1908

NEW ZEALAND.

TRADE BETWEEN NEW ZEALAND AND THE WEST-COAST PORTS OF THE UNITED KINGDOM

(REPORT BY MR. J. L. KELLY ON THE POSSIBILITIES OF).

Laid on the Table of the House of Representatives by Leave.

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REPORT.

To the Right Hon. Sir J. G. WARD, P.C., K.C.M.G., &c., Prime Minister of New Zealand, Minister of Industries and Commerce.

SIR,—

I. INTRODUCTORY.

I have the honour to report that, agreeable to instructions received, during your temporary absence, from the Hon. Mr. Hall-Jones, Acting Prime Minister, I left New Zealand on the 6th March last, per s.s. "Oswestry Grange," under engagement to your Government, "to visit the western ports of the United Kingdom for the purpose of inquiring into and reporting upon the possibilities of trade between this country and those ports." The steamer entered Avonmouth Dock on the 26th April. I continued my voyage on her to Liverpool (where she arrived on the 2nd May) and Glasgow (which was reached on the 11th May). My stay in the United Kingdom extended till the 21st September, when I took return passage on the s.s. "Cornwall" from Liverpool, reaching Wellington on the 1st December.

In addition to the west-coast ports of Bristol, Cardiff, Liverpool, Manchester, and Glasgow, I visited, during my five months' sojourn in Britain, the cities of London, Birmingham, Dublin, Belfast, Edinburgh, Aberdeen, and Dundee, besides over thirty different towns in England, Scotland, Ireland, and the Isle of Man; and in most of these places I made inquiries and collected information from merchants, municipal and dock authorities, secretaries of Chambers of Commerce, and others, bearing on the subject of my mission.

A considerable time was spent by me in calling upon, or receiving visits from, intending settlers in New Zealand, who were desirous of obtaining information regarding the resources, institutions, land and labour laws of the Dominion. This work, though outside the scope of my mission, was pleasing to me, and gave evidence of the widespread interest taken in New Zealand, and the advantage of having some accredited person available in remote parts of the United Kingdom to supply facts and advice to intending colonists.

Thanks to the official letter of introduction with which I was furnished, my work of inquiring into the extension of trade between New Zealand and the western ports of Great Britain was greatly facilitated by the ready assistance given to me by those upon whom I called. Of the courtesy and hospitality of the people of the United Kingdom it is impossible to speak in too high terms, and I desire to place upon record my thanks to all those who, in official or private capacity, did so much to render my labours light and agreeable.

As some of the gentlemen interviewed only gave free expression to their opinions on the understanding that their names should not be divulged in connection with their statements, I have deemed it advisable to preserve anonymity in the case of all non-official persons; but appended to the report will be found a list of the importers and merchants upon whom I called, which may be of use to producers and exporters in this country who desire to enter into direct relations with British importers and distributors.

Naturally, my inquiries were mainly directed to the question of how to increase the direct export to west-coast ports of our staple products—mutton, lamb, beef, rabbits, butter, and cheese—these being the articles for which a continually expanding market exists in the United Kingdom. In my report I therefore deal with these products under the headings of the different ports, and in relation to the population, harbour facilities, and means of distribution; while I treat of "Other Articles of Export" under a separate heading.

In the time at my disposal it was, of course, impossible to make exhaustive inquiries into all branches of our export trade; but what I have been able to learn will, I trust, prove suggestive, assist in the development of trade, and, where necessary, pave the way for further investigation.

II. BRISTOL.

THE PORT ACCOMMODATION.

The city and county of Bristol, with a population of nearly 400,000, is the first port of call for the west-coast steamers from New Zealand. This ancient city, with a history extending back for over a thousand years, has always been celebrated for its maritime enterprise. In olden times, when sailing-craft of moderate tonnage were the rule, vessels were loaded and discharged at various points on the banks of the River Avon, which flows through the heart of the city, and the channel of which was kept clear for navigation by the natural scour of tidal waters that rise and fall 48 ft. every twelve hours.

Developments to keep pace with modern requirements were started in 1809, when a new course for the river was formed, and the old waterway was converted into docks, with quayage extending to two miles and a half on either side. Half a century later further harbour improvements were undertaken. The channel was deepened and better lighted, and a new entrance-lock was constructed, so that vessels 325 ft. in length between perpendiculars can now enter the docks, in the very heart of the city, with many factories and warehouses in close proximity to them.

