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BRITISH TRADE IN THE COMMON MARKET

UK manufacturers boost sales in 1980

Summary

The United Kingdom had a positive trade balance of £700m with the other member countries of the European Community in 1980. Exports to Britain's nine partners amounted to £20 400m; imports were valued at £19 700m. UK trade with its EEC partners accounted for 43 per cent of Britain's trade with the world as a whole. At the start of the seventies, imports and exports with these nine countries amounted to less than 30 per cent of the UK's trade.

The Federal Republic of Germany has displaced the USA as Britain's biggest trading partner and in 1980 all the other countries then members of the Community were among the top 12 export markets in 1980.

Oil was an important factor in the rise in the value of total exports in 1980, but so was the performance of British manufacturing industry. Most manufacturing sectors had a much improved trade balance with the other member states of the EEC. Indeed, the combined deficit on road vehicles and iron and steel (£1 668m) account for almost all the total deficit of £1 765m in trade in manufactured goods. The continuing difficulties of the British motor industry and the dispute in the steel industry greatly affected performance in these two sectors last year.

Export/import ratios have been used extensively in this document, because they provide a better picture of comparative performance than money figures, where inflation makes comparisons difficult. The ratio show exports as a percentage of imports.

For total trade with other Community countries, the export/import ratio has gone up from 71 in 1975 to 104 in 1980. Exports have grown 27 per cent annually since 1973, compared with a 19 per cent average growth in Britain's exports to the rest of the world.

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British manufacturing exports

A fall in purchases of manufactured goods from the Community cut back the bill for imports last year, but British manufacturers held their own in other member states, retaining their 7 per cent share of the EEC market for imported manufactured goods and pushing up the export/import ratio in this sector from 80 in 1979 to 88 in 1980.

A House of Commons written answer by Trade Minister Mr Cecil Parkinson shows how exports of manufactured goods to other EEC countries maintained their position against imports as compared with similar exports to Japan and North America (Hansard March 9 1981). The figures given by Mr Parkinson exclude precious stones, hence the discrepancy with the figures given above for manufactured goods:

UK export/import ratio of trade in manufactures less precious stones

	<u>Japan</u>	<u>North America</u>	<u>European Community (Eight)</u>
1973	48	96	87
1974	47	82	84
1975	38	86	87
1976	37	88	90
1977	36	83	90
1978	34	88	83
1979	32	81	79
1980	28	66	86

Most high technology, high value-added industries had an improved export/import ratio in 1980. In the chemical industry the removal of tariff barriers has had an acknowledged effect in stimulating sales in certain sectors. Machinery, notably office machinery, telecommunications and reproductive equipment and power generating machinery did particularly well, as did transport equipment other than vehicles, professional and scientific instruments and photographic, optical and time-keeping equipment.

The picture was more gloomy for road vehicles with exports reduced, but since imports were even harder hit, the export/import ratio actually improved. Iron and steel imports rose considerably during the year, when the steel dispute cut back UK production. Steel exports were also hit.

Non-manufactures

The increase in oil exports gave a dramatic boost to the trade balance with the Nine in non-manufactures, with a crude surplus of £2 651m in petroleum and petroleum products and an export/import ratio of 284. Exports of food and live-stock were also at an all-time record, exports accounting for 49 per cent of imports from other Community countries compared with about 27 per cent when Britain joined the Community. Exports of tobacco slipped significantly.

The attached analysis looks more closely at particular sectors. The figures are taken from Department of Trade sources.

BRITISH TRADE IN THE COMMON MARKET: THE DETAILED FIGURES

The overall trend in trade

In 1980 the UK exported more to the rest of the European Community than it imported - continuing a steady improvement in the UK's trade performance with the rest of the EEC since the mid-seventies. Exports last year were worth £20 400m, and imports £19 700m, a surplus for the UK of £700m in its visible trade balance with the other member states of the European Community. This gave the UK an export/import ratio of 104 per cent, the highest figure since the UK became a member state of the EEC.

