

1934.
NEW ZEALAND.

DEPARTMENT OF INDUSTRIES AND COMMERCE

(SEVENTEENTH ANNUAL REPORT OF THE).

Presented to both Houses of the General Assembly by Command of His Excellency.

YOUR EXCELLENCY,—

Wellington, 18th August, 1934.

I have the honour to submit for your Excellency's information the report of the Department of Industries and Commerce for the past year.

I have, &c.,

R. MASTERS,

Minister of Industries and Commerce.

His Excellency the Governor-General of the Dominion of New Zealand.

SIR,—

Wellington, 11th August, 1934.

I have the honour to submit the annual report of the Department of Industries and Commerce. This report deals with the work of the Department since the previous report was placed before Parliament, and covers generally the period ended 30th April, 1934. In certain instances, however, matters subsequent to that date are also referred to.

I have, &c.,

G. W. CLINKARD, Secretary.

To Hon. R. Masters, Minister of Industries and Commerce.

BANKING RETURNS.

THE latest returns of the six trading banks operating in New Zealand, briefly commented upon below, cover the quarter ended the 30th June, 1934.

Deposits for the quarter ended 30th June, 1934 (exclusive of Government deposits), totalled £63,735,896, as compared with £55,734,003 for the corresponding quarter of 1933; an increase of £8,001,893. Advances, on the other hand, aggregated £41,344,129, as against £46,757,111 for the quarter ended 30th June, 1933, a decrease of £5,412,982. As a result, there was an excess of deposits over advances for the last quarter of no less than £22,391,767, as compared with an excess of £8,976,892 for the corresponding period of the previous year.

The relation of deposits to advances for the quarter ended 30th June in each of the past ten years is shown in the following table:—

Quarter ended 30th June,	Deposits.	Advances.	Excess of	
			Deposits.	Advances.
	£	£	£	£
1925	51,463,635	43,935,770	7,527,865	..
1926	48,269,349	48,714,742	..	445,393
1927	46,490,366	50,753,106	..	4,262,740
1928	52,947,133	45,426,955	7,520,178	..
1929	57,051,894	47,407,211	9,644,683	..
1930	53,748,038	54,063,162	..	315,124
1931	51,169,387	53,395,535	..	2,226,148
1932	52,216,782	50,581,395	1,635,387	..
1933	55,734,003	46,757,112	8,976,891	..
1934	63,735,896	41,344,129	22,391,767	..

The deposits for the past quarter, totalling £63,735,896, consisted of free or non-interest-bearing deposits to the extent of £22,874,327, and fixed or interest-bearing deposits amounting to £40,861,569. These figures compare with £18,866,445 and £36,867,558 for free and fixed deposits respectively for the quarter ended 30th June, 1933. For the past quarter the former class of deposits consequently showed an increase of £4,007,882 and the latter class an increase of £3,994,011.

Total deposits have thus reached a new record high level. Coming at the end of the export season, the June figures usually reach the highest level of the year. Since the June quarter of 1927 fixed deposits have shown a steady rise in each corresponding quarter in the subsequent years. The June quarter's figure for 1926 (£20,674,853) has practically doubled for the same quarter in 1934 (£40,861,569).

The marked increase in free deposits is almost on a par with that of the fixed deposits and is indicative of a greater measure of confidence in business and trading conditions generally.

The relative movements of the two classes of deposits for the quarter ended 30th June in each of the past ten years are shown in the table which follows:—

Quarter ended 30th June,				Fixed Deposits.	Free Deposits.	Total.
				£	£	£
1925	..	..	..	20,966,426	30,497,209	51,463,635
1926	..	..	..	20,674,853	27,594,496	48,269,349
1927	..	..	..	21,749,104	24,741,262	46,490,366
1928	..	..	..	27,589,988	25,357,145	52,947,133
1929	..	..	..	30,241,013	26,810,881	57,051,894
1930	..	..	..	30,522,174	23,225,864	53,748,038
1931	..	..	..	33,045,225	18,124,162	51,169,387
1932	..	..	..	35,400,900	16,815,882	52,216,782
1933	..	..	..	36,867,558	18,866,445	55,734,003
1934	..	..	..	40,861,569	22,874,327	63,735,896

Deposits shown in the foregoing table do not include Government deposits which for the quarter ended 30th June, 1934, amounted to £1,017,649, as compared with £1,740,207 for the corresponding quarter of the previous year, a reduction of £722,658.

Advances for the past quarter which, as previously mentioned, totalled £41,344,129, comprise ordinary advances aggregating £39,429,093, and notes and bills discounted £1,915,036. In comparison with these figures, ordinary advances for the corresponding quarter in the previous year totalled £46,147,379, and notes and bills discounted £609,732. The ordinary advances therefore showed a substantial decrease of £6,718,286, while the discounts also showed an abnormal variation in that they increased by £1,305,304.

The average notes in circulation for the quarter ended 30th June, 1934, amounted to £6,423,115, as compared with £6,305,060 for the corresponding period of 1933, an increase of £118,055. Coin and bullion showed a decrease in value of £33,259, the relative figures being £5,045,199 in 1934 and £5,078,458 in 1933.

GENERAL TRADE REVIEW.

In this report it is usual to make a brief review of the statistics of the overseas trade of New Zealand for the past calendar year.

For the year ended 31st December, 1933, the value of exports from the Dominion was £41,301,951, as compared with £36,965,780 for the previous year, an increase of £4,336,171. Imports for 1933 aggregated £21,451,382, a reduction of £1,593,724, as compared with the figures for 1932 in which year the imports were assessed at £23,045,106.

The foregoing figures are inclusive of specie, exports of which during 1933 amounted to £296,032, as compared with £1,355,861 for 1932. Specie imports during these two years were £424,704 and £55,310 respectively.

Since New Zealand currency fell to a discount on sterling at the beginning of 1930, exports of merchandise have been expressed in terms of New Zealand currency, imports of merchandise from Australia in terms of Australian currency, and from other countries in terms of sterling. Specie exports and imports are, of course, recorded at their face value.

In a comparison of one year's trade with another, it is preferable to omit specie exports and imports which, generally speaking, represent payments of debts and not additional trade, and the inclusion of which tend to obscure the trade position and movement. Specie is accordingly omitted from the following table, though it is as well to point out that exports of uncoined gold, which in the case of New Zealand ranks as an ordinary export commodity, are included. The figures of total trade and of balance of trade for the last four years are shown in terms of New Zealand currency:—

External Trade (excluding Specie).

Year ended 31st December,	Exports.	Imports.	Total External Trade.	Excess of	
				Exports.	Imports.
	£	£	£	£	£
1924	52,509,223	48,527,603	101,036,826	3,981,620	..
1925	55,243,047	52,425,757	107,668,804	2,817,290	..
1926	45,268,924	49,811,763	95,080,687	..	4,542,839
1927	48,496,354	44,782,666	93,279,020	3,713,688	..
1928	55,570,381	44,844,102	100,414,483	10,726,279	..
1929	54,930,063	48,734,472	103,664,535	6,195,591	..
1930	44,940,517	42,662,827	89,281,000*	601,000*	..
1931	34,950,698	24,756,803	61,449,000*	8,453,000*	..
1932	35,609,919	22,989,796	60,256,000*	10,964,000*	..
1933	41,005,919	21,026,678	66,587,000*	15,425,000*	..

* In terms of New Zealand currency.

EXPORTS.

The table below sets out the quantities and values of the principal commodities exported from New Zealand in each of the past two calendar years:—

Item.	1932.		1933.	
	Quantity.	Value.	Quantity.	Value.
		£		£
Butter Cwt.	2,185,545	10,639,053	2,635,247	11,648,699
Cheese "	1,790,431	4,951,268	1,982,932	4,766,319
Beef, frozen "	443,785	366,713	794,652	801,009
Lamb, frozen "	2,507,777	6,027,319	2,823,272	6,678,161
Mutton, frozen "	1,339,349	1,466,425	992,744	1,310,375
Hides and calf-skins No.	1,149,760	306,053	1,292,014	544,385
Rabbit-skins "	6,660,140	70,016	10,378,388	224,199
Pelts "	11,999,210	542,165	11,813,685	609,630
Wool Bales	699,126	5,742,821	823,735	7,421,152
Tallow Tons	25,377	462,081	28,020	516,063
Kauri-gum "	2,068	62,137	3,089	77,973
Gold Oz.	217,550	1,171,811	187,021	1,343,599
Sausage-casings lb.	3,772,068	266,273	4,525,194	394,461
Other items "	..	4,891,645	..	4,965,926
Total exports "	..	36,965,780	..	41,301,951

The foregoing table shows that with the exception of frozen mutton, pelts, and gold, increases in quantities exported were recorded in 1933, while values for the same year showed improvement in all instances except cheese and frozen mutton. Owing to the low prices ruling in the case of cheese, a reduction in value occurred despite an increase in quantity shipped.

The direction of our import trade in 1932 is disclosed by the table which follows, the figures for the three previous years being also given for purposes of comparison:—

Value of New Zealand's Exports (including Specie) according to Country of Destination, 1930-33.

	1930.	1931.	1932.	1933.
	£	£	£	£
British Possessions, Protectorates, &c.—				
United Kingdom	36,015,303	30,940,654	32,449,231	35,571,509
Australia	1,562,281	1,169,055	1,444,860	1,393,311
Canada	2,539,212	256,890	244,160	560,875
All other British countries	761,077	311,114	316,074	292,486
Totals, British countries	40,877,873	32,677,713	34,454,325	37,818,181
Foreign Countries and Possessions—				
United States	2,116,752	920,931	940,015	1,188,972
Belgium	199,048	146,335	167,629	330,284
France	519,727	419,016	508,960	738,176
Germany	401,084	309,847	289,917	376,886
Japan	154,741	267,899	236,799	354,462
All other foreign countries	671,467	411,287	368,135	494,990
Totals, all foreign countries	4,062,819	2,475,315	2,511,455	3,483,770
Totals, all countries	44,940,692	35,153,028	36,965,780	41,301,951

Exports to all British countries during 1933 increased by £3,363,856, and those to foreign countries increased by £972,315.

In 1933 exports to British countries represented 91.6 per cent. of total exports, as compared with 93.2 per cent. in 1932, while exports to foreign countries represented 8.4 per cent. in 1933, in comparison with 6.8 per cent. in 1932.

The percentages of total exports shipped to each of the principal countries trading with the Dominion during the past four calendar years are shown in the following table:—

Country of Destination.	1930.	1931.	1932.	1933.
	Per Cent.	Per Cent.	Per Cent.	Per Cent.
United Kingdom	80.17	88.02	87.79	86.12
Australia	3.45	3.33	3.91	3.37
Canada	5.65	0.73	0.66	1.36
United States	4.71	2.62	2.54	2.88
Belgium	0.44	0.42	0.45	0.80
France	1.15	1.19	1.38	1.79
Germany	0.89	0.88	0.79	0.91
Japan	0.35	0.76	0.64	0.86

The principal feature of the foregoing table is, of course, the maintenance of the high proportion of the total volume of our export trade to the United Kingdom. In 1933 all other countries with the exception of Australia show advances over the percentages recorded in 1932.