The rapid growth in the size of ocean-going steamers soon rendered this provision inadequate, so, to keep pace with the times, new and extensive docks were constructed at Portishead and Avonmouth, both situated at the head of the estuary of the Severn, near the mouth of the Avon. The Avonmouth Dock, in which the New Zealand liners are berthed, has been found too small for the increasing requirements of the trade, and in 1902 the first sod of the Royal Edward Dock was cut by the Prince of Wales, and the work of construction, which is in the hands of Messrs. John

Aird and Co., is expected to be finished in May next. When this new dock is completed the accommodation for vessels in the port of Bristol will be as follows :—

Dock.	Acreage.	Length of Quay.	Area of Shedding.
		Yards.	Square Yards.
City Docks	83	4,898	66,230
Avonmouth Dock	19	1,600	103,000
Royal Edward Dock	30	1,677	46,210
Portishead Dock	12	943	51,491
	144	9,118	266,931

The approach to these docks, by the Bristol Channel, is well buoyed and lighted, and the navigation is both safe and easy. Vessels up to 700 ft. in length, and drawing from 24 ft. to 28 ft. of water, can proceed up to Kingroad Anchorage, within a quarter of a mile of Avonmouth Dock gates, in any weather and state of the tide. For the purposes of New Zealand trade the City Docks may be left out of the calculation; but some particulars of the larger docks will prove of interest.

Avonmouth Dock.

The dimensions of this dock are as follows :—

Depth of water on sill, mean spring tides	38 ft.
,, ,, mean neap tides	28 ft.
Length of dock	2,180 ft.
Width of dock	500 ft.
Length of lock	485 ft.
Width of lock	70 ft.
Width of extension	180 ft.
Area of dock	19 acres.
Length of wharfage	1,600 yards.

The covered quays are provided with railway-lines and hydraulic cranes, so that cargoes can be expeditiously loaded or discharged in all weathers, without suffering any injury. Shed accommodation to the extent of over 900,000 square feet is provided. On the east side of the dock are sheds of a continuous length of 2,000 ft., 140 ft. wide, and fitted with hydraulic cranes with a lifting-power of 30 cwt. each. On the west side are large transit-sheds, with two floors, equipped with five hydraulic cranes of 30-cwt. power and one 15-ton hydraulic crane.

There are cold-stores, with a capacity of 220,000 cubic feet. One of these, used as a transit-shed for frozen meat, is on the quay, and is constructed on the most improved principles for the handling of carcases. During my visit I witnessed the process of unloading a large quantity of meat, and observed how everything is done with the minimum of handling and with absolutely no risk of deterioration from exposure or any other cause. The carcases are delivered from the ship's slings on to the upper floor of the refrigerated shed, where different consignees' lots are sorted out, and are then delivered by shoots right into the railway-trucks, under cover all the time. A grain store and elevator, with a storage-capacity of 50,000 quarters, and every facility for the handling of grain, form part of the equipment of the dock. Other provision for the extensive trade of the port is made here, including a foreign animals' wharf, lairage, and slaughterhouse; a fruit-store and warehouse for the West Indian trade; and oil-tanks with a storage-capacity of 9,000,000 gallons for the reception of petroleum; but, as these do not directly concern New Zealand, it is unnecessary to give a description of them.

Avonmouth is exceptionally well situated in the matter of facilities for the speedy and widespread distribution of goods by rail. The Midland and Great Western Railway Companies have stations here, and by means of their lines and others connected with them goods can be conveyed rapidly and conveniently to any part of the United Kingdom. Insulated trucks are provided for the conveyance of meat and other produce of a perishable character, and a perfect network of lines and sidings serves every part of the docks. All these facilities came under my personal inspection during my four days' stay at this port, and I also had an opportunity of observing how speedily and safely large steamers like the "Oswestry Grange" and the "Everton Grange" were docked in the Avonmouth Basin, when four other large steamers, besides smaller craft, occupied berths in it. The dockmaster, Captain Harvey, and his staff showed an expertness that compared most favourably with that displayed by similar officials in other ports I visited.

Royal Edward Dock.

This dock is situated at Avonmouth, immediately adjoining that just described, with which it is connected by a junction-cut 525 ft. long and 85 ft. wide. Its dimensions are as follows :—

Depth of water on inner sill, mean spring tides	40 ft.
,, ,, mean neap tides	30 ft.
Length of dock	1,120 ft.
Width of dock	1,000 ft.
Length of lock	875 ft.
Width of lock	100 ft.
Area of dock	30 acres.
Length of wharfage (at present sanctioned)	3,730 ft.

