

The balance of trade for 1929 is again considerably in favour of our sister Dominion, but the important step taken by the New Zealand Government towards the end of the year, referred to at greater length in another section of this report—i.e., the appointment of a Commissioner for New Zealand in Canada—should give an impetus to the export trade of New Zealand, and, provided no obstacles to trade are erected, should help to equalize the value of the trade between the two countries.

The value of the main items exported from New Zealand to Canada in each of the last five years is as follows :—

—	1925.	1926.	1927.	1928.	1929.
	£	£	£	£	£
Butter .. .. .	26,360	230,562	899,727	1,565,646	2,707,669
Sausage casings and skins ..	231,884	319,470	422,655	461,074	265,521
Wool .. .. .	53,951	158,329	213,140	224,810	200,163
Hides, pelts, and skins (undressed)	66,809	97,316	57,127	81,785	63,904

It will be noticed that in 1929 butter represented approximately 81 per cent. of our total exports to Canada. In view of this fact, and in view of the fact that the balance of trade each year is in favour of Canada, the recent decision of the Canadian Government to cancel the application of the Australian trade agreement to New Zealand must be regarded as of serious import to the trade connections which have been built up during the last few years by New Zealand exporters with Canadian business houses. It is hoped, however, that before the expiry of the Order in Council which extended the agreement to New Zealand, tariff arrangements may have been completed mutually satisfactory to both countries.

As regards imports into New Zealand from Canada, as will be seen in the following table, the principal item consists of motor-vehicles, and the increase in imports last year as compared with the previous year is explained chiefly by additional imports of that particular item. The values of the main items of import for the last five years are shown below :—

—	1925.	1926.	1927.	1928.	1929.
	£	£	£	£	£
Motor-vehicles—cars, trucks, and buses, and chassis for same	1,344,337	839,188	276,359	593,372	1,574,246
Tires for motor-vehicles ..	589,843	396,622	520,274	595,385	754,709
Newsprint .. .. .	227,140	251,050	266,226	267,893	319,014
Boots, shoes, and other footwear ..	124,844	175,111	157,749	203,527	250,254
Fish, preserved in tins ..	118,332	111,090	101,447	105,060	116,941

The transport facilities between New Zealand and Canada are adequate and regular, the production seasons are opposite, and the good will and respect of importers is mutually held in each country. It will be a matter for great regret, therefore, if a satisfactory trade agreement cannot be implemented between the two countries. Other than this there appears to be no bar to a continuation of the rapid development which has been exhibited in the trade figures during the last few years.

TRADE WITH THE UNITED STATES.

The value of our exports to the United States in 1929 totalled £3,653,327, as compared with £4,260,315 for the previous year, while imports into New Zealand from the United States amounted to £9,326,311 in 1929, as against £8,203,342 for 1928. The value of our trade with that country for the last five years is shown by the table below, and also its relative importance as far as total exports and imports are concerned :—

Year.	Exports.	Per Cent. of Total Exports.	Imports.	Per Cent. of Total Imports.
	£		£	
1925 .. .. .	4,349,758	7·87	8,885,265	16·94
1926 .. .. .	3,818,232	8·43	10,000,507	20·05
1927 .. .. .	2,681,091	5·53	8,079,467	18·04
1928 .. .. .	4,260,315	7·58	8,204,197	18·28
1929 .. .. .	3,653,327	6·57	9,326,311	19·11