IMPORTS.

Below are given the quantities and values of the principal items imported into New Zealand in each of the past two calendar years :—

Item.	1932.		1933.		
	Quantity.	Value.	Quantity.	Value.	
		£		£	
Wheat	Centals	772,189	246,602	220,045	69,628
Flour	„	260,175	159,189	223,041	137,223
Sugar	Cwt.	1,599,245	613,218	1,512,731	538,476
Tea	lb.	10,414,706	378,683	11,600,254	498,596
Whisky	Gal.	260,159	256,427	223,244	215,202
Cigarettes	lb.	494,621	178,457	352,480	121,201
Tobacco	„	2,695,364	397,308	2,873,257	305,621
Apparel	„	..	1,336,910	..	1,138,968
Boots and shoes	Doz. prs.	205,261	414,031	232,048	376,610
Carpets and floorcoverings	„	..	225,263	..	234,683
Drapery, &c.	„	..	271,467	..	226,329
Cotton piece-goods	„	..	1,372,019	..	1,283,604
Silk piece-goods	„	..	677,419	..	587,207
Woollen piece-goods	„	..	425,175	..	428,982
Petrol and kerosene	Gal.	64,001,195	1,225,211	59,982,777	953,921
Coal	Tons	103,531	111,377	99,272	103,909
Hardware	„	..	318,837	..	289,837
Electrical appliances	„	..	936,692	..	848,267
Timber	„	..	85,728	..	146,197
Motor-vehicles	No.	3,662	526,536	3,868	531,779
Motor-tires	„	..	608,802	..	487,876
Other imports	„	..	12,279,755	..	11,927,266
Totals, imports .. .. .	..	..	23,045,106	..	21,451,382

The principal countries of origin of New Zealand's imports during 1933 are shown in the next table in comparison with the figures for the three preceding years :—

Value of New Zealand's Imports (including Specie) according to Country of Origin, 1930-33.

—	1930.	1931.	1932.	1933.
	£	£	£	£
British Possessions, Protectorates, &c.—				
United Kingdom	20,333,986	12,192,649	11,496,027	10,789,280
India	637,832	392,088	354,647	461,539
Ceylon	704,759	617,042	351,567	442,628
South African Union	92,006	69,978	76,970	32,942
Canada	3,802,925	1,224,569	1,007,178	1,012,250
Australia	3,308,915	2,437,955	2,681,393	2,674,683
Fiji	200,877	102,979	106,041	84,877
All other British countries	510,637	394,479	484,293	494,762
Totals, British countries	29,591,937	17,431,739	16,558,116	15,992,961
Foreign Countries and Possessions—				
United States	7,573,053	3,885,073	3,267,086	2,383,451
France	608,076	327,646	269,789	198,639
Germany	975,460	574,500	459,971	378,753
Belgium	448,762	289,478	179,970	138,620
Japan	565,264	304,532	434,636	541,346
Dutch East Indies	811,372	848,216	793,622	798,579
All other foreign countries	2,451,990	1,151,774	1,081,916	1,019,033
Totals, all foreign countries	13,433,977	7,381,219	6,486,990	5,458,421
Totals, all countries	43,025,914	24,812,958	23,045,106	21,451,382

Imports from British countries during 1933 declined by £565,155 when compared with 1932, and imports from foreign countries receded by £1,028,569.

In the table given below imports from each of the principal countries trading with New Zealand are shown for the past four years as percentages of total imports :—

Country of Origin.	1930.	1931.	1932.	1933.
	Per Cent.	Per Cent.	Per Cent.	Per Cent.
United Kingdom	47·27	49·17	49·91	50·29
India	1·48	1·58	1·54	2·20
Ceylon	1·64	2·49	1·53	2·07
South African Union	0·21	0·28	0·33	0·15
Canada	8·84	4·94	4·37	4·72
Australia	7·69	9·80	11·64	12·47
Fiji	0·47	0·42	0·46	0·39
United States	17·60	15·65	14·18	11·11
France	1·41	1·32	1·17	0·92
Germany	2·27	2·32	2·00	1·77
Belgium	1·04	1·17	0·78	0·65
Japan	1·31	1·23	1·89	2·52
Dutch East Indies	1·88	3·42	3·45	3·72

The principal feature disclosed by the foregoing table is that in 1933 over 50 per cent. of our total imports came from the United Kingdom. The falling-off in the percentage of imports from Canada has been arrested in 1933, while Australia has shown gains in each year. Decreases are recorded in each year in the percentage originating from the United States.

TRADE WITH THE UNITED KINGDOM.

New Zealand's exports to the United Kingdom during the calendar year 1933 were valued at £35,571,509, as compared with £32,449,231 for 1932, an increase of £3,122,278. Imports from the United Kingdom, on the other hand, showed a reduction of £706,747, from £11,496,027 to £10,789,280, in 1933.

Our exports to the United Kingdom for 1933 represented 86·12 per cent. of total exports, in comparison with 87·79 per cent. in 1932, while the value of imports in the same two years represented 50·29 per cent. and 49·91 per cent. respectively. It is worthy of note that, for the first time since 1923, the proportion of our imports from the United Kingdom has exceeded the 50-per-cent. mark.

The importance of the United Kingdom as a market for our principal primary products is reflected in the foregoing statistics of exports. It must be remembered, however, that a proportion of these exports to the United Kingdom are subsequently sold and re-exported to other countries, principally to the Continent. In 1931 and 1932, the latest years for which figures are available, the re-export trade of New Zealand produce from the United Kingdom amounted to a value approximating £3,800,000; the principal item being wool, £2,700,000.

TRADE WITH AUSTRALIA.

The value of our trade with Australia in each of the past five calendar years is shown in the table below :—

Year ended 31st December,	Exports to Australia.	Imports from Australia.	Total Trade.
	£	£	£
1929	2,338,410	3,258,727	5,597,137
1930	1,562,281	3,308,915	4,871,196
1931	1,169,055	2,437,955	3,607,010
1932	1,444,860	2,681,393	4,126,253
1933	1,393,311	2,674,683	4,067,994

Next to the United Kingdom, Australia was our best customer in 1933, and during the same year Australia replaced the United States as second in importance to the United Kingdom in the value of commodities imported into New Zealand.

Although the balance of trade with Australia has been definitely set against us in past years, it is satisfactory to note that in 1933 there were many instances of increases in the volume of New Zealand products exported to Australia, chief amongst these being fresh, frozen, and canned fish, sheep skins and pelts, tallow, glycerine, blood and bone fertilizers, wool, grass, and other seeds, and timber.

The volume of imports from Australia during 1933 has remained at a level with the 1932 figures, and for the first time since 1914 Australia regained second place to the United Kingdom in the value of commodities imported into New Zealand. In eleven of the classified export groups from Australia, out of a total of twenty-one New Zealand in 1933 was Australia's best customer.

The Trade Agreement (New Zealand and Australia) Ratification Act, 1933, which had an uninterrupted passage through the respective Houses of Parliament and which came into effect by Proclamation on the 1st December, 1933, has not yet been sufficiently long in force to enable a comprehensive survey to be made in this report as to the outcome of the trading facilities and advantages now afforded both countries. As a result of the trade agreement, however, there are already many definite indications of a greater demand for numerous items of New Zealand produce, and it is anticipated that during 1934 there will be a considerable increase in the exports to Australia of many of our products, particularly timber and fishery products.

The Trade Commissioner in Australia (Mr. L. J. Schmitt) has been continually active in looking to the interests of New Zealand producers and exporters, and has from time to time reported upon the prospects of developing markets for many of our products not hitherto exported to Australia in the quantities they have every prospect of assuming.

The quantities and values of some of the principal commodities exported to Australia in each of the past two years are shown hereunder:—

	1932.		1933.	
	Quantity.	Value.	Quantity.	Value.
		£		£
Timber, sawn Sup. ft.	26,244,540	239,313	23,469,968	213,930
Fish, frozen Cwt.	17,988	35,804	26,466	45,400
Sausage-casings lb.	270,302	8,384	281,721	10,372
Onions Tons	1,269	10,404	5	23
Hides, pelts, and skins—				
Calf-skins No.	316,206	42,262	101,028	16,982
Cattle-hides „	117,403	89,701	88,212	100,768
Deer-skins „	7,420	2,164	1,698	381
Sheep-skins with wool „	12,966	1,440	16,145	1,865
Sheep-skins without wool „	365,915	12,864	257,493	8,212
Phormium fibre and tow .. Tons	2,560	32,168	2,370	28,340
Grass and clover seeds .. Cwt.	15,944	40,024	19,475	41,513
Peas Centals	25,774	28,548	17,482	19,270
Pumice sand and stone .. Tons	3,045	11,361	2,112	7,686
Sugar of milk lb.	172,480	4,763	170,240	5,007
Wool lb.	3,002,534	88,340	6,087,740	170,045
Tallow Tons	893	18,237	1,116	23,159
Gold, raw Oz.	31,706	175,690	27,188	185,739

TRADE WITH CANADA.

The value of our export, import, and total trade with Canada in each of the past five years is shown in the following table, together with the percentages which such trade bears to total exports and imports:—

Year ended 31st December,	Exports to Canada.	Percentage of Total Exports.	Imports from Canada.	Percentage of Total Imports.	Total Trade.
	£		£		£
1929	3,353,975	6.03	4,792,820	9.81	8,146,795
1930	2,539,212	5.65	3,802,925	8.84	6,342,137
1931	256,890	0.73	1,224,569	4.94	1,481,459
1932	244,160	0.66	1,007,178	4.37	1,251,338
1933	560,875	1.36	1,012,250	4.72	1,573,125

It is gratifying to note that there has been an increase recorded in the value of our exports, whilst the imports remain fairly constant during the past three years. Values increased, particularly in wool, hides and skins, sausage-casings, and apples.

The values of the principal items exported to Canada from New Zealand in 1933 are shown below, in comparison with the figures for the previous four years:—

	1929.	1930.	1931.	1932.	1933.
	£	£	£	£	£
Butter	2,707,669	1,978,281	20,797	29,441	31,320
Sausage-casings	265,521	331,208	117,761	40,523	129,129
Wool	199,117	86,274	57,540	81,295	149,085
Hides, pelts, and skins	63,904	50,876	25,152	45,749	195,562
Seeds	11,962	15,376	11,153	4,757	3,363
Frozen meat	36,197	32,616	2,719	3,884	4,143
Apples	6,000	6,525	447	7,583	13,358
Kauri-gum	7,796	4,726	4,074	3,096	2,146
<i>Phormium</i> fibre	9,254	4,453	1,291	2,614	604

During 1933 the values of our principal imports from Canada were: Printing-paper, £194,042; wrapping-paper, £24,290; wheaten flour, £69,092; wheat, £43,005; boots and shoes, £61,752; fish preserved in tins, £44,894; hosiery, £56,977; motor-vehicles, £79,804; rubber tires, £112,898; electrical machinery and apparatus, £36,131.

