

sparse population and great distances, transport, dependent largely upon overseas trade, has become one of the most important, if not the most important industry in the community'.¹ The statement is probably even more profoundly true of the Australian community, where railway transport is a government monopoly and where expansion of the system has always been carried out with a view to further concentration in the capital ports. Again, as Dr. E. W. Shanahan has demonstrated, there is in progress in all countries of recent development a definite migration of manufactures from the countryside to the seaboard, and a concentration of industry in the great seaports that is determined, on the one hand, by the 'layout' of the railways and, on the other, by economies in the industries themselves arising from economies in handling due to the provision of better port facilities.²

This movement towards monopoly control is continuous and pervasive in every department of our economic life. The Federal control of Australian loans and currency, and the close association between the relatively few banks—which are becoming fewer by amalgamation every year—constitutes a condition of monopoly control that is on all fours with the 'trustified' organization towards which every large industry from mining to wheat-growing is moving in the Commonwealth. Most of the raw materials of manufacture, and every important consumers' product from sugar to coal, are already produced and distributed under monopoly or semi-monopoly conditions. All these factors, aided in an unusual degree by the government regulation of industry, have operated to establish a unified trading system, and to promote a unique condition of economic interdependence between the different states of the Commonwealth. The result has been to establish a situation for Australia as for Canada, 'where there is little likelihood that an important industrial or financial phenomenon arising in one part of the country will be neutralized by counteracting phenomena in another part'. Always excepting, be it understood, the more or less local variations in weather resulting in good or bad seasons.

Add to these circumstances the national sentiment and the traditional commercial ties which unite Australia and Great

¹ *Canada's Balance of International Indebtedness*, p. 11.

² *Economica*, 1923.