i>	<i>-613</i>	<i>-684</i>
BALANCE ON CURRENT ACCOUNT—			
Sterling—			
United Kingdom	-233	-331	-374
Other	61	50	14
Non-sterling—			
North America	-466	-689	-677
European Economic Community	110	-16	5
European Free Trade Association(b)	-68	-86	-95
Japan	326	185	197
Eastern Europe, China (mainland), etc.	291	200	146
Other	-84	-98	-99
International agencies	-19	-19	-19
Gold production	29	27	25
<i>Total, balance on current account</i>	<i>-53</i>	<i>-777</i>	<i>-877</i>

(a) The amounts shown represent the recorded trade figures 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 1964, 1965, and 1966.

AUSTRALIAN INTERNATIONAL RESERVES, 1963-64 TO 1965-66

(Source: Reserve Bank of Australia)

(\$ million)

	30 June—		
	1964	1965	1966
Gold	195	205	198
Dollar exchange(a)	132	156	197
Sterling and other foreign exchange	1,149	589	685
Sterling securities(b)	196	404	294
<i>Total</i>	<i>1,672</i>	<i>1,354</i>	<i>1,375</i>

(a) Includes a small amount of dollar securities having an original maturity of more than twelve months. (b) Includes only securities having an original maturity of more than twelve months.

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 1963-64, 1964-65 and 1965-66. 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(a) AT CONSTANT PRICES, 1963-64 TO 1965-66

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

Commodity group	1963-64	1964-65	1965-66
Foodstuffs	160	156	145
Wool and sheepskins	106	102	102
Minerals, metals and metal manufactures(b)	157	161	203
Other	171	179	181
All exports	137	135	136

(a) Excludes gold.

(b) Excludes machinery.

INDEX OF VALUE OF IMPORTS(a) AT CONSTANT PRICES, 1963-64 TO 1965-66

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

Commodity group	1963-64	1964-65	1965-66
Food, drink and tobacco	117	122	128
Textiles and clothing	109	123	115
Oils, fats and waxes	131	136	143
Metals, metal manufactures and machinery .	129	167	167
Other	143	167	172
All imports	131	156	158

(a) Excludes gold.