In making his annual report to the Department for the year ended 31st March last the New Zealand Trade and Tourist Commissioner in Canada states that since April, 1933, and notwithstanding the depressed state of agriculture, there has been a steady improvement in general business conditions in Canada. Conditions in the manufacturing industries may be described as surprisingly buoyant.

As far as New Zealand's exports to Canada are concerned, there has been a marked advance in both volume and value. Out of twenty-three British countries exporting to Canada only five, including New Zealand, could claim increased values for the Canadian fiscal year 1933-34. Of all the countries compared, New Zealand showed the highest percentage increase over 1932-33—viz., 266 per cent. The appreciable gains made in two main commodities—wool and hides—must be regarded as very satisfactory, as New Zealand can now claim to be the largest Empire supplier of such raw material to Canada.

Special attention has been paid by the Commissioner to the development of our trade in such products as grass-seeds, hides and skins and wool, sausage-casings, timber, kauri-gum, onions, apples, hemp, frozen and canned meats, toheroas, neatsfoot oil, olein oil, eggs, oyster-shell grit, casein-glue paste, pumice sand, silica, floor-rugs, &c.

Further surveys have been made by the Commissioner during the year as to the possibilities of the developing of the markets for New Zealand products in Canada, and relative reports have been forwarded periodically to the Department. The information contained in these reports has been promptly disseminated to all exporting interests likely to be concerned.

TRADE WITH THE UNITED STATES.

Exports from New Zealand to the United States in 1933 were valued at £1,188,972, as compared with £940,015 in 1932. Expressed as percentages, the figures represented 2·88 per cent. and 2·54 per cent. respectively of total exports in these years.

Imports into New Zealand from the United States during 1933 were valued at £2,383,451, in comparison with £3,267,086 for the previous year, a reduction of £883,635. These figures represented 11·11 per cent. and 14·18 per cent. respectively in 1933 and 1932. The proportion of our imports obtained from the United States has shown a substantial decline over the past five years—viz., from 19·10 per cent. in 1929 to 11·11 per cent. in 1933.

The position, so far as our trade with the United States is concerned, during the past five years is briefly summarized in the table below:—

Year ended 31st December,	Exported to the United States.	Per Cent. of Total Exports.	Imports from the United States.	Per Cent. of Total Imports.
	£		£	
1928	4,260,315	7·58	8,204,197	18·28
1929	3,653,427	6·57	9,319,926	19·10
1930	2,116,752	4·71	7,573,053	17·60
1931	920,931	2·62	3,885,073	15·65
1932	940,015	2·54	3,267,086	14·18
1933	1,188,972	2·88	2,383,451	11·11

The values of the principal items exported to the United States in 1933 are shown below in comparison with the figures for the previous four years :—

—	1929.	1930.	1931.	1932.	1933.
	£	£	£	£	£
Hides, pelts, and skins (calf, cattle, rabbit, sheep)	1,649,539	1,055,652	438,862	282,496	713,490
Sausage casings and skins ..	262,559	331,627	151,592	99,674	170,019
Wool	656,656	267,720	41,278	32,044	88,923
<i>Phormium tenax</i>	138,776	83,255	4,115	1,768	756
Kauri-gum	129,432	69,496	36,520	14,498	28,591
Frozen meat	338,385	16,020	1,261	316	1,179
Seeds	76,615	66,905	58,202	28,953	22,066
Tallow	23,086	9,505	2,445	2,049	1,327

As will be seen from the table, the value of our exports in 1933 in hides and skins, wool, sausage-casings, and kauri-gum have shown substantial advances over the preceding year. These gains must be considered very satisfactory to New Zealand when they have been won in the face of severe competition and at a time when the United States is still adopting a policy of economic nationalism.

The most important item in our imports from the United States in 1933 was again motor-spirit and other mineral oils, which item was valued at £919,472, in comparison with £1,480,545 in 1932.

The New Zealand Trade Commissioner in Canada has continued to maintain contact with leading importers in the United States who are interested in handling our products, and particular attention has been given to the eastern seaboard ports, where agencies for most of the principal New Zealand export products are already established.

With the lifting of the embargo against New Zealand fruit by the United States there are prospects of our exports in apples and pears reaching such proportions that this new market will be of considerable value to New Zealand.

TRADE WITH THE BRITISH WEST INDIES.

Acting under instructions, the New Zealand Trade and Tourist Commissioner in Canada and the United States of America (Mr. J. W. Collins) recently visited the British West Indies with the object of gaining a first-hand knowledge of the present and potential market for New Zealand products in that territory. His official report was adopted and issued in the form of Bulletin No. 27, which was broadcast throughout the Dominion to all those persons, firms, and organizations who were likely to be interested or to become interested in the development of these comparatively new markets. The Commissioner visited Jamaica, Bermuda, and the Bahamas, and also submitted a report upon the trade prospects in Barbados, although he did not actually visit this last-mentioned territory. A very thorough examination was made of the possible outlets for our products, together with an investigation of relative facilities in respect to shipping, freight rates, Customs duties, cold storage, methods of wholesale and retail distribution, advertising, &c. In the three territories visited particular attention was paid to the established requirements of the market, and interviews were arranged with all wholesale houses and other establishments likely to be interested in handling New Zealand products. The names of these traders, together with a list of the commodities coming within the scope of their trade, have been referred direct to all exporters in the Dominion who handle the particular commodity concerned. During the past two years New Zealand, mainly through the institution of a direct freight service, has dominated the butter market in Jamaica.

In practically all other lines the competitive-price element, owing to recessions in world commodity prices generally, is so prominent that some difficulty is being experienced in successfully marketing many of our products which are comparable in quality to those now consumed in the British West Indies. The Commissioner's visit, however, has definitely proved that the present and future trade prospects are more than favourable to us, particularly when these British colonies are bound to us by ties of Empire and practically the whole of the marketing organization lies in the hands of reputable houses whose business operations are carried on in accordance with the best British traditions and whose integrity is therefore unquestioned.

The question of reciprocal trade with the British West Indies was stressed by the Commissioner in the course of his visit, and the continuation of the present good will which exists between New Zealand and the British West Indies cannot but result in an increase in mutual trading benefits.

In addition to the development of the market for our dairy products, the prospects appear favourable for further trade in fresh and canned fruits, canned vegetables, meats and fish, preserved milks, barrelled and salted beef and pork, and fresh frozen meats and various other products of lesser importance. It now remains for individual exporting interests to take advantage of the contacts that have been made for them and by enterprise and initiative develop the trading opportunities thus made available.

ISLAND TRADE.

Fiji.

Exports from New Zealand to Fiji in 1933 were valued at £87,435, as compared with £88,693 in 1932. Imports into the Dominion from Fiji showed a reduction from £106,041 in 1932 to £84,877 in 1933.

The values of New Zealand's exports and imports to and from Fiji in each of the past five calendar years are set out below for purposes of comparison:—

Year ended 31st December,							Exports to Fiji.	Imports from Fiji.
						£	£	
1929	..	..	..	..	..	135,652	174,894
1930	..	..	..	..	..	110,033	200,877
1931	..	..	..	..	..	89,245	102,979
1932	..	..	..	..	..	88,693	106,041
1933	..	..	..	..	..	87,435	84,877

Exports of New Zealand produce to Fiji consist of a fairly wide range of commodities, of which the following were some of the more important in 1933:—

Potted and preserved meats, £6,608; potatoes, £4,041; refined sugar, £3,327; tea, £3,017; tallow, £2,753; bacon and hams, £2,472; soap, £2,184; dried, preserved, and condensed milks, £1,256; confectionery, £1,042; sawn timber, £1,000; fresh apples and pears, £690; onions, £597.

Imports from Fiji consisted mainly of raw sugar and fresh fruits, the values of these items in 1933 being £20,003 and £59,974 respectively. Imports of raw sugar showed a considerable reduction when compared with 1932, in which year the value was £46,811. The other main sources of supply for this commodity in both years were the British East Indies and Cuba.

Imports of fresh fruit, consisting mainly of bananas, were valued at £54,830 in 1932, as compared with the figure shown above for 1933, £59,974.

Notwithstanding the adverse effect of the Ottawa Agreement upon certain preferential tariff advantages which New Zealand enjoyed over Australia, it is satisfactory to note that our exports to Fiji remain at a comparatively high level.

In January last Sir A. G. Murchison, the Governor of Fiji, visited the Dominion and advantage was taken to discuss with him matters relating to the further development of reciprocal trade between New Zealand and Fiji.

Western Samoa.

The value of the total import and export trade of Western Samoa in each of the past five calendar years is shown in the following table:—

Year ended 31st December,					Imports into Samoa.	Exports from Samoa.	Total Trade.
					£	£	£
1929	..	..	..	..	288,849	293,938	582,787
1930	..	..	..	..	275,355	284,515	559,870
1931	..	..	..	..	164,950	194,447	359,397
1932	..	..	..	..	150,902	183,028	333,930
1933	..	..	..	..	150,856	173,837	324,693

Of the total value of importations in 1933, aggregating £150,856, the following proportions were obtained from the countries named: New Zealand, £51,034; Australia, £33,643; United Kingdom, £30,762; United States, £12,117; Fiji, £6,802; Canada, £4,515; Japan, £3,613; British East Indies, £3,497. These eight countries together supplied 97.43 per cent. of the imports into Western Samoa during 1933.

Exports from Western Samoa in 1933, totalling £173,837, were shipped to the countries mentioned below, and to the extent indicated:—

						£
European countries (exact destination unknown)	..	..	..	..	..	76,290
United Kingdom	..	..	..	..	..	37,839
New Zealand	..	..	..	..	..	28,125
United States	..	..	..	..	..	27,638
Other countries	..	..	..	..	..	3,945
Total	..	..	..	..	..	£173,837

As was the case in 1932, New Zealand ranks third in importance as a market for the products of this territory. The main commodity taken by New Zealand was again bananas, amounting to 81,983 cases valued at £26,999. In 1932 the corresponding value was £20,016. The balance of exports to New Zealand in 1933 mainly comprised cocoa-beans, valued at £932.

The quantities and values of the principal exports of Western Samoa during the past five years are shown hereunder:—

Year ended 31st December,	Copra.		Cocoa-beans.		Bananas.	
	Tons.	Value.	Tons.	Value.	Cases.	Value.
		£		£		£
1929	12,914	205,330	677	46,286	53,652	24,640
1930	12,285	166,221	1,007	61,294	95,867	44,259
1931	11,062	109,220	620	35,284	85,225	39,022
1932	10,879	108,698	825	49,712	66,715	20,016
1933	11,525	101,347	898	41,813	81,983	26,999

Cook and Niue Islands.

