

estimate to that date by £41,000. After August, however, a consistent decline in revenue took place, and the total for the year was £3,167,283, or £132,717 short of the estimate.

This condition of affairs was only to be expected, as the war cut off all trade with Germany, Austria, and Turkey, and reduced very greatly the trade with other European countries. The shortage and risk of transport, high freights and insurance, and difficulty in getting orders promptly fulfilled also, no doubt, have been contributing factors to the restriction of importation. This restriction is likely to continue until the war is concluded, and although there appears to be a tendency to go to new markets for some classes of goods—the United States and Japan, for example—this can only operate to a limited extent, as the great bulk of our imports comes from the United Kingdom.

A comparison of the revenue received during the months of January, February, March, April, and May of 1915 with the same months of 1914 makes it apparent that we must be prepared to face very much reduced receipts for the current financial year.

During the five months mentioned the amount realized is £275,559 less than for the same period of last year.

The comparative figures showing values of imports and exports for the calendar years 1913 and 1914 are as follows :—

			1913. £	1914. £
Imports	..	..	22,288,302	21,856,096
Exports	..	..	22,986,722	26,261,447

The exports for the financial years 1913–14 and 1914–15 were as follows :—

			1913–14. £	1914–15. £
Exports	..	..	23,471,131	27,476,823

This great increase in our exports is due to the exceptional prices obtained and to the larger quantities of goods exported. The figures are the highest ever recorded.

In spite of the preferential tariff in favour of British goods the trade with Germany and other foreign countries in Europe previous to the war, had assumed considerable proportions, the principal items of import being pianos, fancy goods and toys, chemicals, dyes, lamps, glassware, chinaware, enamelled ware, cheap hardware, and agricultural manures, the total values imported during 1913 being—

					£
Germany	..	..	..	..	687,935
Austria	..	..	..	..	17,863
Turkey	..	..	..	..	7,927
Asia Minor	..	..	..	..	17,215

as compared with—

					£
Great Britain	..	..	..	..	13,312,193

Immediately upon the outbreak of war with Germany and Austria, and Turkey trade with those countries was totally prohibited, and it became an offence against the law for any person to enter into any new commercial, financial, or other contract with the enemy.

Precautions were also taken to safeguard British interests by the prohibition of exportation, either directly or indirectly, to enemy countries of goods which might be used as either foodstuffs or munitions of war, or as material for the manufacture of military clothing, boots, or equipment. The Government was compelled to go further than this, in the general interests of the community, and to take the control of the exportation of foodstuffs and forage which were likely to be sent away in excess on account of the high prices ruling abroad. Wheat, flour, oats, chaff, bran, oatmeal, and butter can now be exported only with the consent of the Government when the reasons are of an urgent nature and when there is a margin over the supplies needed for home consumption. With regard to the export of butter, which has been the subject of a good deal of comment and discussion, it may be stated that a number of dairy factories in the northern districts are com-