H.—17.

Zealand produce. The progress of the colony is now so directly dependent on the success of the butter, cheese, and meat industries that the Government should lose no opportunity of promoting sales and opening up every available market, more especially in the United Kingdom. Some people may argue that such a course of procedure is unnecessary, as London and provincial merchants are quite alive to the quality and supplies of produce available in New Zealand, but such a contention would assuredly not be voiced by a disinterested person. My suggestion, if acted upon, would supplement the presumed existing knowledge and eliminate the element of chance. The issue is so important to the colony that no possible opportunity of extending the present markets and of exploiting new grounds should be allowed to slip.

PRODUCE COMMISSIONER IN LONDON.

On the 15th September last the Secretary to the Department of Agriculture, in a report to the Minister in charge of that Department, expressed the opinion that the time had arrived when Mr. H. C. Cameron, Produce Commissioner at London, should become an officer of the Department of Industries and Commerce, it having been found that his duties were now covering a much wider field than came within the scope of the Agricultural Department, and were more or less of a commercial nature. This suggestion was approved of and acted upon by the Government, and Mr. Cameron has since been transferred to the staff of this Department.

The weekly cabled market reports received from the Produce Commissioner through the Agent-General are now received and circulated by this office. Mr. Cameron is about to visit the colony, and as a result of his visit it is hoped that steps will be taken to organize a more extensive and systematic representation of the colony in the United Kingdom. The Secretary for Agriculture, in recommending the transference of the Commissioner, suggests that he should have a first-class business-man to assist him, as it is impossible for Mr. Cameron to do full justice to the work single-handed. Mr. Ritchie further suggests that an office should be opened in the city where business men could, without inconvenience, interview Mr. Cameron and obtain information regarding the products of the colony, the Agent-General's office being too far away from the business part of London for that purpose.

The suggestion has also been made that it will shortly be found necessary to have experts in butter and cheese and frozen meat attached to the London office. They would be constantly in touch with merchants and others receiving and handling New Zealand produce, whose business it would be to investigate and report upon complaints relative to quality and condition and suggest improvements. In my opinion a vigorous and practical policy of this nature is absolutely necessary, with a view of attaining and maintaining a standard of excellence beyond that of any other country. Considering the distance of New Zealand from the consuming markets and the extra cost of transport, this is, in my opinion, the only condition under which we can hold our own against such countries as the Argentine, Siberia, Canada, and the United States.

OVERSEA TRANSPORT OF PRODUCE.

The freights charged for the carriage of produce to London should receive the closest attention of the Government. Although rates of freight are agreed to and contracts entered into by different interests, it is the producer who has to pay. The following are the present rates of freight on the principal lines of produce from New Zealand to London:—

				£s.	d.			
Butter	• • •		•••	7 0	0 per	ton net	weight.	
Mutton		•••		7 0	0 per	ton gro	ss weight in	summer.
"	•••			4 13	4	"	,,	winter.
$_{ m Lamb}$			• • •	7 11	8	"	"	summer.
"	•••	•••		5 5	0	"	"	winter.
Beef				5 16	8	"	"	summer.
				4 13	4			winter.

The value of tonnage is very low at present, and possibly the foregoing rates were reasonable when tonnage was more valuable and a smaller class of steamers was engaged in the trade, but with the present low values of tonnage and the advent of mammoth steamers, I am of opinion that the time has arrived when lower rates of freight should be demanded. It is only fair that the producers of the colony should share in the advantages of a favourable freight-market, and of the increased trade; the benefits accruing from cheap tonnage should not be confined to the companies engaged in the trade.

Supplies for the Imperial Government.

The question of supplies of meat, &c., for the British army and navy has occupied the attention of this Department during the year. Representations have been made to the Admiralty and the War Office through the Agent-General with the view of inducing those Departments to purchase supplies of tinned meat in this colony. I have pointed out in my communications that as a rule the conditions of the regular contracts are such as to debar numbers of colonial firms from tendering, and tend to throw the business into the hands of London middlemen or the large firms who have branch houses in London. I have suggested that more liberal conditions of delivery should be arranged, that the work of inspection and any rejection should be carried out in New Zealand, and not at the yards in England, and that payment should be made on the spot against complete shipping documents. I have pointed out to the Admiralty and the War Office that the adoption of such steps as these suggested would be much the cheapest and most satisfactory method of procuring supplies of tinned meat, and that it would, moreover, tend to foster and practically indirectly subsidise a source of supply which could always be depended upon in time of war. I have also pointed out that if the Admiralty and the War Office should ever be compelled to look to this colony for large supplies of tinned meat, in the event of war, the chief question for consideration and the chief