Exports from the Cook and Niue Islands together in 1933 were valued at £85,525, in comparison with £87,396 in 1932, while imports into these islands in 1933 amounted to £89,839, as compared with £78,341 in the preceding year. The figures of exports from and imports into these islands are shown below for the past five years:—

Year ended 31st December,	Exports.			Imports.		
	Cook Islands.	Niue Island.	Total.	Cook Islands.	Niue Island.	Total.
	£	£	£	£	£	£
1929	124,486	22,206	146,692	106,835	19,107	125,942
1930	109,438	15,877	125,315	103,468	18,630	122,098
1931	79,945	7,191	87,136	69,260	11,507	80,767
1932	73,409	13,987	87,396	63,585	14,756	78,341
1933	73,983	11,542	85,525	76,716	13,123	89,839

Most of the trade of these territories is naturally conducted with New Zealand, whose share of the total trade (£175,364) in 1933 was £133,909, or 76·4 per cent. The United States and the United Kingdom come next in order.

The distribution of the trade of the group in 1933 is shown hereunder:—

Country.	Exports.			Imports.		
	From Cook Islands.	From Niue Island.	Total.	Into Cook Islands.	Into Niue Island.	Total.
	£	£	£	£	£	£
New Zealand	59,262	10,225	69,487	54,022	10,400	64,422
United States	8,797	1,315	10,112	6,667	2	6,669
United Kingdom	743	..	743	8,762	1,442	10,204
France	2,572	..	2,572	..	..	..
Western Samoa	1,574	..	1,574	..	214	214
Tahiti	1,035	..	1,035	297	..	297
Canada .. ..	..	..	..	918	39	957
Australia .. ..	..	..	..	4,401	841	5,242
Fiji .. ..	..	..	..	..	36	36
Japan .. ..	..	..	..	573	128	701
Other countries .. ..	..	2	2	1,076	21	1,097
Totals	73,983	11,542	85,525	76,716	13,123	89,839

The principal exports from the Lower Group of the Cook Islands are oranges, bananas, tomatoes, and copra; from the Northern Group copra and pearl-shell; and from Niue copra and bananas.

Tonga.

The table given hereunder shows the values of New Zealand's exports to and imports from Tonga in each of the past five calendar years :—

Year ended 31st December,				Exports to Tonga.	Imports from Tonga.
				£	£
1929	..	..	..	58,599	138
1930	..	..	..	47,958	19
1931	..	..	..	29,926	625
1932	..	..	..	27,266	9,412
1933	..	..	..	19,407	8,331

The value of our export trade with the Kingdom of Tonga thus again showed a substantial decline on the figures for the four previous years.

The increase in our import figures from Tonga in the past two years is almost entirely due to importations of bananas, the figures for which were :—

In 1932 = 3,291,000 lb., valued at £9,294.

In 1933 = 1,642,000 lb., valued at £7,851.

The values of the principal commodities exported to Tonga from New Zealand in 1933 were as follows: Tinned meats, £6,435; meats, all classes other than tinned, £760; sugar, £1,678; provisions, £877; timber, £968; miscellaneous hardware and ironmongery, £781; cordage and rope, £463; butter, £559.

TRADE WITH THE EAST.

During the year efforts by the Department have not been relaxed in endeavouring to foster our export trade with Eastern countries. While world economic conditions have been definitely against an expansion of our trade in various commodities no great headway has been made, but the return of more favourable conditions should see a substantial increase in the volume of our trade with the East.

Numerous inquiries continue to be received from all parts of the East and for a variety of New Zealand products, and in all such instances the inquirers have been placed in direct contact with persons, firms, and organizations likely to be interested. Unfortunately, the lack of direct shipping services remains the principal barrier to developing trade to greater proportions.

The Department has honorary trade representatives in India, Ceylon, Hong Kong, and China, and these gentlemen are of considerable assistance in submitting market reports and other information essential to New Zealand exporters desirous of extending their trade with such countries.

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

	1931.	1932.	1933.
	£	£	£
Export to—			
Dutch East Indies	10,205	5,255	5,496
British Malaya	14,922	26,868	22,929
Burma	779	827	743
Ceylon	5,093	3,498	2,670
India	59,185	53,378	34,326
China	17,625	15,413	54,564
Japan	267,899	236,799	354,462
Imports from—			
Dutch East Indies	848,216	793,647	798,579
British Malaya	56,949	86,431	50,545
Burma	10,459	13,437	13,784
Ceylon	617,042	351,598	442,628
India	392,088	354,752	461,539
Japan	304,532	434,746	541,346
China	82,257	77,283	58,228

The outstanding increases in the value of our exports are those to Japan, mainly accounted for by wool, tallow, and casein, and to China, mainly accounted for by preserved milks.

A more correct comparison of our trade with the countries enumerated would perhaps be made by showing the volume of the various classes of commodities exported instead of comparing the total

values. In the table given below some of the principal items have been selected and are shown in terms of quantities :—

			1931.	1932.	1933.
Wool					
Japan	.. ..	Bales	18,613	22,090	27,305
India	.. ..	"	366	667	227
China	.. ..	"	116	82	75
Tallow—					
India	.. ..	Tons	1,169	1,626	918
Japan	.. ..	"	1,492	473	1,088
Butter—					
India	.. ..	Cwt.	786	968	1,120
Burma	.. ..	"	106	126	126
Ceylon	.. ..	"	703	431	277
Malaya	.. ..	"	1,650	363	931
China	.. ..	"	648	1,449	1,732
Dutch East Indies	.. ..	"	555	368	134
Japan	.. ..	"	712	603	375
Casein—					
Japan	.. ..	"	28,092	20,509	25,035
Cheese—					
China	.. ..	"	445	745	524
Honey—					
Malaya	.. ..	Lb.	1,800	3,600	6,635
India	.. ..	"	1,800	1,200	600
Milk and cream—					
Burma	.. ..	"	600	974	3,173
Ceylon	.. ..	"	31,360	16,800	11,200
India	.. ..	"	5,460	8,220	78,509
Malaya	.. ..	"	93,648	1,362,574	882,206
China	.. ..	"	1,248	197,728	276,683
Japan	.. ..	"	6,720	48,060	24,400
Dutch East Indies	.. ..	"	58,880	16,570	26,812

OVERSEAS TRADE REPRESENTATIVES.

The Department's trade representatives overseas are well distributed over all parts of the world where our trade is likely to develop and expand. With the exception of the two Trade Commissioners in Canada and Australia, most of the other representatives act in a purely honorary capacity, and opportunity is here taken to place on record the Department's appreciation of the assistance and close co-operation which has at all times been received from these representatives.

Each year sees an increase in the volume of trade inquiries and general matter handled and consequently the value of these services continually becomes enhanced. The producing and commercial interests in general in New Zealand in an endeavour to develop their trading connections find the facilities afforded by these gentlemen almost invaluable when it comes to making the necessary commercial contact with the distributive groups in overseas countries.

Numerous trade inquiries relating to the opportunities presenting themselves for further expansion of our export markets are continually being received in increasing numbers, and the information respecting these is immediately disseminated to all producers and exporters likely to be interested therein. In this way is built up no small portion of a trade that is capable of expansion into larger volumes.

To the two official Trade Commissioners in Australia and Canada every credit is due for the manner in which they continue to so ably represent the Dominion in trade and tourist matters.

The attention of the business and commercial community in the Dominion is again drawn to the facilities afforded by the Government representatives, agents, and correspondents in various parts of the world. They are there at the disposal of any person or firm desiring to extend trade relations with the countries concerned, and it is hoped that exporters and merchants in New Zealand will co-operate with the Department and with Trade Commissioners or honorary representatives concerned by utilizing to the fullest possible extent the services and facilities which are offered.

NEW ZEALAND MANUFACTURERS' FEDERATION.

At the annual conference of Manufacturers' Associations held in Wellington in November last year it was decided that the time had arrived for the constitution of a permanent Dominion organization. The Federation's functions are many and varied, including the fostering of a buyer's preference for New-Zealand-made goods, collaboration with the Standards Institution, representation of manufacturers' interests in connection with proposed legislation, research and publication of information in regard to manufacturing industries, the amicable settlement of any disputes or conflict of interests that may occur between different branches of industry, receiving and bringing to the attention of firms any complaints that may be made about the quality of particular manufactured goods, and generally the development and co-ordination of industrial activities and promotion of mutual understanding and good will between manufacturing interests and other branches of New Zealand industry and the general public.

MANUFACTURERS' ASSOCIATIONS.

The District Officers of the Department in the four chief centres are closely associated with the Manufacturers' Associations, and attend in an advisory capacity the regular meetings of the executives.

The Auckland Association in its forty-seventh annual report records a roll of 292 members. The Winter Show was again held during the year, the financial results being most gratifying. Present indications point to record entries being received for space in the Winter Show to be held from 18th to 28th July next.

The Wellington Association held its thirty-eighth annual meeting on 30th November and reported a membership of 216. The annual exhibition was held during Easter week, and many interesting exhibits of New-Zealand-made articles, showing high-class workmanship and quality, were featured. The association was given practical support of the movement for standardization and simplification by the appointment of representatives on various sub-committees of the Standards Institution.

The Canterbury Association's membership recorded in the fifty-fourth annual report was 243. The eighth annual Winter Exhibition was held again in King Edward Barracks. The interest shown in this form of propaganda was demonstrated by the fact that the space available was all booked two weeks prior to the opening-date. The exhibits represented a good many industries and proved of interest to visitors. The work of a sub-committee known as the development of industries committee has devoted considerable attention to the unemployment problem generally and particularly in conjunction with the Boys' Employment Committee, the question of employment of youth.

The erection of a permanent exhibition building and office has been under the consideration of the association for some years passed, and it is hoped shortly to obtain the necessary finance to commence building operations.

The membership of the Dunedin Association remains at 150. A "Made-in-New-Zealand" Week—15th to 23rd May—was the association's main propaganda effort this year. This form of publicity is always made possible as far as Dunedin is concerned by the whole-hearted support and co-operation of retailers, and the results of this year's effort have eclipsed those of former years. The press of Dunedin has, as in former years, cordially supported the effort by issuing special "Made-in-New-Zealand" supplements at the commencement of the week.

STATISTICS RELATING TO MANUFACTURING INDUSTRIES.

The latest figures available are for the year ended 31st March, 1933. A slight improvement over the figures of the preceding year is shown in the comparison of the two years set out hereunder:—

	Year.		Index Numbers, 1932-33 (1931-32 = 100).
	1931-32.	1932-33.	
Establishments (number)	4,969	4,993	100
Persons engaged—			
Males (number)	52,922	52,454	99
Females (number)	15,775	16,467	104
Total number	68,697	68,921	100
Salaries and wages paid—	£	£	
To males	11,194,608	10,588,745	95
To females	1,448,327	1,459,403	101
Total	12,642,935	12,048,148	95
Motive power (horse-power)	533,788	642,116	120
Cost of materials used	£ 42,343,078	£ 42,600,490	101
Other expenses	9,617,237	10,251,204	107
Value of products	67,813,394	68,138,064	100
Added value	25,470,316	25,537,574	100
Value of—	£	£	
Land and buildings	22,988,577	22,909,677	100
Plant and machinery	42,918,441	42,945,770	100
Total	65,907,018	65,855,447	100

Analysis of the data for the various industries discloses the following principal differences for the years 1931-32 and 1932-33.

Persons Employed.

