

The importation of New Zealand butter continues, and direct exports of the commodity amounted to 20,281 cwt. in 1936. According to United States of America statistics imports from all sources of this product have decreased by 43 per cent. to approximately £(N.Z.)500,000.

The activities of the New Zealand Trade and Tourist Commissioner in endeavouring to promote trade expansion with Western American States have been somewhat hampered by adverse influences, notably the Pacific Coast shipping strike. There are, however, definite openings for speciality cheeses provided careful consideration is given to market requirements and for the supply to Pacific Coast markets of certain varieties of New Zealand fish. This question of New Zealand's export of fish has been investigated to some extent in the Dominion by the Department, but little interest has so far been displayed by local exporters. Inquiries made by American importers of timbers point to the possibility of developing a small trade in figured timbers for fancy panelling. The sale of our specialty woollen products, particularly travelling-rugs and reversible floor-rugs, would, it is felt, meet with a certain degree of success if specialized selling agencies were appointed.

Special State restrictions in connection with the marketing of New Zealand beef, lamb, and rabbits will need to be removed or partially removed before any appreciable amount of export trade could accrue to New Zealand. That there is a possibility of our obtaining a footing in this market is apparent from the retail prices for meats ruling on the Pacific Coast, and suitable action has been taken by the New Zealand Government with a view to the removal of these restrictions.

The total external trade of the United States has increased in value by 12·5 per cent. above 1935, while in quantity the increase is 8·2 per cent. The great reduction in the export balance from £59,000,000 in 1935 to £8,250,000 in 1936 is accounted for by the following factors:—

- (1) Greater increases in import prices than in export prices.
- (2) Greater American purchasing-power in world markets.
- (3) The 1936 drought resulting in large importations and lower exports of agricultural products than usual.
- (4) The maritime strike's effect on exports—estimated loss of \$50,000,000 export sales.

Imports increased by 18 per cent. from all countries and exports by 7½ per cent., while the trade with countries which have concluded reciprocal trade treaties with the United States of America show increases of 21·9 per cent. and 14·1 per cent. respectively.

TRADE WITH THE BRITISH WEST INDIES.

It is gratifying to note that reciprocal trade with the British West Indies continues, and the table hereunder sets out the total trade with that colony over the past five years.

Total Trade with British West Indies.

Calendar Year.	Total Trade.	Direct Exports to Jamaica.	Imports from Jamaica.	Excess of Imports over Exports.
	£	£	£	£
1932	14,364	15	14,349	14,334
1933	37,021	20,864	16,157	4,707*
1934	69,911	42,228	27,683	14,545*
1935	109,973	53,966	56,007	2,041
1936	93,773	48,796	44,977	3,819*

* Excess of exports over imports.

On balance over the five-yearly period there is an excess of exports over imports in favour of New Zealand, and with the improved shipping service in both the homeward and outward journeys we may look forward to an expanding trade with Jamaica.

The imports from Jamaica comprise chiefly oranges, £16,671 (£18,990); grapefruit, £1,190 (£749); cocoa-beans, £6,455 (£16,756); rum, £8,213 (£5,055); asphalt and bitumen, £5,654 (£5,973); spices, £2,275 (£1,990). Figures in parentheses represent corresponding values for the calendar year 1935.

The principal exports are given in the table below:—

Item.	Principal Exports.	
	Calendar Year, 1935.	Calendar Year, 1936.
	£(N.Z.)	£(N.Z.)
Butter	50,406	45,866
Cheese	360	213
Frozen meat	812	1,079
Tinned meat	67	..
Dried and condensed milk	871	460
Tallow	1,335	806
Other items	115	372
Totals	53,966	48,796