

This decline may be indicated with greater force by expressing the above figures as percentages of total exports and imports :—

					Exports to Australia (per Cent. of Total Exports).	Imports from Australia (per Cent. of Total Imports).
1925	..	..	..	..	4.53	10.01
1926	..	..	..	..	6.75	9.27
1927	..	..	..	..	7.56	8.64
1928	..	..	..	..	6.05	7.79
1929	..	..	..	..	4.21	6.68

As far as our export trade is concerned, Australia held second position in 1927—the first time for many years—but was supplanted by the United States in 1928 and by Canada in 1929, so that she now occupies only fourth place.

Imports from Australia have fallen steadily from 10.01 per cent. in 1925 to 6.68 per cent. in 1929, the explanation being mainly that less wheat, flour, coal, and timber are taken by the Dominion. As regards our import trade also, Australia now occupies fourth position, Canada supplanting her for third place in 1929.

It is remarkable that two neighbouring countries situated as closely as are New Zealand and Australia and united by the same ties of kinship and by the possession of the same tastes and characteristics in their people should show the drift in their trade relations which has been exhibited during the last few years. Unfortunately, the recent tariff restrictions imposed on certain New Zealand commodities entering Australia, notably butter and cheese, and the virtual embargo on potatoes, have deprived New Zealand of a valuable market for those products. The balance of trade between the two countries for many years has been in favour of Australia, and for the year 1929 imports from that country into New Zealand exceeded exports from the Dominion to the Commonwealth by £920,317.

With the reorganization that has taken place in the Dominion's representation in Australia it is hoped that something can be done towards a definite improvement in future trade relations.

TRADE WITH CANADA.

Our trade with Canada in 1929 showed further rapid development, the increase in our exports thither as compared with the previous year being £884,825, and the increase in imports from Canada being £1,528,353. In 1928 Canada ranked as fourth in importance of New Zealand's customers as regards both our exports and imports. In 1929 Canada rose to third position.

An indication of the rapidity with which trade with our sister Dominion has advanced of recent years is obtained from a glance at the following figures :—

Year ended 31st December,					Value of Exports to Canada.	Value of Imports from Canada.
					£	£
1925	..	..	..	..	423,068	3,916,237
1926	..	..	..	..	861,717	3,431,533
1927	..	..	..	..	1,666,598	2,739,826
1928	..	..	..	..	2,469,150	3,258,828
1929	..	..	..	..	3,353,975	4,787,181

Perhaps an even better indication may be obtained by the expression of the above figures as percentages of the values of the total exports and imports of New Zealand :—

Year ended 31st December,					Exports to Canada (per Cent. of Total Exports).	Imports from Canada (per Cent. of Total Imports).
1925	..	..	..	..	0.77	7.47
1926	..	..	..	..	1.90	6.88
1927	..	..	..	..	3.44	6.12
1928	..	..	..	..	4.39	7.26
1929	..	..	..	..	6.03	9.81