Increases.—Clothing, 461; meat freezing, &c., 325; sawmilling, 196; butter and cheese, 146; woollen mills, 133.

Decreases.—Coachbuilding and motor-engineering industry, 530; general engineering, 362; furniture, 195.

Salaries and Wages paid.

The annual salaries and wages bill showed a decrease of £594,787, or 4.7 per cent. in 1932-33, the aggregate being £12,048,148 in 1932-33, and £12,642,935 in 1931-32.

TIMBER.

The production of the main varieties of timber in the Dominion for the past ten years (ending 31st March) is given in the following table :—

Year ended 31st March,	Total.	Kauri.	Rimu.	White-pine.	Matai.	Totara.	Others.
	Sup. ft.	Sup. ft.	Sup. ft.	Sup. ft.	Sup. ft.	Sup. ft.	Sup. ft.
1924 ..	317,069,216	19,743,196	181,093,581	56,699,443	24,326,148	18,904,361	16,302,487
1925 ..	344,094,874	22,891,535	195,572,705	65,572,439	23,947,707	18,509,551	17,600,937
1926 ..	353,224,196	22,765,877	195,451,758	75,634,869	26,141,027	14,109,576	19,121,089
1927 ..	305,675,258	18,474,981	170,498,282	65,490,059	19,380,469	14,179,462	17,652,005
1928 ..	269,783,000	15,874,000	156,314,000	53,736,000	15,207,000	15,728,000	17,924,000
1929 ..	270,214,420	10,742,967	156,239,992	56,790,306	15,752,744	8,610,639	22,077,772
1930 ..	282,405,173	10,471,297	163,293,288	58,505,364	17,972,243	9,046,159	23,116,822
1931 ..	229,468,022	8,943,480	124,998,825	49,009,109	13,917,187	9,467,697	23,131,724
1932 ..	154,192,510	6,891,352	71,082,074	43,161,299	7,474,867	5,344,100	20,238,818
1933 ..	166,269,410	5,410,390	76,192,513	47,997,700	8,160,873	6,346,942	22,160,992

Included in the table above under other species not specified are *Pinus insignis* and beech. The production of these species for the past five years is as under :—

	<i>Pinus insignis.</i> Sup. ft.	Beech. Sup. ft.
1929	9,168,412	9,845,606
1930	10,381,585	10,225,255
1931	12,739,925	7,680,913
1932	13,404,700	5,756,868
1933	14,676,010	5,781,441

EXPORTS.

The export trade in timber for twelve months ended 31st December, 1933, shows a reduction of 1,484,816 in superficial feet and £16,199 in value. The relative figures for the two periods are shown as under :—

	1932.		1933.	
	Feet b.m.	Value.	Feet b.m.	Value.
		£		£
White-pine	22,225,905	198,811	19,548,114	181,100
Rimu	2,060,581	14,328	3,641,873	24,560
Kauri	724,714	17,241	410,875	10,658
Beech	1,474,986	15,208	1,375,374	12,709
Fruit-case timber ..	661,156	6,832	704,443	7,343
Other	190,144	1,550	171,991	1,401
Total	27,337,486	253,970	25,852,670	237,771

IMPORTS.

The following table shows, in thousands of superficial feet, the quantities of imported timber that directly compete with New Zealand native timbers :—

	1929.	1930.	1931.	1932.	1933.
		(1,000 ft.)	(1,000 ft.)	(1,000 ft.)	(1,000 ft.)
Cedar	637	52	7	2
Oregon	12,807	2,950	1,081	1,354
Hemlock	6,142	662	..	..
Redwood	9,345	1,028	291	461
Butter-box shooks	4,691	2,879	1,473	1,815
Cheese-crate shooks	1,774	732	175	5
Total	35,396	8,303	3,027	3,637

THE FISHING INDUSTRY.

The uneconomic conditions that were prevalent in this industry during 1932-33 were still apparent during 1933-34, but some change for the better has taken place. So long as the price of meat remains low the domestic demand for fish will be effected, and although the export of fish largely increased during the year, the prices remained at such a low level that those engaged in the industry find it very difficult to carry on.

The production of "wet" fish during recent years has been as follows :—

—				Quantity.	Value.
				Cwt.	£
1930-31	..	..	..	369,346	406,675
1931-32	..	..	..	318,956	311,199
1932-33	..	..	..	287,979	290,016
1933-34	..	..	..	313,319	283,107

One of the most important events in this industry during the year was the re-opening of the Chatham Islands fishery by the trawler "South Sea." This vessel arrived from England and started operations early in 1933. As it was found that the bottom at the Chathams is unsuitable for trawling the vessel gets her catch by line-fishing, giving employment to a number of men at these islands who had not been able to fish for the market for some time previously. This vessel is equipped with refrigeration, so that the catch is landed in very good condition, much of it going on to Australia. The Chatham Islands cod has an excellent reputation for quality and size.

It is gratifying to record a large improvement in the quantity of fish exported, the gains have principally been made in the Australian trade, but there was also a large increase in canned oysters and those coming under the heading of "Preserved, other kinds" to the United Kingdom as follows :—

—		1930-31.	1931-32.	1932-33.	1933-34.
Frozen fish	.. .. Cwt.	17,678	14,098	19,584	34,738
Fish, smoked, dried	.. .. Cwt.	1,128	638	521	1,243
Potted or preserved in tins—					
Oysters	.. .. lb.	15,079	69,497	51,620	128,028
Other kinds	.. .. lb.	87,063	112,138	103,186	384,282

FROZEN CRAYFISH-TAILS.

This industry, which started in a very modest way during 1932 owing to the initiative of one or two Dunedin fish-merchants, developed rapidly and gave every indication of attaining some importance. Shipments, which at first were confined to Dunedin, extended to Bluff, Lyttelton, and Auckland, and for the year ending 31st March, 1934, amounted to 2,728 cwt., valued at £9,288.

The market is London, but, unfortunately, the trade received a setback during the year owing to the accumulation of stocks from South Africa, New Zealand, and Australia, and shipments had to be stopped for several months. The imposition of a quota on the imports of frozen crayfish and canned crayfish into France operating from 28th January, 1934, has had the effect of further seriously curtailing this trade. Whilst the great bulk of our exports are shipped to London, a very large percentage were reshipped to France, and most of this trade has been lost for the present, at any rate. Belgium and Germany also took considerable quantities, but the duties in these countries have been raised so much that it is now almost impossible to do business.

EGG-EXPORT INDUSTRY.

The Poultry-runs Registration Act of 1933 will allow for closer co-operation between poultry-keepers in the Dominion for the better control of the industry and for better organized marketing both locally and overseas. Under the provisions of this Act a New Zealand Poultry Board has been set up consisting of two Government and four producers' representatives, who will look to the best interests of the industry as a whole.

The Department has at all times been in close touch with the industry during the past year and reports upon overseas market prospects, which have been regularly received, have been passed on to the egg-exporting interests in the Dominion, to the Poultry Board, and to the New Zealand Poultry Association. At the request of the Department, the High Commissioner has submitted very complete and comprehensive reports upon the prospects of developing our market in the United Kingdom.

Exports of eggs to the United Kingdom show a steady increase during the past four years, the figures being :—

		Doz.	£
1930	.. ..	24,240	1,344
1931	.. ..	111,480	5,646
1932	.. ..	160,212	7,574
1933	.. ..	325,975	15,784

Under the provisions of the New Zealand - Canadian Trade Treaty shelled eggs are admitted into Canada free of duty during December, January, and February in any one year, but, so far, the United Kingdom market has been the more attractive for the export quantity available. Through the Trade Commissioner in Toronto, however, the Department is continuing to watch the position closely on behalf of the industry, and it is hoped that the coming season will see at least some small shipments going forward to Canada to take advantage of the concession granted us under the Trade Treaty.

PHORMIUM TENAX.

Owing to the severe depression that has continued in all sections of the fibre trade, many men are engaged in studying ways and means by which our national asset of *Phormium tenax* may be utilized other than in the production of fibre suitable for use in the manufacture of cordage and twine.

Engineers' Waste.—Several experimenters have succeeded in producing a commodity from tow and stripper slips that is to a small extent taking the place of cotton waste for cleaning machinery. The product as yet leaves much to be desired, but has been found suitable for use in some kinds of heavy machinery, and may in time take the place of the lower qualities of imported cotton waste.

One experimenter has developed a process for producing engineers' waste direct from the green leaf, but it also requires considerable advancement in quality before it would be suitable for use on fine machinery.

Kapok Substitute and Flock Substitute.—Other experimenters have been working along the lines of producing a substitute for kapok and flock from tow, and quite good results have been obtained. A considerable quantity of the kapok substitute has been produced and sold to mattress-makers. It is stated that the mixture of this commodity 50-50 with kapok provides a mattress filling of very good quality.

It appears to be inevitable that all these promising activities should be badly handicapped by want of capital and business experience. None of these new industrial outlets are yet on their feet, mainly for want of the necessary capital for development.

New Zealand Woolpack and Textiles, Ltd.—The above company opened its factory for the production of woolpacks from *Phormium tenax* at Foxton on 9th March, 1934. This is said to represent an expenditure of £40,000, and that employment will be given to about eighty hands at the start of operations. The company claims that the new woolpack will prove stronger, lighter, cleaner, and cheaper than the jute pack, and that it will be free from loose fibres—the latter being one of the drawbacks of the jute pack.

It is hoped that this new industry will be entirely successful, and be followed by similar factories in different parts of the Dominion.

The Flaxgrowers' Pulp and Cellulose Products of New Zealand, Ltd.—This concern reorganized its capital during the year, and changed its name to New Zealand Pulping Mills, Ltd. No information is to hand in regard to any progress that may have been made towards producing cellulose pulp to comply with the requirements of the trade in the United Kingdom.

Nelson Cellulose Company.—This concern was promoted towards the end of the year, and is said to have obtained an adequate flax property on the West Coast. Sufficient time has not elapsed to allow of any practical progress being made, and at the end of the year the erection of factory buildings, &c., had not been put in hand.

New Zealand Hemp and Jute Mills, Mataura.—At the end of the year a proposal was mooted in Dunedin to establish a mill at Mataura for the manufacture of woolpacks both from *Phormium tenax* and jute, but further details have not as yet been ascertainable.

TOBACCO INDUSTRY.

Steady progress is being made in the growing of tobacco leaf in the Dominion, which is all utilized in local manufacture. The following figures show the progress made:—

Year.					Number of Acres.	Yield. lb.
1930-31	..	..	..	..	932	722,329
1931-32	..	..	..	..	1,726	1,318,624
1932-33	..	..	..	..	2,126	1,784,676

The bulk of the leaf is produced in the Nelson District, but Auckland-grown leaf is steadily improving in quality, and is being used to a greater extent by the two tobacco manufacturing concerns located in Auckland. The two old-established tobacco manufacturing companies in the Dominion are understood to still draw the whole of their requirements of New Zealand leaf from the Nelson District, where high average quality leaf is available in large quantities.

