

was entirely due to exceptionally good returns during the first half of that year, each of the subsequent quarters and the first quarter of 1926 showing figures much less satisfactory when compared with the returns of 1924.

				1924.	1925.	1926.
				£	£	£
Exports (excluding specie)—						
March quarter	..	..	..	20,661,742	22,821,265	16,258,619
June quarter	..	..	..	12,884,956	15,563,471	..
September quarter	..	..	..	7,464,868	5,791,655	..
December quarter	..	..	..	11,497,653	11,066,656	..

For the financial year ended 31st March, 1926, exports, which amounted to £48,697,587, were exceeded by imports by an amount of £4,328,269. This is the first time since 1921 that an adverse trade balance has been recorded.

Imports for the calendar year 1925 aggregated £52,456,407, as compared with £48,527,603 in 1924, an increase of £3,928,804. The most notable increases in value of imports in 1925 as compared with 1924 are again associated with the motor trade, as follows: Motor-vehicles, £604,798; tircs, covers, and tubes, £552,250. Increases are also recorded in apparel and ready-made clothing, £202,715; boots and shoes, £90,476; drapery, £102,129; cotton piece-goods, £365,239; silks, satins, and velvets, £118,849; crude residual oil, £136,337; timber (sawn), £211,397; cigarettes, £104,644; flour, £124,209; confectionery, £44,051; phosphates, £71,159; musical instruments, £129,844. A decline was recorded in the importation of the following items: Wheat, £241,684; oats, £159,331; sugar, £343,999; coal, £96,989.

Although there has been an appreciable reduction in the value of imports of such items as coal, wheat, and oats, it is still regrettable that over one and a half millions sterling was spent on the importation of these necessary commodities which might well have been produced in the Dominion. New Zealand production could well have reduced the importations of such goods as apparel, boots and shoes, softwood timbers, flour, and confectionery.

An analysis of New Zealand's export trade reveals the fact that for the calendar year 1925 80 per cent. of our exports went to the United Kingdom. Other customers of importance were—United States of America, 8 per cent.; Australia, 4½ per cent.; and Germany, 3 per cent. The following table shows the course of the Dominion's export trade during recent years:—

				1923.	1924.	1925.
				Per Cent.	Per Cent.	Per Cent.
Exports to—						
United Kingdom	..	..	..	81·19	79·90	79·76
United States of America	..	..	..	7·67	6·23	7·87
Australia	..	..	..	5·74	4·77	4·53
Germany	..	..	..	0·41	2·22	2·92
France	..	..	..	0·74	1·07	1·07
Canada	..	..	..	1·44	1·36	0·77
Japan	..	..	..	0·45	0·63	0·42
India	..	..	..	0·73	0·94	0·35
Belgium	..	..	..	0·02	0·20	0·35
Fiji	..	..	..	0·26	0·26	0·24

The following figures show that during the past three years there has been an appreciable decline in the proportion of our exports which go to countries within the Empire. The increase in the trade to Germany (due in 1925 to some extent to increased wool-prices) has been an important factor in bringing about this change.

				Proportion of New Zealand Exports to	
				British Empire.	Foreign Countries.
1923	..	..	..	89·36	9·29
1924	..	..	..	87·23	10·35
1925	..	..	..	85·65	12·63

In regard to imports, the United Kingdom continues to maintain its position as the chief supplier of New Zealand's requirements from overseas.

Imports from (Country of Origin)					1924.		1925.	
					Value.	Percentage of Total Dominion Imports.	Value.	Percentage of Total Dominion Imports.
					£		£	
United Kingdom	..	..	..	..	23,068,282	47·53	25,535,332	48·68
United States	..	..	..	..	7,788,293	16·05	8,887,906	16·94
Australia	..	..	..	..	5,651,027	11·64	5,238,773	9·99
Canada	..	..	..	..	3,973,639	8·07	3,914,706	7·46
Dutch East Indies	..	..	..	..	1,080,200	2·17	609,588	1·16
Fiji	..	..	..	..	970,393	2·00	1,239,454	2·36
Ceylon	..	..	..	..	837,506	1·72	844,594	1·61
India	..	..	..	..	741,217	1·53	912,738	1·74
France	..	..	..	..	759,240	1·56	918,178	1·75