

It is both interesting and of importance to note that in 1931 exports to the United Kingdom represented 88 per cent. of the total value of exports to all countries. This figure compared with 73·7 per cent. in 1929 and 80·1 per cent. in 1930.

In considering these figures, and particularly in any discussions as to the importance of the United Kingdom as the main market for our produce, it must be remembered that a substantial part of our exports is sent thither merely as a convenient depot for subsequent sale and shipment to the Continent or to America. In normal years this re-export trade in New Zealand produce from the Mother-country amounts to between £7,000,000 and £8,000,000 per annum. Even after taking this fact into account there is no doubt, however, as to our great dependence upon the United Kingdom for the absorption of the largest part of our annual production of primary products.

Imports from the United Kingdom in 1931 represented 49·1 per cent. of the total value of imports from all sources, as compared with 46·3 per cent. in 1929 and 47·3 per cent. in 1930.

TRADE WITH AUSTRALIA.

The value of our trade with the Commonwealth of Australia in each of the past five years is shown in the table below :—

Year ended 31st December,				Exports to Australia.	Imports from Australia.	Total Trade.
				£	£	£
1927	..	..	..	3,665,962	3,869,246	7,535,208
1928	..	..	..	3,402,655	3,499,151	6,901,806
1929	..	..	..	2,338,410	3,258,727	5,597,137
1930	..	..	..	1,562,281	3,308,915	4,871,196
1931	..	..	..	1,169,055	2,437,955	3,607,010

Both our export and our import trade with Australia declined substantially during the past calendar year, the reduction in total trade as compared with 1930 being no less than £1,264,186. This, of course, has been mainly due to the trade depression through which we have been passing, and to the consequent curtailment of both national and private expenditure throughout the Commonwealth and the Dominion. These conditions have naturally militated against the efforts of the New Zealand Trade and Tourist Commissioner in Australia to develop our export trade. It is confidently expected, however, that these efforts will bear fruit when economic conditions improve.

The Commissioner reports that during the year he placed a considerable number of New Zealand exporters in touch with buyers or potential buyers in Australia.

A large number of inquiries and investigations have been carried out by the Commissioner at the request of this and other Departments, and special reports have been submitted in regard to a variety of matters. These relate particularly to the prospects of increasing our export trade in numerous lines, such as fish, *Phormium tenax*, deer-skins, timber, tobacco, &c. The Department has also been kept regularly advised of current market quotations in Australia for the principal lines of produce.

The Commissioner states in his report that every opportunity has been taken to increase the sale of New Zealand products in Australia; that the results for the past year must reasonably be regarded as satisfactory in all the circumstances; and that so far as our trade is concerned such results should be judged not by comparisons of value which are affected materially by price fluctuations, but by quantity comparisons. In this connection it may be of interest to note that as compared with 1930 there were increases in 1931 in the volume of exports of the following products from New Zealand to Australia: Fish (preserved in tins), calf-skins, sheep-pelts, wool, tallow, clover and grass seeds, and peas.

TRADE WITH CANADA.

As with most countries, our trade with Canada during 1931 declined substantially as compared with previous years. The value of our exports was only £256,890, as against £2,539,212 in 1930; while imports from Canada in 1931 amounted to £1,224,569, in comparison with £3,802,925 in the preceding year. The figures for the past five years are as under :—

Year ended 31st December,				Exports to Canada.	Imports from Canada.	Total Trade.
				£	£	£
1927	..	..	..	1,666,598	2,739,826	4,406,424
1928	..	..	..	2,469,150	3,258,828	5,727,978
1929	..	..	..	3,353,975	4,792,820	8,146,795
1930	..	..	..	2,539,212	3,802,925	6,342,137
1931	..	..	..	256,890	1,224,569	1,481,459