

The New Zealand Customs Tariff is in force, and there is free trade between the territory and New Zealand. Local duties are, however, imposed on cotton piece-goods, sugar, and twist tobacco, irrespective of their countries of origin.

Estimated revenue for the year 1949-50 is £23,629, while estimated expenditure is £71,210, leaving a deficit to be covered by subsidy from New Zealand of £47,581. Large items of expenditure outside of salaries include residences, £8,050: purchase of new plant, including motor-vehicles, £6,260: water-supply, £750: maintenance of scholarship pupils in New Zealand, £1,500.

A comparative statement of revenue and expenditure over the last five years is as follows:—

Year.	Revenue.	Expenditure.	Deficit.	Subsidy.	Final Surplus or Deficit.
	£	£	£	£	£
1944-45 .. .. .	12,096	18,900	6,804	10,000	+3,196
1945-46 .. .. .	14,590	25,123	10,533	7,755	-2,778
1946-47 .. .. .	28,726	32,387	3,661	5,000	+1,339
1947-48 .. .. .	28,417	42,730	14,313	6,522	-7,791
1948-49 .. .. .	19,434	50,820	31,386	32,257	+ 871

Depreciation and other writings-off totalling £3,021 are included in the expenditure.

The main items of revenue for the year were:—

Stamp sales .. .. .	£3,823
Customs import duties .. .. .	£5,799
Income-tax .. .. .	£3,100

## F. TRADE AND SHIPPING

Niue is a port of call for two vessels in the shipping service between New Zealand, the Cook Islands, Tonga, Samoa, and Fiji. For this and for economic reasons practically all the trade of the island is directed to New Zealand, apart from normal inter-island trade on the shipping route. There were thirteen shipping calls during the year ended 31st December, 1948, including ten calls by the regular cargo and passenger vessels, the N.Z.G.M.V. "Maui Pomare," and the Union Steamship Co's, m.v. "Mat ua." There were two calls by the auxiliary schooner "New Golden Hind," operated by the New Zealand Works Department. Exclusive of parcel-mail, the inward cargo handled at the port amounted to 1,212 tons, and outward cargo 656 tons. In addition, 1,640 bags of parcel-mail, mostly containing Native plaited ware, were shipped during the year. Inward cargo almost reached the high figure set in 1947: the low outward cargo figure is largely accounted for by the few opportunities for shipping copra.

Eighty passengers disembarked and 93 embarked during the year, both figures being a decrease on those for the previous year.

Imports and exports both reached a record level in 1948. The present building and expansion programme being undertaken by the Administration accounts in part for the record import value, and the high price of copra is a factor contributing to the record value of exports.