

ADVICE OF EXPORTS SHIPPED FROM NEW ZEALAND.

Arrangements have been made with shipping offices throughout the colony to furnish me with copies of their steamers' manifests as soon as completed, and this enables me to cable the High Commissioner at the earliest possible moment details of produce shipped. The Produce Commissioner in London then disseminates the news through the various trade journals in the United Kingdom, and this not only advertises the colony but gives trustworthy information to the many who are interested in New Zealand shipments.

FREIGHTS ON PRODUCE.

Keen competition is now being experienced in the country between the rival shipping companies at present trading between New Zealand and the United Kingdom. Freights have been much affected, and it is difficult to get any reliable quotation which will hold good for any length of time. The producers of the country are at the present time enjoying exceptionally low rates of freight on both farm and dairy produce. The question of butter freights has again been renewed, and rates have been adopted greatly in favour of the producer. Instead of about 2s. 6d. per box, as formerly, the steamers under contract to the National Dairy Association are quoting—butter to London, 2s. 2d. per box, ship paying coastal freight; butter to west-coast ports of England, 1s. 9d. per box exclusive of coastal freights. Another line of steamers quotes—butter to London, 1s. 9d. per box, ship paying coastal freight; butter to west-coast ports of England, 1s. 9d. per box, ship paying coastal freight; and gives the shippers the option of having their butter mailed to destination at ship's expense from the first discharge port.

The freight on cheese is unchanged at $\frac{3}{4}$ d. per pound.

COAL-EXPORT.

With the exception of British Admiralty orders, there has practically been no export of New Zealand coal. During the current year about thirty thousand tons of Westport coal will be shipped to Garden Island, Sydney, for the use of H.M. navy.

Considering the fact that the cost of the coal landed on that island is about double the price of any other, it is a great testimonial to the quality of the New Zealand product that it is used by the navy. The quantity contracted for is not a great one in comparison with that of two years ago, when the Admiralty was taking away large cargoes for the China Station in anticipation of hostilities. Still, in face of the cost, the quantity contracted for may, I think, be considered satisfactory.

BUTTER-ADULTERATION.

In previous reports issued by the Department the butter-maker's attention has been drawn to a fraudulent system prevalent in the United Kingdom, and also on the Continent of Europe, of using the choice butter exported from New Zealand for "faking" and blending purposes. The matter has also been brought under my notice by the Produce Commissioner in London, who points out the losses that will accrue to the colony if this pernicious trade is allowed to continue unchecked. My opinion relating to this blending of butter is fully confirmed by a cable received from London at the beginning of February last, which contained the ominous news of the collapse of the butter-market owing to large quantities of adulterated butter being placed on the Home market by American and Continental blenders. It is to be deeply regretted that for the fourth time the British Government has failed to pass the Sale of Butter Bill, thereby neglecting to prevent the sale of waterlogged and blended butter, the sale of which was declared by the then President of the Board of Agriculture to be an absolute fraud on the farmer and the consumer. Faked or manipulated butter is sold all over Great Britain and Ireland, and there is no difficulty in purchasing it in at least two shops or stores in any fair-sized town. I have ascertained on good authority the enormous profits made by these blenders, and it is estimated that some 200 tons of this faked or waterlogged butter is made daily, at a profit of about £12 per ton, or equal to £14,000 per week.

The butter manufactured by New Zealand factories is of the best class that the blenders can secure for their purpose. It is free from excessive moisture, with a minimum of salt: thus the New Zealand product is his prey. Careful thought and consideration lead me to advise that the best way to prevent any butter getting into the hands of the blender is to follow the lead of our sister colony Canada, and have representatives attached to the High Commissioner's office in London, who would not only watch our interests in the way of honest trading, but go straight to the retailer all over the United Kingdom and induce him to give our butter a trial, and assist him in making arrangements so that he can get regular supplies. If this system were adopted and carried out by reliable officers under the control of my Department, there would be very little butter, if any, available for the use of the colony's enemy the butter-faker. There seems to be only one method of restricting the fakers' and blenders' operations from this end, and that is to prohibit wholly or largely restrict the exportation of saltless butter. It seems to me that absolute prohibition would, in the end, be a wise policy to pursue. If the faker should be permitted to continue his practice, the time is near at hand when to the consumer New Zealand butter will cease to be known, and the large sums of money and the great labour expended in working up a market will have been to no purpose; and in the days of the keener competition to follow New Zealand's produce will be so little known as to be unable to compete successfully, except as far as requirements of the faker and blender are concerned, should they then exist. The present position seems to me fraught with considerable danger to the trade, and I regret to say that many exporters are playing directly and knowingly into the hands of the "faker" for a possible immediate gain, with the risk of bringing ultimate disaster to the trade.