

Values of exports and imports rose sharply from 1945 onwards. There was a surplus of exports over imports in 1946, but a near-balance in 1947 when the value of imports increased by almost 80 per cent., compared with a corresponding increase in the value of exports of 28 per cent.

In 1948 import licences were not issued on the same scale as for 1947. No fundamental changes took place in import-licensing policy over this period, but because of the greater need to conserve overseas funds and to confine imports from hard-currency countries to essential classes of goods, it was necessary to exercise a stricter control over imports in 1948. These factors, allied with the revaluation of New Zealand's currency to parity with sterling in August, 1948, caused a decline both in the value and volume of imports from the 1947 level. The value of exports in 1948, however, continued to increase, resulting in a favourable balance of merchandise trade of £19,622,000 in that year.

TABLE 13—INDICES OF VALUE AND VOLUME OF EXTERNAL TRADE
(Base, 1936-38 = 100)

Year.	Exports.			Imports.		
	Value.	Volume.	Volume per Head.	Value.	Volume.	Volume per Head.
1939	96	98	96	95	94	92
1946	167	112	101	138	75	68
1947	214	119	105	248	115	102
1948	244	123	106	247	114	99

While there have been remarkable increases in the value of external trade, account must be taken of price movements in any assessment of change. The value index of imports rose from 100 in the base period 1936-38 to 248 in 1947, while the volume index of imports over these years rose from 100 to 115, reflecting an increase in the average price of imports of 116 per cent. A further slight increase (to 117 per cent.) in the average price of imports occurred in 1948, the value index falling to 247 and the volume index to 114. Between 1936-38 and 1948, the index value of exports increased from 100 to 244, and index volume from 100 to 123, representing an increase in the average price of exports of 98 per cent. The broad conclusion to be drawn is that the average level of import prices rose almost 10 per cent. above the level of export prices between the base years 1936-38 and 1948.

(2) NEW ZEALAND'S IMPORT TRADE

TABLE 14—DIRECTION OF IMPORT TRADE: VALUES
(£N.Z. thousands)

Year.	United Kingdom.	Europe.	U.S.A.	Canada.	Australia.	Far East.	Other.	Total.
1938 ..	23,533	2,040	6,856	4,855	7,159	3,765	4,214	55,422
1939 ..	23,134	1,716	5,613	4,377	6,419	4,508	3,620	49,387
1946 ..	34,195	1,364	11,793	4,656	10,420	3,742	5,254	71,364
1947 ..	55,039	6,760	23,329	11,609	14,942	7,424	9,622	128,725
1948 ..	67,089	5,843	13,822	6,898	14,194	8,461	11,894	128,201