The plantation companies in the Auckland District are as yet unable to obtain an export market for their leaf, so that production must of necessity be limited to the quantity that can be absorbed by local manufacturers. Both the tobacco manufacturing concerns in Auckland have experienced improved trading conditions during the year. The larger concern has been able to settle some of its internal difficulties by reorganization, and its outlook for the future seems much brighter.

These companies are purchasing large quantities of Dominion-grown leaf, and are also using an increasing percentage of leaf grown in the Auckland Province. The smaller concern has made rapid progress during the year, and has experienced a good demand for its various brands of tobacco. The financial position of this company has been so stabilized that the directors have recommended the payment of a dividend of 15 per cent. for the year ending 31st March, 1934.

PASSION-FRUIT INDUSTRY.

Considerable progress has been made by the above industry during the year, although discouraging results were experienced with the juice that had been put up in lacquered cans during the previous season. Much of this proved unsaleable owing to the chemical action of the juice eating through the lacquer and acting on the tin coating inside the can.

The prospects ahead of the industry are now, however, quite promising, due largely to a new company—Pashons Products, Ltd.—that was registered at Christchurch on 15th January, 1934. This concern has signed up a large number of the growers at Kerikeri for five years, in order to secure the supply of large quantities of passion fruit. It leased the factory building at Kerikeri, and carried out its undertaking both to purchase and pay for the whole of the passion fruit supplied by the contracting growers this season. The juice is being shipped to London in 1-gallon glass jars, which are very expensive, and also in 10-gallon casks. It is understood that the first shipment of the juice to reach London in the glass jars turned out in good order, but no report has yet been received in regard to the condition of the juice that was shipped in the casks.

Passion-fruit juice is being prepared in several ways by some of the best-known firms in the beverage trade in England, and seems to be establishing itself in the public favour. It is being used as an ingredient in a cocktail, as a cordial, as squash, dry, and as natural juice.

TUNG-OIL INDUSTRY.

The continued financial depression is making it difficult for the plantation companies engaged in this industry to sell their bonds and debentures by means of which the planting of their estates are financed. There are only a few trees in the North Auckland district that have reached four years of age, and some of these have produced several nuts this season. Here and there a three-year-old tree has also borne a few nuts. Generally speaking, the maximum age of these plantations is three years, and the majority have not been planted out more than two years.

These plantations are spread over a wide range of country, with varying soil characteristics, and where shelter has been provided and good cultural treatment given several of the plantations show satisfactory growth.

It is, of course, too soon to say what the result will be, as the tree does not usually bear a commercial crop of nuts until its fifth year. The total area planted to tung trees is increasing as follows:—

								Number of Acres in Tung Trees.
1931-32	..	..	..	..	..	..	..	1,018
1932-33	..	..	..	..	..	..	..	2,659

The following is a list of the tung-oil plantation companies in the Dominion:—

- N.Z. Tung Oil Corporation, Ltd., plantation at Kaikohe.
- Tung Oil Plantations (N.Z.), Ltd., plantation at Kaihu.
- Northern Tung Oil, Ltd., plantation at Kaingaroa.
- Parenga (N.Z.) Tung Oil, Ltd., plantation at Parengarenga.
- Natural Products (N.Z.), Ltd., plantation at Mangawai.
- Tung Oil Debenture Trust, Ltd., plantation at Warkworth.
- Tung Oil Securities (N.Z.), Ltd., plantation of Matauri Bay.
- Australasian Plantations, Ltd., plantation at Kari Kari Peninsula.
- Empire Tung Oil Products, Ltd., plantation at Bay of Islands.

INDUSTRIAL RABBITS.

ANGORA RABBIT WOOL.

The production of this wool in the Dominion interests a large number of small holders, and the Department continues to receive inquiries from persons who contemplate entering the industry. The number of rabbit-breeders is steadily increasing, but the Department does not advise any one to take it up with a view to making it their sole means of support. It is an activity that fits in well with market gardening, as the large quantities of waste vegetable matter are economically used in feeding the rabbits. It is not desirable for any one to enter the industry who cannot produce most or all of the food-requirements of the animals on the property. Practical experience has shown that rabbits can be kept solely on green food and hay without any outlay for bought grains or cereal offals.

The market for Angora rabbit wool is in the United Kingdom, and a change in requirements has been experienced during the last two seasons. The very fine type of wool is not now in such good demand, but the coarse kind, usually associated with the French breed of rabbit, is called for. This wool is worth from 9s. to 18s. per lb. according to grade, and several firms in the Dominion are open to purchase it around these prices for cash.

FUR RABBITS.

This branch of the industry has made more progress during the past year both by the increase in the number of fur-farmers and the steady improvement in the quality of their stock.

New foundation stock was received from England less than two years ago, by special permission of the Hon. the Minister of Agriculture, and breeders have by selective mating been able to produce the following new types: Blue-rex, Ermine-rex, Lilac-rex, Black-rex, and Havana-rex.

During the year the New Zealand Fur Farmers' Association was formed in Christchurch for the development of this interesting branch of the industry.

Production of pelts in commercial quantities is not yet assured, but it is stated that a few lines have been disposed of at 6s. each. A recent quotation received from England showed that superior Castor-rex and Sable-rex pelts were worth 7s. 6d. each.

THE CITRUS INDUSTRY.

By Order in Council dated 15th December, 1932, the importation of all fruit and vegetables (other than dried, canned, pickled, pulped, or bottled fruit and vegetables) grown or produced in the Commonwealth of Australia was prohibited, save with the consent of the Minister of Customs.

This prohibition was lifted in August, 1933, to allow South Australian oranges to enter the Dominion, the first shipment arriving on 26th August, and further importations were allowed in up to the 31st December, 1933. Since the coming into force of these regulations a much improved local market has been obtained for New Zealand lemons, which has encouraged the growers to improve the curing and get up of this fruit for the market.

NEW ZEALAND GRAPEFRUIT.

By instructions of the Hon. the Minister of Industries and Commerce, a survey of this industry was carried out during the year. This fruit is little known to the public and is very low in price compared with the imported article. It is hoped that by improving the grading and packing of the fruit and organizing the marketing on better lines a much improved demand will be obtained and that in time the local fruit will entirely replace the imported grapefruit. This tree seems to be the hardiest of all the citrus family in New Zealand, and it has been successfully established over a considerable part of the North Island, more especially in the Auckland Province, and on a great variety of soils, where aspect and shelter were favourable and a reasonable amount of manure and cultural attention given. With the development of the industry New Zealand grapefruit should fill a much more important place in the dietary of the people.

GAS REGULATIONS.

The Board of Trade (Gas) Regulations, which are administered by the Department, provide safeguards in respect to heating, value, purity, pressure, measurement, and price. Nineteen gas undertakings in the Dominion come within the scope of the regulations.

The work of the Gas Examiners and Inspectors of Meters has been carried out efficiently during the year, and official relations with the gas companies and municipal undertakings have, without exception, continued to remain most satisfactory.

COMMERCIAL TRUSTS ACT.

For some years past there has been persistent agitation for some action to be taken to protect the tobacco trade against price-cutting. After careful representations made by all sections of the trade, and more particularly by the retail tobacconists, it was decided by the Government to remove tobacco, cigars, and cigarettes from the operations of the Commercial Trusts Act.

During the year a number of complaints were made to the Department that the Commercial Trusts Act, 1910 (as amended by section 12 of the Cost of Living Act, 1915), were being infringed, and in each case these complaints were followed by full investigation by the Department into the nature and circumstances of the alleged breaches.

CHATTELS TRANSFER ACT, 1924.

Section 57 of the Chattels Transfer Act, 1924, provides for the protection of bailors of such chattels as are referred to in the Seventh Schedule to the Act without the necessity for registration of the agreements concerned, and, furthermore, it is provided in the Act that Orders in Council may be issued to extend the Seventh Schedule by the addition of further classes of chattels recognized as being the subject of "customary hire-purchase agreements." The Department has charge of the administration of this section of the Act, and whenever applications are received for the extension of the Schedule to include further classes of chattels thorough investigations are made by the district officers in each of the four centres of the Dominion as to the customary trade practices adopted in the disposal of these chattels and as to the desirability or otherwise of adding the names of such articles to the Schedule.

During the past year applications were received in respect to the following classes of chattels: Electric hair-cutting machines, hair-drying machines, hair-waving machines and accessories, pedal bicycles, certain additional law-books and law reports.

To the list of law-books and law reports already included in the Schedule were added the "Public Acts of New Zealand (Reprint)" and "Halsbury's Statutes of England," and provision has been made for the inclusion of any subsequent editions or reprints of any of the books and reports now specified in the Schedule.

In respect to other applications, the evidence obtained as to the methods of disposal was not considered sufficient to warrant their addition to the Schedule.

TRADING-COUPONS.

An Act was passed in 1931 prohibiting the redemption of trading-coupons otherwise than for cash, or, to use the words of the Act, "coupons if redeemed shall be redeemed unconditionally and only for money." In the last annual report of the Department reference was made as to whether or not the

right to enter a competition conferred by the issuer of trading-coupons on the holders thereof constituted redemption within the meaning of the Act. The legal position in this connection has now been made clear by a Wellington Magistrate's decision in a case in which the holders of coupons (obtained in the purchase of a certain brand of tooth-paste and vanishing cream) were given the right to enter a slogan competition, and, although the prizes offered were in cash, the Magistrate held the view that "the defendant company had given by way of redemption not money but the chance of winning a prize consisting of money." He further stated, "I think that by giving in return for the coupon a right to take part in the competition and the chance of winning a prize the defendants have redeemed the coupons, and that as such redemption was not for money a breach of the statute has been committed."

Another action was taken under this Act against a country store exchanging for coupons to the value of 5s. and 1d. in cash certain goods which were greatly below the usual selling-price of such goods. Redemption not being unconditionally and only for money, a conviction was recorded. A further scheme which involved some legal argument arose in connection with the redemption of coupons for cash or, as an alternative, the owner was given the opportunity of directing that the redeemable cash value of the coupons be utilized in the purchase of a glass-cloth. The Magistrate held that in those cases where the owners of the coupons directed that glass-cloths be purchased with the cash value of the coupons had been redeemed otherwise than for money, and a conviction had to be recorded.

MOTION-PICTURE INDUSTRY.

Representations by picture-theatre proprietors have been made at various times during the past few years to the Government regarding the alleged unfair and unreasonable conditions imposed by the film exchanges in film-hiring contracts. Petitions were also presented to the House of Representatives during the last session of 1933 on similar lines and urging an inquiry to be made into the industry.

A further matter which is considered important by some exhibitors is the clause in the contract requiring the exhibitor to charge not less than 1s. for admission. In this connection a Bill, sponsored by a private member of the House of Representatives, was introduced last session seeking statutory power to over-ride any restriction regarding admission charges imposed in film-hiring contracts. The Bill was referred to the Industries and Commerce Committee of the House for consideration and report. This Committee, after hearing evidence, made the following recommendations:—

"That in the opinion of the Committee an exhaustive inquiry into the film industry in all its bearings should be undertaken at the earliest possible date.

"That in view of the amount of evidence offering and the limited time at the disposal of the Committee it is impossible to undertake such inquiry during the present session.

