

trade (i. e. 69% of the exports and 58% of the imports). But though the shares of Great Britain and Denmark are now almost equal, such was not the case in former days, when the bulk of the trade was with Denmark. Imports from Denmark have not, however, materially decreased, whereas exports from Iceland to that country show a marked decline. On the other hand, the trade with Spain and Italy has expanded considerably, and by far the greater part of Iceland's staple commodity, the saltfish, is bought by these countries, which formerly used to obtain their supplies from Danish export firms, while now the fish is in an ever increasing degree supplied to them directly by Icelandic wholesale merchants.

As regards imports, Denmark is the country from which the greatest part of the goods comes, (or about one-third of the total value). These are commodities of various kinds; foodstuffs, as rye-meal and groceries, constituting the largest items. From Great Britain comes almost one-third of our imports, one-fourth of this being coal. Of other goods bought from Great Britain the biggest items are petroleum and wheat-flour. Third in order is Germany with something like one-eighth of the imports, especially sugar, hardware and footwear; and then Norway which is responsible for 10 per cent., chiefly wood and fishing gear. Imports from Spain are almost exclusively salt; and from Sweden mostly timber and articles of wood.

Spain alone takes about one-third of all Icelandic exports, the greatest part of which is cured saltfish. Next comes Great Britain with rather more than one-seventh, taking the whole fresh fish output and the greater part of our uncured saltfish. Norway, Italy, Sweden and Denmark account for about one-tenth each. The heaviest items exported to Norway are salted mutton, salted herring, and herring-oil, while Italy mostly imports saltfish (chiefly half-cured); Sweden takes mainly salted herring and herring-oil, whereas more or less of any article of export goes to Denmark; and Japan, a country with which Iceland had no direct dealings up to 1923, is now to some extent a buyer of our herring-guano and herring-oil.