

## APPENDICES.

### APPENDIX I.

#### FIFTH ANNUAL REPORT OF THE SECRETARY OF INDUSTRIES AND COMMERCE.

Department of Industries and Commerce, Wellington, 21st August, 1906.

SIR,—

I have the honour to submit herewith the departmental report for the year ending the 31st March, 1906.

The Hon. Sir J. G. Ward, K.C.M.G.,  
Minister of Industries and Commerce, Wellington.

I have &c.,  
T. E. DONNE, Secretary.

I AM pleased to report that the records for the year under review show that for the most part the prices obtained for the produce of New Zealand on the oversea markets have been of a very satisfactory nature. The prices realised are greatly in advance of the previous year, with the exception of those for frozen meats.

The advance in the price of butter has been particularly marked, 117s. per hundredweight being obtained for shipments disposed of on the London market in December, 1905, as against 104s. for the corresponding periods of the previous year. An advanced price was maintained till February, 1906, when, owing to large quantities of blended or faked butter coming on to the market, the prices for New Zealand butter suddenly dropped to 106s., but even this reduced price compares favourably with 102s. for February, 1905. From the schedule of average monthly prices, to be found on page of this report, it will be observed that the lowest monthly average price for butter during the year under review was 94s. in May, 1905, as against 86s. for May, 1904, and the highest, 117s., in December, 1905, as against 104s. in the same month in 1904. There has been a steady advance in prices since April last, and the prospects for the coming season's turnout are of the best. A large number of factories have already sold at a considerable advance on last year's sales.

The advance in the price of cheese has also been considerable. The season opened at an average of 61s. per hundredweight, against 50s. for the previous year. In March, 1906, the price rose to 64s., the highest price for the previous year being 54s.

New Zealand hemp is steadily growing in favour, and the range of trade considerably extending. A large quantity has recently found a market in Germany, Belgium, and Japan. Since July last there has been a steady increase in demand, and an upward movement in prices. In July the quotation was £29 10s. per ton in London, at the close of the year the prices reached £33, and the increase has since been steady and the market firm. The shortage of the Manila crop has had its influence on the markets, but there is no doubt that the compulsory grading, and the improvement in the method of preparation of the fibre has also had much to do with the more favourable reception of the New Zealand article. Some better method is, however, required in attaching grader-tabs. Those at present used are so easily moved as to be open to very grave abuse. The demand for hemp is at present so great that many would-be buyers are being disappointed, and a valuable footing lost through this country's inability to supply all requirements at a reasonable and yet remunerative figure. It seems to me that there is an opening for an industry of large dimensions in connection with the hemp trade. Much of the swamp lands of the colony could be made very highly remunerative if systematically planted with flax-plants of the best varieties. If the markets for hemp are to be enlarged, and those already secured held, there must be a regular and continuous supply, which can only be insured by scientific cultivation of this valuable plant.

Demands have recently been received from some of the Australian States, and also from America, for seeds and plants for cultivation in those countries. I would recommend the question of prohibiting the export of either seed or plants for the consideration of the Government.

Tow, which has in the past been regarded as a waste product in the hemp industry, and could be disposed of at only 50s. to 60s. per ton, is now in much greater demand, present quotations for this article being £8 15s. to £9 per ton f.o.b.

The wool-growers of the colony have had a particularly fortunate year, the prices on the London market being greatly in excess of those received for many years past. The market at the close of the season was firm, and there are good prospects of the coming year's clip being keenly competed for by manufacturers.

The average prices realised for New Zealand mutton, lamb, and beef have been hardly maintained. Large cargoes of the two former lines are being shipped regularly to the west coast of England every month, as well as the large shipments to London direct.

I am pleased to note that the frozen-rabbit industry is again on the upward move, the Manchester and Liverpool markets taking the bulk of the New Zealand shipments.