"The Committee therefore recommends such inquiry be made by the Government, and, pending same, that the Hire of Films Bill be not allowed to proceed this session."

Taking all these circumstances into consideration the Government felt justified in appointing a Committee empowered with an order of reference that would cover a wide field of inquiry.

A Committee of ten members of Parliament representing all parties in the House of Representatives, with Mr. A. Harris, M.P., as Chairman, was selected to undertake the inquiry and submit the results of its deliberations and recommendations to the Right Hon. the Prime Minister. The Committee sat on twenty-one days hearing evidence and drafting their report. A total of twenty-seven witnesses appeared before the Committee, seventeen representing exhibiting interests, representatives of six Film Exchanges, and four other interests. In addition, the Committee had placed before it a considerable volume of written evidence. The findings of the Committee and recommendations have been made the subject of a special report, and copies may be obtained by those interested. A brief summary of the recommendations is as follows:—

"That it be made a condition of the issue of a renter's license under the Cinematograph Films Act, 1928, that the licensee shall use for his business only such standard form of contract as may be approved by the Minister, such approval to be given in any case for a period of not more than two years.

"That no film-renting contract shall be approved by the Minister which provides for a higher minimum charge than 6d. for admission to a picture-theatre, except under certain conditions, and that before approval of any contract-form by the Minister consideration shall be given to a report of the Advisory Committee under the Cinematograph Films Act, 1928, with respect to such contract-form.

"That section 39 of the Cinematograph Films Act, 1928, and section 50 of the Finance Act, 1930, be repealed, and that in lieu thereof statutory provision be made for a right of rejection by the exhibitor of 25 per cent. of all films 'block booked,' a 'block' to be defined as not less than four films, which are the subject-matter of one or more contracts between a renter and an exhibitor, entered into at the same time, or in respect of films acquired by the renter in any year or film-renting season, with the proviso that such statutory right of rejection shall be included in and not be additional to any rights of rejection provided in the written terms of the contract or contracts.

"That statutory provision be made for the prevention of monopoly of film-supplies.

"That provision be made for the control of the issue of licenses for picture-theatres, subject to recommendations.

"That the Cinematograph Films Act, 1928, be amended to permit of the exhibition by film societies of films which have not been approved by the Censor, subject to certain conditions.

"That the technical details of legislation recommended in this report be submitted to an Advisory Committee appointed under section 41 of the Cinematograph Films Act, 1928, for consideration and report to the Minister."

In regard to provision for the control of the issue of licenses for picture-theatres, the Committee stated that, while it was doubtful whether the position may not have got out of control, it recommended that in the amending legislation proposed in its report there should be included provision to enable the Government to impose control of licensing of theatres should it be found that conditions existing at any time rendered this advisable. It further recommended that this provision in addition to specifying the conditions set out in the Board of Trade (Cinematograph Films) Regulations should also provide—

- (a) For the exercise of the control on the basis adopted under the Board of Trade (Cinematograph Film) regulations :
- (b) For reasonable protection to be accorded both owners and lessees of theatres in areas where licenses are refused :
- (c) That the licensing authority should have the power to require a licensee, in any situation where a license has been refused, to maintain reasonable conditions in the public interest, particularly with respect to the class of film exhibited and the prices of admission :
- (d) That the decision with respect to the issue of the license should be made by a Magistrate, assisted by an assessor representing the applicant, and one representing the interests opposing the application, and that on refusal of a license a fresh application should not be considered within one year :
- (e) That the costs of the deciding authority should in the case of a successful application be borne by the applicant, and in the case of an unsuccessful one, be equally divided between the applicant and the owners of existing theatres in the area.

MOTOR-SPIRITS (REGULATION OF PRICES) ACT.

This Act was passed during the last session of Parliament of 1933, and provides for the fixation, by Order in Council, of the minimum and maximum wholesale and retail prices of motor-spirit. The object in making provision to fix the minimum prices is to prevent unfair competition which may arise in the importation and distribution of motor-spirit.

Since the passing of this Act applications have been made by retail distributors for the authority given in the Act to be exercised in regard to the fixation of a minimum reselling-price. There is evidence, however, that the industry is not conducted as economically as it might be, and the Government must give the closest consideration to any request to fix the minimum price in respect of the products of an industry which in some directions is conducted on uneconomic lines. The Government has a responsibility to the public, who are the consumers, in seeing that they are not compelled to pay a price in excess of the necessities of the position. The circumstances at the present time do not warrant action being taken.

COMPANY-PROMOTION COMMISSION.

The Department has for some years past perused a great number of prospectuses inviting capital, and it has been noticed that the raising of capital by the sale of bonds and so-called security certificates has become a marked feature of flotations in recent years. The provisions of the Companies Act do not extend to this class of investor the same protection as that provided for the investor in share capital.

In view of the financial inter-locking of associated companies which has been a feature of company promotion in recent years, it was felt that the only effective means of dealing with the matter was the appointment of a Royal Commission entrusted with wide powers to make a comprehensive inquiry.

The Department in collaboration with other Government Departments drew attention to the unsatisfactory conditions existing and as the result of specific recommendations to the Government a Commission under the Commissions of Inquiry Act was set up in January last to inquire into and report upon tendencies and developments apparent in the Dominion in relation to the promotion, financial methods, control and operations of certain companies and other corporations which seek to raise capital and loan funds in the Dominion.

The personnel of the Commission is Mr. J. S. Barton, S.M., (Chairman), Professor H. Belshaw, and Mr. H. E. Graham.

IRON AND STEEL WORKS.

A New Zealand company—Pacific Steel, Ltd.—has been negotiating with the Onakaka Iron and Steel Co., Ltd., with a view to extending the operations of the industry to include a steelworks. Arrangements have been made with an English firm of consulting engineers to report on the prospects. Two experts are at present in New Zealand.

CANADIAN NATIONAL EXHIBITION.

The New Zealand Government participated in the exhibition held in Toronto in August, 1932, and was awarded a gold medal for the excellence of the display of New Zealand products. The general manager of the exhibition commenting on the display stated : " This interesting and educational exhibit was the cause of much favourable comment from the general public who always look forward to the displays in the Government building."

In view of economic conditions in 1933 it was not considered advisable to stage an exhibit. The next exhibition is being held from the 24th August to 8th September, 1934, and eighteen cases of exhibits have been forwarded from New Zealand to be displayed in the New Zealand Government Court. These exhibits comprise a comprehensive range of New Zealand products. A considerable quantity of advertising matter featuring the tourist resorts of New Zealand has also been included.

INDUSTRIAL AND COMMERCIAL BULLETINS.

During the past year the Department has continued the issue of bulletins containing information on industrial and commercial subjects. As is customary, these bulletins have been widely distributed to the press, Chambers of Commerce, Manufacturers' Associations, prominent business executives, overseas trade representatives, and other persons and firms to whom they are likely to be of interest and value.

The issues made during the period under review were as follow :—

Bulletins Nos. 24, 25, 26, and 28 : Summary of the Finance, Trade, and Industries of New Zealand for the quarter and year ended 30th June, 1933 ; 30th September, 1933 ; 31st December, 1933 ; and 31st March, 1934, respectively. Bulletin No. 27 was a special issue relating to trade with the British West Indies, and was compiled from the report of the New Zealand Trade Commissioner in Canada upon his recent official visit to that territory.

MISCELLANEOUS ACTIVITIES.

The activities of the Department are so varied and so diversified that it is impossible to make references to them all in a report of this nature. Moreover, many of the commercial and industrial investigations carried out by the Department are of a confidential nature, and for this reason cannot be referred to in reports for publication.

In general, it may be said that the Department has been called upon to an ever-increasing extent during the past few years to supply general information relating to the Dominion's industries, commerce, and economic and social conditions, and particular information relating to specified industries. This information pertains particularly to the development of markets for our products both within New Zealand and overseas, and it may be said that the functions of the Department in this connection have been substantially extended in recent years, and that the importance and value of its activities in this direction to the commercial community have been materially enhanced.

The following list of a few of the inquiries made by the Department during the past year may provide some indication of the extensive variety of subjects with which the officers of the Department are constantly required to deal :—

Markets for kauri-gum, dairy-produce, canned fruits, honey, chamois-leather, wool, sausage-casings, cattle-hides, meatmeal, builders' materials, cocoa-beans, rag stock, scrap metals in Canada and the United States ; *Phormium* fibre, sausage-casings, tallow, timber, fish on the Continent of Europe ; fish, lard, certain leathers in the United Kingdom ; mineral waters, feathers, Stilton cheese, ammunition in Australia ; butter and cheese, milk-powders, apples in Egypt ; casein in Palestine ; dairy-produce, meats, canned rabbits and game, fish, wool in India ; dairy-produce and general provisions in the British West Indies ; wool to Brazil ; canned meats, condensed milk, butter and cheese, casein, woollen noils to the East, &c.,

Price and cost investigation of various commodities sold in the Dominion, including tobacco and cigarettes, coal, lime, superphosphates, petrol, bread, gas, woollen goods, &c.

CONCLUSION.

It is desired to place on record the Department's appreciation of the co-operation and assistance given by the various Trade Commissioners, Consuls, and Vice-Consuls of various overseas countries resident in New Zealand and, in particular, to acknowledge its indebtedness to His Majesty's Trade Commissioner and the Canadian Trade Commissioner. Acknowledgment must also be made of the assistance given by other Government Departments during the year, particularly by the Customs Department, the Department of Scientific and Industrial Research, and the Department of Agriculture.

In conclusion, it is gratifying to note that there are many indications definitely pointing to our further emergence from the adverse economic conditions which have enveloped us during the past four years.

The far-reaching effects of the depression have clearly demonstrated that New Zealand has placed too much reliance upon a few main classes of exportable commodities, and it was only natural that increasing attention should have been given to the question of exporting a wider variety and to the exploitation of new and undeveloped markets. In this connection the Department is active in its endeavours to open the way for an increase in the export volume of a more diversified range of our products and for the extension of present overseas markets.

While there is still a measure of uncertainty and obscurity in the world economic position and the consumptive demand for all classes of commodities continues to remain at a relatively low level, it is becoming more apparent as time goes on that there must soon come about the formulation of a definite policy by the leading nations of the world in respect of the trend of economic nationalism, and it is to be hoped that a policy will be adopted that will open the way to a greater flow in the volume and value of international trade.

Commodity prices generally show a steady upward trend, an improvement which, if sustained, will soon rid us of the fear of a relapse to the conditions from which we are emerging and will quickly form a sound foundation for the building-up of that confidence which had been so badly shaken during the period of falling and contracting markets.

The marked improvement apparent in the economic progress of the majority of those countries in which our principal markets are found is being reflected in our own progress along the road to the attainment of more prosperous conditions.

APPENDIX.

MANUFACTURING INDUSTRIES.

Fruit-preserving and Jam-making.