The Royal Edward Dock, it will be observed, is fitted to accommodate vessels of greater dimensions and deeper draught than any now afloat. The large quayage is to be equipped with commodious two-story transit-sheds, having an area of over half a million square feet, and this can be extended as required. Quick-working hydraulic cranes and grain-elevators will also be provided, together with a complete system of railway-sidings, where goods can be loaded on to vessels, or discharged from them, direct into trucks. A new section of railway will link up this and the Avonmouth Dock with the British railway system in a way that will make it possible to reduce the run to London to two hours.

Portishead Dock.

This dock is not so conveniently situated for rapid railway communication, being connected with Bristol by means of a short branch line. It is principally used for the landing of grain and timber, though facilities also exist, and are pretty extensively used, for the handling and storing of general produce. The granaries, with elevating machinery, are capable of storing 180,000 quarters; while the timber-wharf is 600 ft. long, and there are 10 acres of ground for stacking timber, besides a considerable area of covered sheds. Railway-sidings, quick-working cranes, and other facilities are provided for the economical handling of goods. The dimensions of the dock are as follows:—

Depth of water on sill, mean spring tides	34 ft.
,, ,, mean neap tides	24 ft.
Length of dock	1,800 ft.
Width of dock	300 ft.
Length of lock	444 ft.
Width of lock	66 ft.
Area of dock	12 acres.
Length of wharfage	943 yards.

Graving-docks.

The dry and graving dock accommodation at the Port of Bristol is at present very full, and, when the Royal Edward Dock is completed, in the course of a few months, it will be ample for the requirements of the largest steam liners. I append details of the different docks:—

Name.	Length over Blocks.	Breadth of Entrance.	Depth of Water on Sill.
At Bristol,—	Ft.	Ft.	Ft.
Albion Dock	540	52·2	14·6
Stothert and Co.'s dock	300	57	12·3
Great Western Dock	319	48	11·6
Gridiron, Cumberland Basin, outside floating harbour, in the tidal river	260	...	...
Heave-up slip (not affected by tides)	97	...	...
At Avonmouth,—			
Floating pontoon dock (lifting-power, 3,800 tons)	365	60	19
Graving-dock (in course of erection)	850	100	32

MUNICIPAL ENTERPRISE.

The Port of Bristol occupies a unique position, from the fact that nearly the whole of these dock and harbour facilities have been provided and are managed by the City Corporation. The docks at Avonmouth and Portishead, as well as the most of those in the city, are the property of the Corporation, whose capital expenditure on harbour and dock works and appliances now amounts to nearly £6,000,000. This gigantic undertaking is under the control of the Docks Committee of the Corporation, consisting of nineteen members. After this body, which is of course constantly changing, the chief credit for the enterprise displayed of late years in developing the Port of Bristol is due to Mr. F. B. Girdlestone, secretary and general manager of the docks, with his efficient staff of engineers and other officials. The dock offices are situated in Queen Square, Bristol. The triumph of intelligent collectivism demonstrated by this great enterprise should especially appeal to the people of New Zealand, who have in their own country witnessed the beneficent operation and results of State collectivism. The Corporation and merchants of Bristol are exceedingly desirous of increasing the direct trade between their port and New Zealand, and a proof of this is to be found in the fact that Mr. W. J. Kent, formerly of Timaru, has been engaged by the Corporation, and is now in this country charged with the important mission of developing commerce between this great food-producing land, and the important food-consuming and distributing city of Bristol.

TRADE OF BRISTOL.

For many generations Bristol has taken a leading position in connection with the distribution of provisions and groceries in the western and south-western counties of England, in South Wales, and even in the Midlands. From the earliest times, its advantageous position and the enterprise of its merchants enabled the city to maintain its prestige, and in later years the far-seeing enterprise of the municipality has enabled it to keep pace with modern developments. With the lapse of years and the arrival of foreign produce in increasing quantities Bristol has more than held her own as compared with competing ports. As long ago as 1899 Bristol imported 18,134 tons of

Canadian cheese, being an increase of 783 tons over the preceding year. The receipts for 1899 were as under at the three chief ports of England:—

	Boxes.
London	747,010
Bristol	487,476
Liverpool	426,364

In Canadian butter Bristol that year took the leading position, importing 4,597 tons, an increase of 827 tons over the preceding year. The relative positions of the three chief English ports with regard to Canadian butter were:—

