Both the volume and value of our trade with the United States have steadily declined in recent years, apparently as a result of the growth of tariff barriers in that country. The values of our export and import trade in each of the past five years, and also the importance of each relatively to total export and import trade, are shown hereunder:—

	Year.			Exports.	Per Cent. of Total Exports.	Imports.	Per Cent. of Total Imports.
1927 1928 1929 1930 1931				£ 2,681,091 4,260,315 3,653,427 2,116,752 920,931	5.53 7.58 6.57 4.71 2.62	£ 8,079,467 8,204,197 9,319,926 7,573,053 3,885,073	18·04 18·28 19·10 17·60 15·66

Our principal exports to the United States in 1931 are shown below in comparison with the figures for the two previous years:—

	1929.	1930.	1931.
	£	£	£
Hides, pelts, and skins	1,650,976	1,057,715	439,859
Company and alring	262,559	331,627	151,592
337 1	656,656	267,720	41,278
Phononiaum toman	138,776	83,255	4,115
IZ	129,432	69,496	36,520
Enguar haaf	242,972	15,659	731
One and storran goods	76,568	66,905	58,002

As regards our imports from the United States, in 1931 the most important item was motor-spirit and other mineral oils, which was valued at £1,610,317, as compared with £2,146,030 in 1930.

The development of our trade with the United States has been given close consideration by the New Zealand Trade and Tourist Commissioner in Toronto, and during the year direct personal contact has been made with leading firms in the United States handling New Zealand raw materials. Specific inquiries were made in Philadelphia, New York, Boston, San Francisco, and other cities as to the marketing of hides, skins, wool, hemp, casein, kauri-gum, and fruit-juices.

TRADE WITH THE EAST.

During the past year arrangements were made for the New Zealand Trade and Tourist Commissioner in Australia to visit the Dutch East Indies and Malaya for the purpose of ascertaining the prospects of marketing the products of this Dominion in those markets, and also the possibilities of developing tourist traffic between those countries and New Zealand.

The Commissioner on his return submitted a very comprehensive report, and on the basis of this report the Department issued a bulletin—No. 16— on the subject of "Trade with Malaya and the Dutch East Indies." This was circulated in October last to the press of the Dominion, to Chambers of Commerce, Manufacturers' Associations, Produce Boards, farmers' organizations, and business persons

and firms throughout the Dominion.

In addition, detailed information concerning particular commodities, not contained in the general report, has been supplied to those persons and firms who are interested in such commodities. Moreover, many business houses in New Zealand have been placed in touch with a considerable number of firms both in the Dutch East Indies and Malaya, and in several cases business has definitely resulted. In a number of instances, also, the New Zealand firms have appointed agents in various parts of the East as a result of the contacts so made.

In the past New Zealand has not been able to ship fruit (apples and pears) to the Dutch East Indies, British Malaya, Ceylon, India, and other parts of the East owing to the existence of certain quarantine regulations in the Commonwealth which prevented, or at any rate hindered, the transhipment of such fruit at Sydney. As a result of representations which were recently made to the Commonwealth authorities, there will now be no restrictions on transhipment at Sydney of any of our fruit forwarded in transit to places outside of Australia. The Commonwealth authorities are willing to assist in this connection as far as possible.

Regulations are in existence in Japan which prevent transhipment of our fruit at Japanese ports for China and elsewhere. Representations have recently been made to the Japanese Government with a view to the removal of the present disabilities in this direction, but to date no reply has been

received.

The Department has endeavoured to interest exporters in an exhibition which the British Chamber of Commerce proposes to hold in Hong Kong next November, as it was considered that if a comprehensive display of New Zealand products could be made valuable publicity from a trade point of view would be obtained. A number of firms have promised their support, and the whole matter is now dependent upon whether or not the Department is able to arrange with the British Chamber of Commerce in Hong Kong for such display to be made. Inquiries are proceeding in this connection, and it is hoped to notify exporters definitely upon the matter at an early date.

Representations have been made in recent months to certain shipping companies with a view to improving our shipping facilities with the East, and this matter, which is one of paramount importance so far as the development of our export trade is concerned, will continue to receive the close attention

of the Department.