Two-way trade on visibles last year was valued at £40.1bn. In 1972, the year before UK entry, the figure was £6.3bn. One year after entry trade stood at £9.0bn, and there has been a steady climb since that time. In 1980 total trade between the UK and the rest of the Community increased by 7½ per cent from the 1979 figure, which in turn increased by 28 per cent over the 1978 figure. The 7½ per cent increase in trade came in a year when the world-wide recession bit hard into all economies.

Total trade with the EEC (£ billion)*

<u>year</u>	<u>exports</u>	<u>imports</u>	<u>total</u>
1970	2.4	2.3	4.7
1971	2.5	2.7	5.3
1972	2.8	3.4	6.3
1973	3.8	5.2	9.0
1974	5.5	7.7	13.2
1975	6.2	8.7	15.0
1976	8.9	11.2	20.1
1977	11.7	13.6	25.3
1978	13.4	15.9	29.2
1979	17.3	19.9	37.3
1980	20.4	19.7	40.1

1980 saw the other member states continuing to be important UK trading partners, as has been the trend since UK entry to the EEC. The European Community accounted for 43 per cent of both UK exports and imports in 1980. All the Community countries, with the exception of Greece, are now among the top 12 UK export markets. The Federal Republic of Germany is the leading market. At the start of the seventies, imports and exports from the EEC amounted to less than 30 per cent of the UK's trade.

Since the mid-seventies an encouraging aspect of the increase in trade has been this trend for UK exports to the EEC to rise faster than imports. Despite a setback in 1978, by 1979 exports had risen on average by six per cent per annum more than imports, and the 1980 figure has maintained this trend. Exports rose in 1980 by 18 per cent and imports fell by 1.0 per cent from the 1979 figure. This was a definite improvement on 1979 when exports increased by 30 per cent and imports by 26 per cent.

The UK's trading performance with the EEC last year converted its trade balance with the Community from a deficit of £2.6bn in 1979, to a £700m surplus in 1980. This improvement in the trade balance with the European Community played a major part in the UK's overall trade balance with the world as a whole - the UK now has a surplus of £1 200m with the world. In 1980 exports

* Balance of Payments basis, source - Department of Trade

from the UK to the rest of the world rose by 15 per cent, and imports by 9 per cent, as against the EEC figures for the year of an 18 per cent increase in exports and a 1 per cent fall in imports.

Looking at the UK's trading relations with other regions of the world last year shows that this country's largest deficit was with North America, a deficit of £1 700 million. Other deficits were with the rest of Western Europe (£100 million) and with the other developed countries (£200 million). The UK had a surplus with the oil exporting countries (£800 million) and with the rest of the world (£1 600 million).

Improving export/import ratio

In 1980 exports expressed as a percentage of imports stood at 104 per cent. This figure compares with the 1979 figures of 87 per cent, and is the highest since 1970 when the ratio also stood at 104 per cent.

Before British entry, the UK's trade performance with its potential partners was slipping, with a deterioration from 104 per cent in 1970 to 83 per cent in 1972. After entry in 1973 the ratio again fell, dropping to an all-time low of 77 per cent in 1975. After this, two years after the UK became an EEC member state and as tariff barriers were brought down over the transition period, the ratio started to improve, reaching the 80s in 1976, and 87 per cent in 1979.

<u>Year</u>	<u>Export/import ratio with the Eight (per cent)</u>
1970	104
1971	93
1972	83
1973	74
1974	72
1975	71
1976	80
1977	86
1978	84
1979	87
1980	104

Increase in value of exports and imports with the Nine (per cent)

<u>Year</u>	<u>exports up by</u>	<u>imports up by</u>
1973	35	51
1974	44	48
1975	12	14
1976	44	28
1977	31	22
1978	14	17
1979	30	26
1980	18	fell by 1

That is the overall trading picture, but what has been happening within the different sectors?

