

China

Higher exports from Canada to China in 1973 were largely attributable to a rise in grain shipments. Indeed, for the period 1971–1973, that Commonwealth country supplied most of China's import requirements of wheat. Australia obtained a contract to supply, in 1973, a million tons of wheat. This sale came after a two-year period of reduced export availability. Poor Chinese sugar crops and the resulting importation of this commodity from Australia also find a reflection in the sharply higher total of Australian exports to China in 1973.

British exports to China were unusually large. In 1971 and 1972 this trade had not been much out of balance, taking account of charges for transportation, but sales of Trident aircraft and non-ferrous metals (mainly copper) through the London Metal Exchange, gave Britain a substantial surplus in 1973. Metals alone accounted for £28 million of the £85 million recorded value of exports from the United Kingdom to China in that year.

Hong Kong, which accounts for the bulk of the Commonwealth trade deficit with China, is reported to be the source of half China's foreign currency earnings – from sales in the Colony mainly of food and water, livestock and consumer goods. The Colony's manufacturing industries are geared mainly to profitable markets in OECD countries while the less profitable domestic market is open to cheap imports from China. Though Hong Kong's exports to China

Table XXX Exports from the Commonwealth to China

Proportion of each country's total exports sent to China

	Per cent				
	1969	1970	1971	1972	1973
Australia	3	3	1	1	2
Bangladesh	3	3	5	..	..
Britain	1	1	—	—	1
Canada	1	1	1	1	1
Guyana	—	—	—	..	1
Hong Kong	—	—	—	1	1
Malaysia	3	1	1	2	2
Singapore	4	2	1	1	1
Sri Lanka	13	13	9	8	9
Tanzania	4	3	4	6	4
Zambia	1	5	7	..	..
Commonwealth Total ..	1	1	1	1	1

Table XXXI Imports into the Commonwealth from China*Proportion of each country's total imports from China*

Per cent

	1969	1970	1971	1972	1973
Australia	1	1	1	1	1
Bangladesh	2	2	5	..	..
Britain	—	—	—	—	—
Canada	—	—	—	—	—
Guyana	—	—	—	..	1
Hong Kong	18	16	16	18	19
Malaysia	7	5	5	4	5
Nigeria	2	2	2	2	..
Singapore	7	5	5	4	5
Sri Lanka	11	13	10	5	8
Tanzania	5	12	22	17	20
Commonwealth Total ..	2	2	2	2	2

more than trebled in 1973, the total amounted to no more than about a twentieth the size of imports from that country: moreover, much of those exports to China consisted of re-exports of goods from other areas.

At the beginning of 1973 Sri Lanka entered a new five-year trade agreement with China, essentially an extension of the series of agreements starting in 1952, for the exchange of rubber at prices linked to world prices, against an assured supply of over 200,000 tons of rice annually. These agreements have underpinned food policy in Sri Lanka in the face of recurring world shortages of rice, as in 1973. Notwithstanding the foregoing, the importance of the Chinese trade for Sri Lanka has undergone a considerable diminution since 1969 and 1970, as shown in Tables XXX and XXXI, largely owing to greater home production of rice under the Guaranteed Price Scheme.

The proportion of imports into Tanzania supplied by China in 1973 demonstrated a higher penetration of the market than China achieved in Hong Kong. This was partly a consequence of the method of financing local costs of the Tan-Zam railway project by the sale of Chinese consumer goods supplied on credit.

Table XXXII Exports from the Commonwealth to China

£ million

	1969	1970	1971	1972	1973 ^a
Australia	50	54	11	19	57
Bangladesh	6	6	7	<i>b</i>	<i>b</i>
Britain	55	45	28	32	85
Canada	47	57	83	104	117
Hong Kong	3	4	4	7	24
Malaysia	19	9	8	11	30
Singapore	24	9	6	8	20
Sri Lanka	17	18	13	10	15
Zambia	6	20	19	<i>b</i>	<i>b</i>
Other Commonwealth ..	7	7	11	33 ^c	40 ^c
Total	234	229	190	224	388

^a Actuals, or annual rates based on latest data.^b Estimate included in "Other Commonwealth".^c Including estimates for Bangladesh and Zambia.

Table XXXIII Imports into the Commonwealth from China

£ million

	1969	1970	1971	1972	1973 ^a
Australia	14	14	16	22	35
Bangladesh	6	7	9	<i>b</i>	<i>b</i>
Britain	38	33	32	36	48
Canada	11	8	9	20	22
Hong Kong	186	195	229	274	490
Malaysia	33	31	27	28	41
Nigeria	6	8	12	11	10
Singapore	57	52	55	57	95
Sri Lanka	20	20	11	6	14
Tanzania	5	15	35	28	40
Other Commonwealth ..	14	17	18	29 ^c	36 ^c
Total	390	400	453	511	831

^a Actuals, or annual rates based on latest data.^b Estimate included in "Other Commonwealth".^c Including estimate for Bangladesh.