

Japan

The changing Japanese shares in world trade, reaching something over 7 per cent for both exports and imports in 1973, are included in Table I: Tables XXII and XXIII show the rapidly growing importance of Japan both as a market for exports and as a source of supply for Australia and New Zealand. India and Nigeria have also in recent years been able to take advantage of the high growth rate of the Japanese economy, its heavy dependence on imported raw materials and its competitiveness as a source of manufactures. This complementarity has been materially augmented by elements of bilateralism in Japanese trade strategy, and by the felt need for diversification of markets and sources on the part of some Commonwealth countries.

The year 1973 was quite exceptional for Japanese trade. Compared with the preceding year the value of imports into that country from all sources increased by 63 per cent in terms of dollars. The commodity price boom and the sharp appreciation of the yen against other currencies accounted for a major part of this growth, but even so the volume of imports expanded by 29 per cent — a reflection of heavy buying for stock in the case of some items, and of a rapid growth of consumer expenditure. Imports of meats, maize, wool and copper (ores and metal) all more than doubled in value.

Table XXII Exports from the Commonwealth to Japan

Proportion of each country's total exports sent to Japan

	Per cent				
	1969	1970	1971	1972	1973
Australia	27	28	29	29	34
Britain	2	2	2	2	2
Canada	4	5	4	5	7
East African Community	5	5	5	5	4
Ghana	7	7	9	9	10
Guyana	1	2	2	4	4
Hong Kong	6	7	7	7	10
India	12	14	12	11	14
Malaysia	19	18	18	17	19
New Zealand	9	10	9	11	15
Nigeria	1	1	1	4	3
Singapore	7	8	7	6	8
Sri Lanka	2	3	..	..	..
Zambia	24	23	21	20	24
Commonwealth Total ..	6	7	6	7	9

Table XXIII Imports into the Commonwealth from Japan*Proportion of each country's total imports from Japan*

	Per cent				
	1969	1970	1971	1972	1973
Australia	13	13	16	17	18
Bangladesh	7	6	8	..	..
Britain	1	1	2	3	3
Canada	4	4	5	6	5
East African Community	8	8	8	8	10
Ghana	6	6	9	6	7
Guyana	4	4	4	4	3
Hong Kong	23	24	24	23	20
India	4	5	8	9	9
Malaysia	16	18	20	21	23
New Zealand	8	9	11	12	13
Nigeria	4	6	9	10	10
Singapore	16	20	20	20	18
Sri Lanka	7	9	8	..	..
Zambia	7	7	7	10	9
Commonwealth Total . .	5	6	7	8	7

Japanese exports, on the other hand, rose by no more than 29 per cent in terms of dollars i.e. by less than the average for all countries in 1973. The factors underlying this remarkable result helped Commonwealth countries, taken together, to return to their usual position of surplus in trade with Japan — a reversal of the deficits recorded in the preceding two years. The trade with Japan of Britain, Hong Kong, Malaysia and Singapore continued in deficit, but Australia, Canada, India, New Zealand and Zambia showed very heavy surpluses, either in absolute terms or in relation to the size of the trade flows involved. The composition of, and demand for, Australian exports to Japan, mainly foodstuffs and minerals, was such that the bilateral surplus (f.o.b. — f.o.b.) of the former with the latter exceeded the total recorded value of export shipments to Japan from any other single Commonwealth country in 1973. For several years the leading export market of Australia, Japan for the first time in 1973 (temporarily) ousted Britain from first place among overseas country* markets for Canadian goods also. Canadian exports to Japan in that year accounted for 7.1 per cent of exports to all destinations, compared with 4.8 per cent in 1972.

The rapid growth of Canadian imports from Japan in preceding years was reversed in 1973, when a 5 per cent decline was recorded. The lower total encompassed reductions of more than \$20 million in textile materials and some \$65 million in automobiles, in part because of the upward revaluation of the yen.

* i.e. excluding the United States

Table XXIV Exports from the Commonwealth to Japan

£ million

	1969	1970	1971	1972	1973 ^a
Australia	439	521	592	764	1,262
Britain	129	148	157	172	273
Canada	241	318	321	388	733
East African Community	16	18	16	18	19
Ghana	11	12	12	14	23
Guyana	1	1	1	1	2
Hong Kong	59	74	78	94	217
India	93	118	101	108	165
Malaysia	126	128	124	118	213
New Zealand	45	50	48	79	160
Nigeria	4	4	10	34	40
Singapore	43	46	50	51	113
Sri Lanka	3	5	4	<i>b</i>	<i>b</i>
Zambia	105	97	58	62	113
Other Commonwealth ..	22	24	24	43 ^c	53 ^c
Total	1,337	1,564	1,596	1,946	3,386

a Actuals, or annual rates based on latest data.

b Estimate included in "Other Commonwealth".

c Including estimates for Sri Lanka.

Table XXV Imports into the Commonwealth from Japan

£ million

	1969	1970	1971	1972	1973 ^a
Australia	206	235	295	307	488
Bangladesh	21	21	15	<i>b</i>	<i>b</i>
Britain	104	135	202	314	443
Canada	191	233	325	446	415
East African Community	26	32	42	34	50
Ghana	8	11	17	7	13
Guyana	2	2	2	2	2
Hong Kong	240	288	339	360	509
India	37	40	83	81	117
Malaysia	78	102	118	134	236
New Zealand	33	46	55	67	104
Nigeria	11	28	53	60	69
Singapore	138	198	230	264	380
Sri Lanka	13	14	11	<i>b</i>	<i>b</i>
Zambia	13	13	16	22	20
Other Commonwealth ..	45	59	76	107 ^c	122 ^c
Total	1,166	1,457	1,879	2,205	2,968

a Actuals, or annual rates based on latest data.

b Estimate included in "Other Commonwealth".

c Including estimates for Bangladesh and Sri Lanka.