	Packages.
Bristol	158,210
Liverpool	105,864
London	105,135

To understand Bristol's ascendancy in the provision trade it is necessary to remember the exceptional position of the city and its splendid facilities for distribution. The latter have already been referred to. As regards population, it is estimated that there are in towns and districts that can be most advantageously served from Bristol the following population:—

850,000	within a radius of	25 miles.
2,500,000	,,	50 ,,
5,000,000	,,	75 ,,
9,500,000	,,	100 ,,

The latter radius includes a number of cities and towns in the centre, south, and west of England, such as Birmingham, Nottingham, Leicester, Derby, Cheltenham, Gloucester, Hereford, Reading, Swindon, Salisbury, Bath, Taunton, Shepton Mallet, Yeovil, and Exeter, which to a large extent receive their supplies of foreign and colonial goods through the Port of Bristol. At present some 60,000 tons of provisions from overseas pass annually through the hands of Bristol merchants, some of whom have branch houses in Bath, Birmingham, Cardiff, Leeds, and London. As showing the progressive character of Bristol trade, the following figures of the registered tonnage of vessels entering the port may be adduced:—

Year ending 30th April.	Tonnage of Vessels.	Year ending 30th April.	Tonnage of Vessels.
1884	1,244,537	1904	2,116,339
1889	1,326,688	1905	2,078,343
1894	1,541,713	1906	2,112,907
1899	1,619,397		

Of the nature of the goods required by Bristol merchants a fair idea may be gained from the following returns of the quantities of the principal goods imported from foreign countries for a number of years past:—

——		1884.	1889.	1894.	1899.	1904.	1906.
Grains ...	Quarters	2,100,053	2,637,960	3,484,365	3,518,149	4,001,390	3,144,242
Flour and meal ...	Tons	28,727	37,834	59,938	65,508	67,525	30,510
Petroleum ...	,,	14,296	20,318	44,974	62,256	70,021	67,756
Cotton-seed, flax-seed, and linseed	,,	7,776	24,927	31,074	48,799	68,543	77,782
Sugar	,,	52,263	57,786	62,174	76,444	73,659	83,601
Timber and deals	Loads	125,075	121,831	124,448	159,037	176,096	155,928
Provisions,—							
Bacon and hams	Tons	2,777	3,799	6,099	19,955	9,247	10,753
Butter ...	,,	438	261	1,370	4,075	4,048	5,315
Cheese ...	,,	3,609	8,487	15,977	16,637	17,603	18,232
Lard... ...	,,	1,391	896	2,702	6,529	4,846	6,563
Fruit,—							
Bananas ...	Bunches	...	...	...	...	348,393	1,239,287
Oranges and Lemons	Boxes	84,990	94,210	120,838	212,614	238,549	237,386
Oxen	Number	7,108	12,650	8,034	16,942	12,388	10,185
Sheep	,,	11,762	5,596	27	2,835	9,454	...

In the matter of return freights, Bristol can supply many articles of colonial consumption, and already has a large connection with this country in such trade. Three of the largest firms in Great Britain engaged in the manufacture of galvanised iron, tobacco, and chocolate, respectively, have their headquarters in Bristol. In this city, too, are numerous other manufacturing industries, such as tanneries, ropeworks, agricultural-machine works, furniture-factories, and works for the manufacture of hardware, girders, bridgework, wire, locomotives, wagons, railway plant, carriages, clothing, paper, soap, chemicals, oils, pottery, porcelain, boots, hats, millinery, &c., the firms engaged in which are large exporters to the colonies. The Bristol harbour rates, dock dues, and charges for handling, storage, and transport of goods are fixed at such low rates as must

make the port attractive to shippers; and the Corporation recently obtained the necessary parliamentary powers to enable it to still further assist the development of the overseas trade by the granting of special terms in regard to accommodation and the modification of dues for a term of years.

Trade in New Zealand Produce.

Opinions of Importers.

The principal of one of the leading firms importing New Zealand produce stated the advantages of the west-coast steamboat service thus:

(1.) Saving of cost of railage from London.
(2.) Cheaper landing-charges, which are at Bristol 1s. 6d. per ton, against 10s. 6d. per ton at London.
(3.) Despatch in discharging; the time taken at Bristol being two to three days, against seven to fourteen days at London.