MANUFACTURED GOODS

Manufactured goods are divided into four sections: chemicals and related products; manufactured goods by materials; machinery and transport equipment; and miscellaneous manufactured articles.

The manufactured goods sector was in a crude deficit of £1 765m in 1980, an improvement over 1979 when the deficit stood at nearly £3 100m *. Again, as in 1979, the UK's lacklustre performance in trade in road vehicles accounted for a large part of this, in 1980 for over 60 per cent of the deficit. If road vehicles were excluded, the deficit on manufactured goods for 1980 would be reduced to £659 million. The export/import ratio for manufactured goods in 1980 stood at 88 per cent, as opposed to 80 per cent for 1979. The overall reduction in the deficit would have been even larger, but for the unusually large imports of silver, and the impact of the steel dispute.

Manufactured goods *

<u>year</u>	<u>exports (£m)</u>	<u>imports (£m)</u>	<u>export/import ratio (per cent)</u>
1975	4842	5481	88
1976	6916	7583	91
1977	8830	9740	91
1978	9967	11996	83
1979	12219	15299	80
1980	13437	15202	88

1980 crude deficit: £1 765m

- i) Chemical and related products: organic chemicals, inorganic chemicals; dyeing, tanning materials, medical and pharmaceutical products; essential oils and perfumes; manufactured fertilisers; explosives, resins and plastics, chemical materials.

In 1980 the export/import ratio for this section stood at 108 per cent - the highest ratio for at least a decade. The ratio for 1979 was 97 per cent. Exports for 1980 were worth £2 324m, and imports £2 149m. In 1975 the figures were roughly equal.

Chemicals and related products

<u>year</u>	<u>exports (£m)</u>	<u>imports (£m)</u>	<u>export/import ratio (per cent)</u>
1975	753	745	101
1976	1112	1155	96
1977	1422	1508	94
1978	1711	1814	94
1979	2282	2356	97
1980	2324	2149	108

1980 crude surplus: £175m

* Source: United Kingdom trade with the European Countries, Department of Trade and Industries. These figures are on an overseas trade statistics basis i.e. exports are valued f.o.b. and imports c.i.f. The balances are therefore 'crude'.

Within this section organic chemicals, inorganic chemicals, dyeing and tanning materials, medical and pharmaceutical products, essential oils and perfumes, and explosives all had export/import ratios in 1980 of well over 100 per cent. In particular, the medical and pharmaceutical products had a ratio of 188 per cent. Exports were worth £244m and imports £130m. One area of improvement in this section has been in exports of inorganic chemicals, which have increased from £66m in 1975 to £303m in 1980, the ratio increasing from 83 per cent in 1975 to 120 per cent in 1980.

Inorganic chemicals

<u>year</u>	<u>exports (£m)</u>	<u>imports (£m)</u>	<u>export/import ratio (per cent)</u>
1975	66	79	83
1976	104	111	94
1977	157	181	87
1978	275	264	104
1979	343	283	121
1980	303	253	120

1980 crude surplus: £50m

- ii) Manufactured goods by material: leather, rubber manufactures; wood and cork; paper; textiles; non-metallic manufactures; iron and steel; non-ferrous metals.

The section as a whole has fluctuated since 1975, with the export/import ratio rising from 77 per cent in 1975, up to 91 per cent in 1976, falling to 78 per cent in 1978, and in 1980 standing at 79 per cent.

Manufactured goods by material

<u>year</u>	<u>exports (£m)</u>	<u>imports (£m)</u>	<u>export/import ratio (per cent)</u>
1975	1187	1533	77
1976	1808	1990	91
1977	2211	2502	88
1978	2389	3053	78
1979	2981	3713	80
1980	3346	4223	79

1980 crude deficit: £877m

Within this section certain divisions continue to do well. Leather goods reached a ratio of 198 per cent in 1980, a rise of 25 percentage points over 1979. In 1975 the ratio stood at 179 per cent. Rubber manufactured goods and non-metallic mineral manufactured goods are other success stories both with ratios for 1980 of 126 per cent.

