

The importance of the United Kingdom as a market for our principal primary products is readily apparent from the foregoing statistics. As remarked in the previous section, there has, however, been a steady decline in the proportion of our total exports taken by the United Kingdom, the percentage having fallen from 88.02 in 1931 to 82.36 in 1934. Conversely, there has been a compensating increase in the relative importance of other markets. In 1934, for example, the percentage taken by Belgium, France, Germany, and Japan showed a substantial increase in each case over 1933. Compared with the United Kingdom, however, other overseas markets still remain relatively small.

In considering the importance of the United Kingdom as a market for New Zealand products, it must be borne in mind that a not inconsiderable part of our exports is sent thither merely as a convenient depot for subsequent sale and shipment to the Continent of Europe and to America. Prior to the depression that has prevailed during the past few years this re-export trade in New Zealand produce amounted to between £7,000,000 and £8,000,000 per annum, but since 1930 the figures have been as follows: 1930, £4,612,765; 1931, £4,118,702; 1932, £3,798,311; 1933, £5,264,804. The figures of re-exports for 1934 are not yet available.

As has already been pointed out, the proportion of our imports derived from the United Kingdom has steadily increased during the past four years, rising from 49.17 per cent. in 1931 to 51.46 per cent. in 1933. Actually this tendency was in evidence even before 1931, for in 1929 and 1930 the percentage was still lower, being 46.25 and 47.27 respectively in those years. These figures indicate that practical expression is being given by New Zealand to the strong sentiment that prevails in this Dominion towards closer trade relations with the Empire, and especially with the United Kingdom.

TRADE WITH AUSTRALIA.

The value of our trade with Australia in each of the past five calendar years is shown in the table below :—

Year ended 31st December,			Exports to Australia.	Imports from Australia.	Total Trade.
			£	£	£
1930	..	..	1,562,281	3,308,915	4,871,196
1931	..	..	1,169,055	2,437,955	3,607,010
1932	..	..	1,444,860	2,681,393	4,126,253
1933	..	..	1,393,311	2,674,683	4,067,994
1934	..	..	1,922,516	3,238,124	5,160,640

Despite many adverse circumstances, both our export and our import trade with the Commonwealth have shown substantial increases since 1931. Ranking next to the United Kingdom, Australia is now our second best customer for our products, and is also next in importance to the United Kingdom as a supplier of goods to New Zealand.

Considerable attention has continued to be paid by the Trade Commissioner at Sydney to the development of our export trade, and reports have been submitted from time to time. These relate to such commodities as timber, fish, hides and skins, wool, and *Phormium tenax*. Wherever possible exporters and importers in New Zealand have been put in touch with buyers and sellers of a number of products in Australia.

The following table covering the past two calendar years shows the nature of the commodities that enter into our export trade with the Commonwealth, and the quantities and values of the principal items :—

			1933.		1934.	
			Quantity.	Value.	Quantity.	Value.
				£		£
Timber, sawn	..	Sup. ft.	24,842,870	226,595	33,205,938	305,615
<i>Phormium tenax</i> (New Zealand hemp)		Tons	1,857	23,750	2,607	36,750
Tow	..	..	513	4,590	500	4,179
Grass and clover seeds	..	Cwt.	19,475	41,513	18,292	49,885
Peas	..	Centals	17,482	19,270	19,883	19,436
Oats	..	..	2,612	932	3,051	1,307
Fish, frozen	..	Cwt.	26,469	45,400	47,552	93,422
Sugar of milk	..	Lb.	170,240	5,007	371,920	9,942
Wool	..	..	6,087,740	170,045	8,098,596	331,980
Tallow	..	Tons	1,116	23,159	678	11,681
Sausage-casings	..	Lb.	281,721	10,372	248,245	13,447
Hides, pelts, and skins—						
Calf-skins	..	No.	101,028	16,982	337,964	63,027
Cattle-hides	..	..	88,212	100,768	139,971	183,517
Sheep-skins, with wool	..	..	16,145	1,865	578	141
Sheep-skins, without wool	..	..	257,493	8,212	217,533	14,521
Pumice sand and stone	..	Tons	2,112	7,686	2,279	6,179
Gold—Bar, dust, ingot, and sheet		Oz.	25,793	175,797	24,736	190,974