

The extent of sales of the more important New Zealand products to the United States in each of the past three years is shown in the following table :—

Commodity.	1933.	1934.	1935.
	£(N.Z.)	£(N.Z.)	£(N.Z.)
Wool	88,923	104,005	302,476
Tallow	1,327	39,907	339,858
Calf-skins	82,537	43,684	56,931
Cattle-hides	30,869	17,360	32,766
Rabbit-skins	155,852	187,287	348,784
Sheep-skins, with wool	64,035	43,862	41,414
Sheep-skins, without wool	380,197	372,824	528,778
Sausage-casings	170,019	312,626	345,279
Grass and clover seeds	22,066	33,066	44,377

Every item of the above, except the comparatively small value of sheep-skins with wool, shows a substantial increase in value for 1935 as compared with the previous year. The value of our exports of wool was nearly three times as great last year as in 1934, and tallow was eight times as large. Rabbit-skins almost doubled in value, and there is evidence that this commodity will play an even more important part in our export trade to the United States than it has played in the past.

The office of the Trade and Tourist Commissioner to the Pacific Coast of the United States of America was officially opened at Los Angeles on the 1st November, 1935. Every effort has been made, in the comparatively short time the office has been opened, by the Trade and Tourist Commissioner to induce importers in the United States to become interested in various commodities which New Zealand exports for which profitable marketing opportunities appear to exist. The difficulties of trading with the United States are many, but there has been evidence recently of a desire on the part of the American Government to stimulate international trade and a realization by high American officials and important business leaders that it is necessary to accept imports from foreign countries to pay for exports of American produce to those countries.

The Trade and Tourist Commissioner at Los Angeles reports that the price of butter in the Western States of America has so far not risen sufficiently to permit of profitable importation of New Zealand butter, and the same remarks may be applied to cheese, with regard to which, in addition to the duty charged on importations, the local price has not offered an opportunity to New Zealand exporters to compete with the American article.

Importers have, however, been induced by the Trade Commissioner at Los Angeles to interest themselves in other New Zealand foodstuffs, particularly toheroa soup, oysters, whitebait, &c., and, in the case of New Zealand Stilton cheese, through the efforts of the Trade Commissioner a definite avenue of trade has been opened up and a trial shipment of this produce has been ordered from a New Zealand firm. The report of the Trade Commissioner indicates that in order to create a worthwhile demand for foodstuffs such as the above it is necessary to advertise fairly extensively.

Attention has also been devoted by the Trade Commissioner at Los Angeles to the question of the importation of New Zealand meat into the United States, and his report indicates that, apart from the price factor, there are restrictive regulations in operation, particularly in the State of California, which tend to make the marketing of frozen meat practically impossible in that State. Were these removed or partially removed, it is considered that there would be opportunities for New Zealand in respect of meat. This matter is now being considered by the New Zealand Government.

TRADE WITH THE BRITISH WEST INDIES.

Towards the end of 1933 the New Zealand Trade and Tourist Commissioner at Toronto visited the British West Indies with the object of obtaining first-hand information concerning the market for New Zealand products in that territory. As was indicated in last year's annual report, since the survey was made considerable progress has been made in the sale of New Zealand exportable lines, especially foodstuffs, and the good will of the merchants in the British West Indies has been enhanced by the visit and by the services rendered by New Zealand shippers. In 1933 the value of products exported from New Zealand to the British West Indies was £20,970; in 1934 this amount had more than doubled and was £42,228; and in 1935 a further increase was recorded of £11,768, the figure for that year being £53,996.

Butter is the principal item exported from the Dominion to the British West Indies, the values being £20,571 in 1933, £33,519 in 1934, and £50,406 in 1935.

It is interesting to note that the imports into New Zealand from the British West Indies have increased more than proportionately to our exports to that territory. In 1933 the value of British West Indies products imported into New Zealand was £16,157, in 1934 the value rose by £11,526 to become £27,689, while in 1935 the value was £56,007, an increase of £28,324 over the 1934 figure. The visible balance of trade has therefore changed from being in our favour to the extent of £4,414 in 1933 and £14,545 in 1934 to an unfavourable balance of £5,601 in 1935.