The textile industry, which has been in the doldrums in recent years, picked up slightly in 1980, showing an export/import ratio of 80 per cent. The corresponding figure for 1979 was 71 per cent. Back in 1975 textiles had a ratio of 83 per cent, and remained in the eighties until 1978 when it fell sharply to 67 per cent.

Textiles

<u>year</u>	<u>exports (£m)</u>	<u>imports (£m)</u>	<u>export/import ratio (per cent)</u>
1975	250	302	83
1976	376	422	89
1977	480	563	85
1978	518	775	67
1979	617	869	71
1980	634	794	80

1980 crude deficit: £160m

The paper manufactures industry had an export/import ratio of 78 per cent in 1980, compared to 82 per cent in 1979. The industry maintained a 100+ per cent ratio from 1975 through to 1977 when it fell in 1978 to 86 per cent.

In the iron and steel industry the export/import ratio for 1980 fell to 40 per cent. This industry improved its performance steadily through the late seventies to achieve an export/import ratio of 62 per cent in 1979. 1980 saw a sharp decline with exports falling from £452m in 1979 to £371m last year, due mainly to the impact of the steel dispute.

Iron and steel

<u>year</u>	<u>exports (£m)</u>	<u>imports (£m)</u>	<u>export/import ratio (per cent)</u>
1975	165	475	35
1976	244	555	44
1977	308	574	54
1978	344	625	55
1979	452	726	62
1980	371	933	40

1980 crude deficit: £562m

If the iron and steel deficit were excluded from the manufactured goods by material section the deficit would be reduced to £315m.

- iii) Machinery and transport equipment: power generating machinery and equipment; machinery specialised for particular industries; metal working machinery; general industrial machinery; office machines; telecommunications; electrical machinery; road vehicles; other transport equipment.

This section showed some improvement in 1980, with the export/import ratio rising from 73 per cent in 1979 to 87 per cent last year. The deficit in trade fell from £1 978m in 1979 to £874m last year. In 1975 the ratio stood at 93 per cent. The success stories within this section include power generating machinery, office machinery, telecommunications and reproductive equipment, other transport equipment, and electrical machinery.

Machinery and transport equipment

<u>year</u>	<u>exports (£m)</u>	<u>imports (£m)</u>	<u>export/import ratio (per cent)</u>
1975	2319	2491	93
1976	3147	3501	90
1977	4030	4521	89
1978	4446	5557	80
1979	5215	7192	73
1980	5786	6660	87

1980 crude deficit: £874m

Road vehicles remains the problem industry within this section. Indeed, if road vehicles were omitted, the machinery and transport equipment section would have a £232m surplus on trade. Looking in more detail at the road vehicles industry there was an improvement in the export/import ratio in 1980. The ratio stood at 53 per cent, while for 1979 it was 44 per cent. 1979 was a particularly bad year for road vehicles, with the industry showing a deficit of £1 584m, but this had fallen to £1 106m in 1980. Back in 1975 the export/import ratio for road vehicles stood at 90 per cent.

Road vehicles

<u>year</u>	<u>exports (£m)</u>	<u>imports (£m)</u>	<u>export/import ratio (per cent)</u>
1975	520	576	90
1976	815	986	83
1977	1095	1534	71
1978	1165	1962	59
1979	1267	2851	44
1980	1228	2335	53

1980 crude deficit: £1 106m

Other transport equipment has improved its position, with the ratio rising from 88 per cent in 1975 to 124 per cent in 1980, with the industry showing a surplus of £103m in the latter period. The most dramatic rise came in 1978, a year when British industry generally fared badly in the export/import stakes. That year the ratio rose to 158 per cent from 118 per cent in 1977. Since 1977 the industry has maintained a crude surplus in trade.