Official statistics, year ended 31st March—	1931.	1932.	1933.
Establishments (number)	10	11	11
Employers (number)	352	441	388
Wages paid	£63,128	£59,074	£55,312
Value of output	£330,522	£305,808	£277,866
Value added by manufacture ..	£135,762	£121,228	£111,807
Imports, calendar years—			
Jams and preserves (including preserved ginger)	£ 10,411	£ 7,681	£ 6,497
Fruits, bottled and preserved in syrup—			
Apricots	16,384	13,576	7,159
Peaches	43,535	26,974	15,246
Pears	1,330	650	195
Fruit pulp n.e.i.	1,907	1,836	3,759
Total	£73,567	£50,717	£32,856

Factories in the north report a slight increase in one or two lines included in the above statistics, and trade generally has improved to warrant an increase in factory staff. One company in the south reports conditions to be improving and records an increase in the export trade.

The export trade of 1933 in canned fruits shows a remarkable increase when compared with the two previous years. The figures are shown hereunder:—

	Produce of New Zealand.	
	£	
1931	81
1932	331
1933	9,455

In the latter year exports to the United Kingdom accounted for £9,328 of the total. It is worthy of note that £60 of New Zealand canned fruits were exported in 1933 to British West Indies. Records for past ten years do not show any previous shipments to this territory.

Lime and Cement.

Official statistics, year ended 31st March—	1931.	1932.	1933.
Establishments (number)	40	43	45
Employees (number)	912	794	688
Wages paid	£205,414	£164,665	£134,842
Value of output	£878,732	£601,849	£483,840
Value added by manufacture ..	£693,766	£474,821	£381,912
Imports, calendar years:—			
Cement, building (cwt.)	7,508	4,968	3,981
Value	£2,936	£2,267	£1,864

The decline in building operations is directly responsible for the decreased output. A revival of the building trade which is now evident in main centres provides an optimistic outlook for the industry for the ensuing year.

Engineering.

Official statistics, year ended 31st March—	1931.	1932.	1933.
Establishments (number)	200	198	188
Employees (number)	3,455	2,691	2,329
Wages paid	£725,690	£513,554	£414,409
Value of output	£1,692,214	£1,161,974	£974,490
Value added by manufacture ..	£1,115,380	£748,246	£623,079

Constructional engineers report generally a further decline in trade for the past twelve months. The noticeable increase in building activity recently has resulted in orders for substantial quantities of structural steel, with consequent benefit to the industry. In other branches of engineering some slight improvement is recorded by a number of companies.

Sauce, Pickle, and Vinegar Making.

Official statistics, year ended 31st March—	1931.	1932.	1933.
Establishments (number)	22	20	20
Employees (number)	234	224	210
Wages paid	£45,270	£39,386	£38,086
Value of output	£203,741	£187,334	£177,861
Value added by manufacture ..	£116,610	£112,255	£103,104
Imports, calendar years:—			
Pickles (gallons)	1,244	405	708
Value	£747	£295	£500
Sauce and chutney (gallons) ..	10,046	5,964	6,040
Value	£11,273	£6,504	£6,452
Vinegar (gallons)	16,225	20,411	20,379
Value	£4,186	£5,364	£5,522

Reports for current year show a decided improvement in this industry, and the prospects of increased trade are considered bright.

Soap and Candle Making.

Official statistics, year ended 31st March—	1931.	1932.	1933.
Establishments (number)	22	21	23
Employees (number)	438	422	470
Wages paid	£96,919	£86,611	£86,570
Value of output	£478,896	£444,270	£467,393
Value added by manufacture	£251,990	£259,120	£251,257

The statistics above show a slight improvement on the 1931–32 figures. Local competition for bar-soap trade continues to be a feature of present conditions. Manufacturers, however, express an optimistic note regarding the prospects for the ensuing year.

Coach and Motor-body Building and Cycle-works.

Official statistics, year ended 31st March—	1931.	1932.	1933.
Establishments (number)	1,098	1,049	1,042
Employees (number)	6,354	5,090	4,560
Wages paid	£1,202,942	£895,782	£731,296
Value of output	£2,652,608	£2,016,683	£1,895,253
Value added by manufacture	£1,788,841	£1,298,870	£1,101,961

Reports for current year indicate generally a continuance of depressed conditions.

Biscuits and Confectionery Making.

Official statistics, year ended 31st March—	1931.	1932.	1933.
Establishments (number)	60	57	58
Employees (number)	2,716	2,523	2,512
Wages paid	£367,944	£315,664	£313,210
Value of output	£1,596,660	£1,327,013	£1,246,733
Value added by manufacture	£842,829	£718,561	£654,443

Reports for current year received from biscuit-manufacturers do not disclose any appreciable variation in the position of last year. The turnover in confectionery has been substantially improved, and increase in staff in a few factories is reported.

Furniture and Cabinet Making.

Official statistics, year ended 31st March—	1931.	1932.	1933.
Establishments (number)	335	308	299
Employees (number)	2,378	1,779	1,584
Wages paid	£451,376	£285,649	£236,860
Value of output	£1,156,512	£726,795	£611,019
Value added by manufacture	£649,708	£417,727	£348,980

Manufacturers in the north report an improvement in sales, and staffs have been kept fairly constantly employed.

Recently there has been a demand for higher-grade furniture, but competition for business keeps prices at levels which allow of only small margins.

Ham and Bacon Factories.

Official statistics, year ended 31st March—	1931.	1932.	1933.
Establishments (number)	41	39	40
Employees (number)	380	384	398
Wages paid	£92,692	£87,088	£87,675
Value of output	£949,597	£761,121	£702,442
Value added by manufacture	£325,536	£266,798	£275,572
Cost of materials used	£624,061	£494,323	£426,870

The 1933 figures show a slight improvement over those of 1932, the value “added by manufacture” increasing by £8,774. The prospects for the ensuing year are reported to be encouraging.

Bricks, Pipes, Tiles, and Pottery Making.

Official statistics, year ended 31st March—	1931.	1932.	1933.
Establishments (number)	61	50	44
Employees (number)	946	563	405
Wages paid	£213,895	£102,694	£74,167
Value of output	£564,489	£253,356	£180,785
Value added by manufacture	£537,775	£233,969	£168,548

The continued slackness in the building trade is reflected in the above figures. The reports, however, for the current year are distinctly brighter. The brickyards in the North Island report an increase in output, but the position is still unsatisfactory when compared with former years. The operation of the subsidy granted by the Unemployment Board stimulated building to some extent during the period it was in force.

Flax-milling.

Official statistics, year ended 31st March—	1931.	1932.	1933.
Establishments (number)	22	17	20
Employees (number)	177	135	213
Wages paid	£26,223	£13,198	£27,349
Value of output	£47,722	£33,878	£54,658
Value added by manufacture	£39,417	£24,399	£38,591

Rope and Twine Making.

Official statistics, year ended 31st March—	1931.	1932.	1933.
Establishments (number)	6	6	5
Employees (number)	225	205	214
Wages paid	£38,296	£35,304	£34,684
Value of output	£160,401	£121,732	£144,502
Value added by manufacture	£75,841	£64,831	£72,654

Substantial improvement is shown by the above statistics for the flaxmilling industry when compared with the two previous years. Exports also show an increase of 552 tons, secured, however, at lower prices, the total amount received being approximately the same as last year with a lower tonnage.

Export statistics—

Year.	Tons.	£
1927	19,600	535,526
1928	15,683	394,450
1929	14,720	379,942
1930	9,493	221,923
1931	2,398	38,407
1932	3,850	47,312
1933	4,402	47,632

Rope and twine making statistics show an improvement, and indications point to an increased turnover for the ensuing year.

Clothing.

Official statistics, year ended 31st March—	1931.	1932.	1933.
Establishments (number)	244	244	254
Employees (number)	7,690	7,155	7,616
Wages paid	£916,045	£784,668	£807,206
Value of output	£2,597,928	£2,153,467	£2,400,599
Value added by manufacture	£1,278,801	£1,109,276	£1,188,153

Imports, calendar years—

Apparel and ready-made clothing (including fur clothing)	£1,161,962	£846,030	£763,757
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A distinct improvement in number of employees, amount of wages paid, and value of output is a pleasing feature of the statistics for the 1932-33 period. A number of factories report improving conditions during the past year, with an increase in number of employees.

Agricultural and Dairy Machinery and Implement Making.

Official statistics, year ended 31st March—	1931.	1932.	1933.
Establishments (number)	32	32	37
Employees (number)	850	505	542
Wages paid	£179,137	£97,761	£97,094
Value of output	£574,721	£280,751	£329,476
Value added by manufacture	£301,722	£147,967	£171,475

A decided improvement in this industry is shown by the 1933 figures when compared with the previous years. Manufacturers report an increased demand for agricultural implements following increase in price of wool. The trade in spare parts has been a feature of trading conditions, farmers retaining old machines instead of purchasing new ones, which are urgently required in many cases.

Woollen-manufacturing.

Official statistics, year ended 31st March—	1931.	1932.	1933.
Establishments (number)	10	10	10
Employees (number)	2,237	2,216	2,349
Wages paid	£328,826	£300,399	£316,352
Value of output	£896,677	£802,105	£888,546
Value added by manufacture	£571,926	£541,044	£564,936

The figures for 1932-33 show an all-round increase. The number of employees increased by 133, wages paid by £15,953, and value of output by £86,441. As the period under review was one of low-priced wool and woollen products, the quantity of woollen goods produced was substantially in excess of the quantity produced in 1931-32 to provide the increase in total value.

The following table shows the imports of materials which compete with the products of New Zealand woollen-mills:—

Piece-goods.	1930.	1931.	1932.	1933.
	£	£	£	£
Artificial and pure silk	1,020,019	610,191	677,419	587,207
Woollen	622,256	401,513	425,175	428,982
Cotton and linen	1,734,653	1,073,157	1,246,024	1,174,092
Totals	3,376,928	2,084,861	2,348,618	2,190,281

Printing and Publishing.

Official statistics, year ended 31st March—	1931.	1932.	1933.
Establishments (number)	358	355	362
Employees (number)	8,192	7,610	7,453
Wages paid	£1,805,620	£1,573,670	£1,447,735
Value of output	£4,509,786	£3,772,323	£3,473,987
Value added by manufacture ..	£3,339,487	£2,791,803	£2,540,824

The reports for current year show that, while turnovers have increased, keen competition and price cutting have made business unpayable, due in a large measure to the smaller units in the industry being able with low overheads to tender for work which cannot be met by the larger concerns with higher fixed charges.

Brush and Broom Making.

Official statistics, year ended 31st March—	1931.	1932.	1933.
Establishments (number)	15	15	13
Employees (number)	223	209	219
Wages paid	£42,415	£31,291	£33,987
Value of output	£116,107	£102,219	£97,470
Value added by manufacture ..	£66,479	£57,168	£54,981
Imports, calendar years—			
Brushes, brushware, and brooms ..	£38,623	£25,409	£26,074

Manufacturers report conditions improving. One company in the South Island proposes rebuilding its factory to provide more up-to-date production facilities.

Approximate Cost of Paper.—Preparation, not given; printing (1,215 copies), £34 10s.

By Authority: G. H. LONEY, Government Printer, Wellington.—1934.