

A beginning has been made with the development of an export trade in New Zealand apples to Eastern countries, and the prospects of developing this trade are definitely promising. In 1934 a total of 100 cases were sent to that part of the world. In the following season the total shipments increased to 956 cases. During the 1935-36 period the quantity of apples consigned to the East aggregated 7,641 cases, the numbers of cases to the various ports being as follows: Hong Kong, 1,891; Shanghai, 1,800; Bombay, 500; Singapore, 650; Manila, 950; Calcutta, 200; Batavia, 200; Colombo, 200; Madras, 100. This quantity would have been increased if shipping space could have been procured. With the exception of 750 cases shipped on the "Narbada" the rest of the consignment had to be transhipped either at Sydney or Honolulu. Although the Eastern demand for apples and pears is strictly limited, and this demand fairly well catered for, it should be possible for New Zealand to obtain a share in this trade, especially with the development of direct shipping services.

In the past the Dominion has been severely handicapped in its endeavours to develop a market in Eastern countries for its products by reason of the fact that direct shipping services were unavailable, and all consignments had to be sent via ports in Australia or America, with a consequent increase in transportation charges due to the necessity for goods to be transhipped. However, so far as China and Japan are concerned, this drawback has been removed by the inauguration of the direct shipping services by the Japanese steamship lines—the Osaka Shosen Kaisha and the Yamashita Kisen Kaisha lines. In regard to Japan, however, apples and pears cannot be imported, due to restrictive legislation.

Numerous inquiries for a variety of New Zealand products continue to be received from all parts of the East, both direct from Eastern importers and through the Department's honorary agents in Colombo, Hong Kong, Shanghai, and Tientsin, and in all such cases the inquirers have been placed in direct touch with the persons, firms, or organizations in New Zealand likely to be interested.

The following table shows the value of our export and import trade with various Eastern countries for each of the past three calendar years:—

—				1933.	1934.	1935.
Export to—				£(N.Z.)	£(N.Z.)	£(N.Z.)
Dutch East Indies	..	..	..	5,496	2,548	2,235
British Malaya	..	..	..	22,929	49,727	63,771
Burma	..	..	..	743	208	618
Ceylon	..	..	..	2,670	393	1,528
Hong Kong	..	..	..	15,143	16,238	11,249
India	..	..	..	34,326	65,161	60,956
China	..	..	..	54,564	19,099	7,718
Japan	..	..	..	354,462	856,014	432,495
Philippine Islands	..	..	..	413	2,493	3,945
Totals	..	..	..	490,746	1,011,881	584,515
Imports from—						
Dutch East Indies	..	..	..	998,224	1,381,974	1,437,379
British Malaya	..	..	..	63,181	64,826	81,457
Burma	..	..	..	17,239	11,622	9,679
Ceylon	..	..	..	551,388	585,689	633,594
Hong Kong	..	..	..	6,299	9,681	10,356
India	..	..	..	576,915	667,552	571,627
Japan	..	..	..	675,571	836,595	1,100,177
China	..	..	..	72,785	98,454	97,244
Philippine Islands	..	..	..	7,33	13,268	10,837
Totals	..	..	..	2,968,635	3,669,661	3,952,350

The principal feature disclosed by the foregoing table with regard to our direct exports to the various countries listed is the considerable decline in the value of our exports to Japan from the value exported in 1934. Increases occurred in our exports to British Malaya (£14,044); Philippine Islands (£1,452); Ceylon (£1,135); and Burma (£410). Decreases in the value of our exports occurred to the following countries: Japan (£425,519); Hong Kong (£4,989); India (£4,205); China (£11,381); Dutch East Indies (£313).

The net decline in the value of our exports to the above countries was £427,366.

With regard to imports in 1935, the table reveals an increase over the 1934 figures in the value of goods imported into New Zealand from the countries mentioned. Increases occurred in the cases of goods from Japan (£263,582); Dutch East Indies (£55,405); Ceylon (£47,905); British Malaya (£16,631); Hong Kong (£675). A decrease was recorded in each of the following countries: India (£95,925); Philippine Islands (£2,431); Burma (£1,943); China (£1,210).

The net increase in the values of imports into New Zealand from the above countries was £282,689.