Other transport equipment

<u>year</u>	<u>exports (£m)</u>	<u>imports (£m)</u>	<u>export/import ratio (per cent)</u>
1975	183	208	88
1976	239	336	71
1977	280	237	118
1978	321	203	158
1979	399	316	126
1980	538	435	124

1980 crude surplus: £103m

The office equipment industry has increased its export/import ratio from 95 per cent in 1975 to a dramatic 135 per cent in 1980. This industry had a £214m surplus in 1980 - a further improvement on 1979.

Office machinery

<u>year</u>	<u>exports (£m)</u>	<u>imports (£m)</u>	<u>export/import ratio (per cent)</u>
1975	274	289	95
1976	367	383	96
1977	458	478	96
1978	556	572	97
1979	740	684	108
1980	826	612	135

1980 crude surplus: £214m

Telecommunications and reproductive equipment has had an export/import ratio of more than 100 per cent for several years. Back in 1975 it stood at 137 per cent. The ratio for 1980 stood at 119 per cent - 13 percentage points more than the ratio for 1979, when it reached its lowest point. The industry showed a £39m crude surplus in 1980.

Telecommunications and reproductive equipment

<u>year</u>	<u>exports (£m)</u>	<u>imports (£m)</u>	<u>export/import ratio (per cent)</u>
1975	115	84	137
1976	170	112	152
1977	182	131	139
1978	202	181	111
1979	235	221	106
1980	247	208	119

1980 crude surplus: £39m

Power generating machinery is another industry to have increased its export/import ratio - up from 118 per cent in 1975 to 131 per cent in 1980. This is an increase of 18 per cent on 1979. The lowest point reached by the export/import ratio was in 1978 when it stood at 103 per cent.

Power generating machinery

<u>year</u>	<u>exports (£m)</u>	<u>imports (£m)</u>	<u>export/import ratio (per cent)</u>
1975	262	221	118
1976	314	283	111
1977	382	328	116
1978	415	402	103
1979	487	438	111
1980	594	452	131

1980 crude surplus: £142m

Metal working equipment is another industry which made a recovery in 1980 from a particularly bad year in 1979, when the export/import ratio fell to 46 per cent. In 1980 the ratio increased to 64 per cent - the highest it has been since 1977 when it stood at 71 per cent. In 1975 the ratio stood at 54 per cent. The deficit last year was £75m.

Electrical machinery increased the export/import ratio for its industry in 1980 period to 87 per cent from 73 per cent in 1979. The figure for 1980 is the highest at least since 1975. The crude deficit for 1980 stood at £103m.

iv) Miscellaneous manufactured articles: sanitary and lighting; furniture; travel goods; articles of clothing; footwear; professional and scientific instruments; photographic and optical goods; miscellaneous manufactures.

This section had an export/import ratio of 91 per cent in 1980 - a rise of six percentage points over the 1979 figure. In 1975 the ratio stood at 82 per cent. 1977 was the best year for these industries, when the export/import ratio stood at 96 per cent. Success industries within this section include articles of clothing, professional and scientific instruments, and photographic and optical goods. Footwear and travel goods and handbags remained low in the export stakes, but even these industries have shown improvement from the mid-seventies.

Miscellaneous manufactured articles

<u>year</u>	<u>exports (£m)</u>	<u>imports (£m)</u>	<u>export/import ratio (per cent)</u>
1975	583	712	82
1976	849	937	91
1977	1167	1210	96
1978	1421	1573	90
1979	1741	2038	85
1980	1981	2170	91

1980 crude deficit: £188m

The clothing industry showed an export/import ratio of 133 per cent for 1980, up from 114 per cent in 1979. In 1975, the ratio stood at 89 per cent. The 1980 surplus stood at £111m.

Articles of clothing

<u>year</u>	<u>exports (£m)</u>	<u>imports (£m)</u>	<u>export/import ratio (per cent)</u>
1975	110	123	89
1976	184	166	111
1977	269	218	123
1978	333	279	119
1979	396	347	114
1980	448	338	133

1980 crude surplus: £111m

In the professional and scientific instruments industries, 1980 saw a £40m surplus, and an export/import ratio of 113 per cent.

