

Trade Treaty.—Some extensions to the trade treaty with Canada were made as the result of Hon. Mr. Nash's visit to Canada in July, 1937, and, of these, reductions in the duty on meats, canned meat, hops, canned whitebait, Karitane products, and edible gelatine should improve our sales in Canada of these products.

On 1st March, 1938, the Trade Agreement (Canada) Order 1938 became effective, increases in duty on certain goods the produce of Canada being made with a view to protecting our local industries.

TRADE WITH UNITED STATES OF AMERICA.

The total trade with the United States is set out in Table XII hereunder, and the increase of almost £2,000,000 in the value of our exports is very gratifying. Imports increased by £1,434,760. The United States took 7.19 per cent. of our total exports in 1937, as against 5.07 per cent. in 1936, while 12.39 per cent. of our total imports were of American origin, compared with 12.52 per cent. in the previous year.

Table XII.—Total Trade with United States.

Year ended 31st December,				Exports to the United States.	Imports from the United States.	Excess of Imports over Exports.
				£(N.Z.)	£(N.Z.)	£(N.Z.)
1931	..	..	..	920,931	4,227,550	3,306,639
1932	..	..	..	690,015	3,565,846	2,875,831
1933	..	..	..	1,188,972	2,952,009	1,763,037
1934	..	..	..	1,250,364	3,749,559	2,499,195
1935	..	..	..	2,468,066	4,534,086	2,066,994
1936	..	..	..	2,877,752	5,525,431	2,647,679
1937	..	..	..	4,796,039	6,960,191	2,164,152

From official Washington statistics Table XIII has been compiled, and from that it may be seen that in 1937 the predominating credit enjoyed by the United States was very materially reduced, being only \$1,619,000, or approximately £(N.Z.)400,000. Indications during the first two months of 1938 are, however, that imports from New Zealand are in value only 20 per cent. of 1936 figures, however, due to the recession now apparent in that country.

**Table XIII.—Total Trade with New Zealand.*

				Exports to New Zealand.	Imports from New Zealand.
				\$	\$
1933	..	..	..	8,229,000	4,793,000
1934	..	..	..	12,999,000	5,592,000
1935	..	..	..	15,610,000	10,359,000
1936	..	..	..	19,499,000	11,572,000
1937	..	..	..	23,876,000	22,237,000

* From official statistics supplied by the Department of Commerce, Washington.

Imports comprise a wide range of manufactured goods, and of these the most important is machinery, £2,168,004, an increase of £799,233 over 1936 figures.

Table XIV below sets out the principal exports from New Zealand, and of these it will be seen that wool accounts in a large measure for the growth in our exports to the United States. Sheep-skins without wool present another marked rise. Butter has fallen considerably, as also have the exports of seeds, tallow, and rabbit-skins.

Table XIV.—Principal Exports.

Commodity.				1934.	1935.	1936.	1937.
				£(N.Z.)	£(N.Z.)	£(N.Z.)	£(N.Z.)
Wool	..	..	..	104,005	302,476	660,777	2,281,082
Tallow	..	..	..	39,907	339,858	77,993	12,583
Calf-skins	..	..	..	43,684	56,931	86,240	180,123
Cattle-hides	..	..	..	17,360	32,766	30,567	65,063
Rabbit-skins	..	..	..	187,287	348,784	642,932	399,925
Sheep-skins, with wool	..	..	..	43,862	41,414	114,883	186,825
Sheep-skins, without wool	..	..	..	372,824	528,778	814,588	1,167,018
Sausage-casings	..	..	..	312,626	345,279	178,906	304,011
Grass and clover seeds	..	..	..	33,066	44,377	61,056	14,194
Butter	..	..	..	4,693	226,020	102,353	11,694
Kauri-gum	..	..	..	18,426	25,325	22,462	48,095