Against this has to be placed the irregularity of departures from New Zealand, which causes merchants to be always in a state of doubt as to when their goods will arrive. The time consumed on the journey does not so much matter, as, owing to the smarter despatch at Avonmouth, merchants get possession of goods quite as quickly as *via* London. The ideal times for steamers to arrive at Avonmouth are as follow: The first steamer of the season should arrive in the first or second week of December. Later boats (November to April sailings) to arrive between the 14th and 24th of each month from January to June. The July-to-November arrivals are not so important. It would be better still if the service were fortnightly, as merchants have to pay the factories fortnightly, and under existing arrangements have to lie out of their money longer, incurring interest charges.

Cheese.—His firm had this year imported about ten times more than in any previous year, and yet had not enough. The quality of New Zealand cheese had been more suitable for the west of England than formerly. They want a fairly well ripened cheese, pale in colour, with close, fat, buttery curd—close and free from holes. New Zealand cheese had been rather "holey" this season. They do not like a tough, hard curd, even if clean in flavour. New Zealand cheese have to compete with Canadian, which are made in September and have had time to mature. The demand for New Zealand drops off towards the end of June, and continues to get less during July, with, as a rule, a corresponding fall in value. The shrinkage in New Zealand cheese seemed heavier than usual this season, many crates showing 6 lb. to 8 lb. loss compared with marked weights.

Butter.—The quality of New Zealand butter this year, taken as a whole, they consider not quite equal to last season's—any butter not disposed of soon after landing quickly losing its freshness. Despite this and the fairly large quantities brought by direct steamers, Bristol and Cardiff merchants have had to draw heavily from other markets. With regard to dairy and milled butters, although they had this year, with a view to supporting the west-coast line, imported fairly large quantities of both descriptions, and had found an excellent demand, they are afraid that, owing to variations in quality, and the recognised difficulties in the way of obtaining sufficiently close grading in New Zealand, they must look to getting these on a consignment basis in future.

Prejudice and False Description.—A gentleman informed me that New Zealand butter and cheese are frequently sold as English, which is rendered necessary by the prejudice of the consumers, who would not buy the goods if sold as "New Zealand." Yet another gentleman made the naive admission that large quantities of New Zealand and other butter are milled in a factory near Bristol, put up in pats, and placed on the market as English, Irish, Canadian, or New Zealand, "according to the season."

The manager of a large distributing concern stated that New Zealand cheese suits the taste of the people of the west of England better than Canadian; but, nevertheless, his total trade in it is only one-tenth of his trade in Canadian.

In the opinion of a wholesale dealer in colonial dairy-produce, monthly steamers are not yet frequent enough, but at present there is not sufficient business to warrant a fortnightly service. Bristol merchants would be satisfied with a monthly service if the sailing-dates were rigidly adhered to and fast steamers were engaged in it, doing the journey from New Zealand in forty-two to forty-five days. A monthly service is not, however, of much use in the butter trade, but it would be a distinct advantage to have that description of produce shipped direct to Bristol instead of going through London. He recognised that it would take time to break down existing trade connections and methods. If the west-coast service were made equal to that of London the trade would very soon be diverted. There should also be a guarantee that certain things would be done to protect merchants against losses. He preferred the Canadian system of selling butter week by week. Australians ship largely on consignment, being of opinion that in this way they realised better prices than they would do if they sold right out; but his own view was that they would get higher prices if they sold. The practice of sending on consignment encourages the clearing of lots at a sacrifice, thus disorganizing the market. New Zealand cheese at this time of the year (May) fetches a price nearly equal to Canadian. With regard to butter-blending, he thought it would be better if the practice were prohibited altogether. There is no reason for blending, as the New Zealand butter is pure and wholesome. The new Butter Bill in England will, in his opinion, make matters worse than at present, as it will legalise the sale of imitation butter, which under the old law was illegal.

The managing director of a company very extensively engaged in the importation of New Zealand dairy-produce complained bitterly of the irregular running of the steamers in the west-coast trade. His company had suffered hundreds of pounds' loss from that cause. Goods that