Professional and scientific instruments

<u>year</u>	<u>exports (£m)</u>	<u>imports (£m)</u>	<u>export/import ratio (per cent)</u>
1975	121	108	113
1976	169	147	114
1977	202	179	113
1978	233	235	99
1979	293	274	107
1980	354	314	113

1980 crude surplus: £40m

In the photographic, optical goods and clocks sector, the deficit for 1980 had decreased to £37m from the £61m for 1979. The export/import ratio for 1980 was 88 per cent, a ratio which has risen steadily each year from a low point of 67 per cent in 1975.

Photographic, optical and clocks

<u>year</u>	<u>exports (£m)</u>	<u>imports (£m)</u>	<u>export/import ratio (per cent)</u>
1975	64	95	67
1976	94	133	71
1977	123	171	72
1978	164	221	74
1979	206	267	77
1980	261	298	88

1980 crude deficit: £37m

Although the export/import ratio for the travel goods and handbag industries stood at only 47 per cent for 1980, this was a large increase from the 29 per cent ratio in 1975, and the 35 per cent ratio in 1979. The deficit in this sector now stands at £12m, as opposed to £15m in 1979.

The footwear industry last year had a deficit of £120m. The export/import ratio increased slightly to 37 per cent from the 1979 figure. In 1975 the ratio stood at 30 per cent.

NON-MANUFACTURES

Non-manufactured goods are divided into five sections: mineral fuels and lubricants; crude materials except fuels; food and live animals; beverages and tobacco; and animal and vegetable oils and waxes.

UK non-manufactures in 1980 were in a £1 603m crude surplus with the rest of the Community. In 1979, non-manufactures showed a £409m crude deficit. The 1980 improvement was almost wholly due to an increased surplus on oil. The export/import ratio during 1980 stood at 131 per cent, for the first time since entry passing the 100 per cent mark. The export/import ratio for 1979

stood at 92 per cent. Back in 1975 the ratio was 42 per cent, and it has increased steadily each year. Exports that year were worth £1 367m, and imports £3 255m. In 1980, exports were worth £6 770m, and imports £5 167m. The corresponding figures for 1979 were £4 994m for exports and £5 403m for imports.

Non-manufactures

<u>year</u>	<u>exports (£m)</u>	<u>imports (£m)</u>	<u>export/import ratio (per cent)</u>
1975	1367	3255	42
1976	1979	3755	53
1977	2789	4248	66
1978	3399	4374	78
1979	4994	5403	92
1980	6770	5167	131

1980 crude surplus: £1 603m

- i) Mineral fuels and lubricants: coal, coke and briquettes; petroleum and petroleum products; electric energy.

Mineral fuels and lubricants, and one of its divisions, oil, continue to be the most successful of the five main sections which comprise the non-manufactures sector. Oil exports have played the most important part in the UK's export recovery. Taking mineral fuels and lubricants first, exports in 1980 were worth £4 290m, and imports £1 496m, giving an export/import ratio of 287 per cent. The ratio for 1979 was 169 per cent. The ratio has improved from 58 per cent in 1975.

Mineral fuels and lubricants

<u>year</u>	<u>exports (£m)</u>	<u>imports (£m)</u>	<u>export/import ratio (per cent)</u>
1975	472	806	58
1976	768	1006	76
1977	1222	1104	111
1978	1364	1010	135
1979	2725	1615	169
1980	4290	1496	287

1980 crude surplus: £2 794m

Within this section petroleum products continue to be vitally important. The export/import ratio in 1980 was 284 per cent. For 1979 the ratio was 169 per cent.

Petroleum and petroleum products

<u>year</u>	<u>exports (£m)</u>	<u>imports (£m)</u>	<u>export/import ratio (per cent)</u>
1975	423	788	54
1976	723	976	74
1977	1167	1047	111
1978	1290	970	133
1979	2635	1560	169
1980	4090	1438	284

1980 crude surplus: £2 651m

- ii) Crude materials except fuels: hides and skins; oil seeds, crude rubber, cork and wood; pulp and waste paper; textile fibres; crude fertilisers; metalliferous ores and scrap.

UK exports in this section were in a surplus of £258m in 1980, up from a £148m surplus during 1979. The export/import ratio for 1980 stood at 146 per cent - up from 126 per cent in 1979. The ratio has shown a steady improvement, rising from a low of 102 per cent in 1976 to the present figure.

Crude materials except fuels

<u>year</u>	<u>exports (£m)</u>	<u>imports (£m)</u>	<u>export/import ratio (per cent)</u>
1975	304	279	109
1976	469	460	102
1977	516	303	103
1978	542	481	113
1979	720	572	126
1980	815	557	146

1980 crude surplus: £258m

- iii) Food and live animals: live animals; meat and meat preparations; dairy products and eggs; fish and fish preparations; cereals and cereal preparations; fruit and vegetables; sugar and honey; coffee, tea and cocoa; feeding stuffs for animals.

This section has improved its export/import ratio from 24 per cent in 1975 to 49 per cent in 1980. This has been a steady progression every year except one. The crude deficit in 1980 stood at £1 341m, a reduction from £1 570m during 1979.

Food and live animals

<u>year</u>	<u>exports (£m)</u>	<u>imports (£m)</u>	<u>export/import ratio (per cent)</u>
1975	462	1947	24
1976	574	2021	28
1977	829	2318	36
1978	1132	2487	46
1979	1118	2688	42
1980	1283	2624	49

1980 crude deficit: £1 341m

Dairy products and eggs, a division within this section, has continued to fight back against traditionally strong competition from other EEC countries. In 1975 the export/import ratio was only eight per cent. By 1980 this had risen to 59 per cent. The corresponding figure for 1979 was 41 per cent. Dairy exports have risen in value from £35m in 1975, to £217m in 1980. Dairy imports, in comparison, were worth £447m in 1975, and had fallen to £368m in 1980. Although there is still obviously an enormous gap, there seems to be a trend for exports to make ground on imports.

Dairy products and eggs

<u>year</u>	<u>exports (£m)</u>	<u>imports (£m)</u>	<u>export/import ratio (per cent)</u>
1975	35	447	8
1976	88	412	21
1977	64	350	18
1978	176	382	46
1979	174	422	41
1980	217	368	59

1980 crude deficit: £151m

iv) Beverages and tobacco

Within this division the export/import ratio has risen from 64 per cent in 1975 to 87 per cent in 1980. However, the ratio peaked sharply in 1978 to reach 102 per cent, due to a sharp increase in the amount of tobacco and tobacco products being exported that year, when the tobacco export/import ratio stood at 324 per cent. This rose to 338 per cent in 1979, but fell to 191 per cent in 1980.

Beverages and tobacco

<u>year</u>	<u>exports (£m)</u>	<u>imports (£m)</u>	<u>export/import ratio (per cent)</u>
1975	113	176	64
1976	151	219	69
1977	188	259	73
1978	328	323	102
1979	394	418	94
1980	345	397	87

1980 crude deficit: £53m

v) Animal and vegetable oils, waxes: animal oils and fats; fixed vegetable oils and fats, processed oils and fats.

Exports in this section reached a peak in 1977 when the export/import ratio stood at 53 per cent, exports being worth £34m, and imports £63m. The ratio for 1980 stood at 40 per cent, as opposed to 34 per cent for 1979. The ratio in 1975 was 34 per cent.

Animal and vegetable oils, waxes

<u>year</u>	<u>exports (£m)</u>	<u>imports (£m)</u>	<u>export/import ratio (per cent)</u>
1975	16	46	34
1976	18	48	37
1977	34	63	53
1978	32	73	44
1979	37	110	34
1980	37	92	40

1980 crude deficit: £56m.