should have been delivered in Bristol last Christmas were not received till the February following. The steamer did not call at Avonmouth, but went on to Glasgow, and finally to London, whence the goods were forwarded to Bristol. He would never ship through Avonmouth again, unless things were greatly improved. What would satisfy him would be an agreement between the New Zealand Government and the Federal Company for the regular despatch of steamers from the colony, leaving not later than the middle of each month, and the owners not being at liberty to vary the route and call at different ports before putting into Avonmouth. Further, the line should be forbidden to give bills of lading bearing the previous month's date to that on which the steamer sailed. Exporters in the United States and Canada used to get shipowners to sign bills of lading for past dates, and the practice nearly killed some of the American trade; but the whole thing was exposed and put right. The system in vogue in the west-coast service must be altered, or New Zealand producers will suffer as well as the merchants in Britain. There were, he alleged, rebates given in the New Zealand and South African trade, and the New Zealand Parliament ought to pass a law to put a stop to this practice. Finally he said, "All the dock facilities, rapid handling, and cheap transit at Avonmouth count for nothing unless we can have a regular and fairly rapid line of steamers from New Zealand—say, monthly steamers, making the voyage in forty-six days."

The principal of another large Bristol house, speaking with regard to the west-coast service, suggested that it might be a good thing to have smaller vessels, sailing more frequently and calling at fewer ports. It would make all the difference if merchants knew that a steamer would arrive about a certain date every month. He was opposed to the New Zealand system of the dairy factories making contract for the whole season's output. This method of dealing, he said, is nothing else than a huge gamble, and in nine cases out of ten it causes loss to the purchaser, on account of competition being so keen. What is required is a system of weekly or fortnightly sales. This would be equitable, would establish pleasant relations between buyer and seller, and would ultimately prove beneficial to the New Zealand producer. Three or four years ago Bristol was able to take 10,000 boxes of butter per month. As regards cheese, Canadian is preferred before New Zealand, though it costs 2s. to 3s. per hundredweight more. New Zealand cheese arrives at a time when heavy stocks of Canadian are held, and if the price is high merchants are very chary about entering into contracts with New Zealand producers. What he would like is consignment on sale, about a week before the sailing of the steamer. If that system were adopted they could take a large quantity of New Zealand cheese by each steamer. If trading conditions were improved in this way, the sale of New Zealand butter and cheese would be greatly increased. He admitted that 99 per cent. of Canadian cheese is sold straight out, the same as New Zealand, and he stated that the consumption of New Zealand cheese in Bristol is only one-twelfth of Canadian.

Frozen Meat.—A gentleman largely interested in the importation of New Zealand meat said that, beyond all doubt, mutton and lamb could be landed in Bristol direct much more cheaply and expeditiously than through London. He found, however, that in his efforts to develop the trade he was being continually humbugged and harrassed by the London office—these tactics being part of a plan to concentrate business in London. He said that produce is frequently delivered in Bristol stores a day after the arrival at Avonmouth of the steamer conveying it, whereas it sometimes takes fourteen days to obtain delivery of goods landed at London. The rapidity of despatch at Avonmouth more than compensates for the slower passage of the west-coast steamers.

Other Bristol dealers in colonial produce whom I interviewed expressed views practically identical with those in the preceding paragraphs.

III. CARDIFF.

Its Trade and Port Facilities.

Cardiff, the capital of Glamorganshire, situated on the River Taff about two miles from where it enters the Bristol Channel, is a city of some importance, having, with its suburbs, a population of about 200,000. Although it has a history extending back for more than a thousand years, its population at the beginning of the nineteenth century was only about two thousand. The development of the city has been contemporaneous with the working of the splendid coal-deposits in the neighbourhood, and the construction of the harbour-works. Being less than thirty miles distant from Bristol in a straight line, and in direct communication with it by water and land, Cardiff is greatly handicapped in its efforts to become a distributing centre for foodstuffs, or even a port of call for oversea steamers conveying colonial produce to the Home markets. Despite the enterprise of merchants, and the excellent facilities provided by the dock authorities and railway companies, Cardiff's trade in the matter of imports is in the main local, and is likely to continue so. Although, at present, direct trade with New Zealand is hardly likely to grow, some particulars of the facilities at Cardiff for the reception and distribution of foodstuffs will not be without interest.

Cardiff claims to be the natural ocean port for the supply of a population of about four millions, a large proportion of whom are engaged in coal-mining, iron-working, and tin-plate manufacture—a class consuming large quantities of meat and dairy-produce. A plan prepared by the Cardiff Railway Company states the population in various radii to be:—

Within 30 miles of Cardiff (including Bristol)	1,127,828
,, 60 miles of Cardiff	1,895,298
,, 90 ,, ...	3,776,721

According to statistics published four years ago, Cardiff imported annually about 300,000 tons of foodstuffs, and it is estimated that the consumption of butter in the Cardiff district amounts to 200,000 boxes per week, and of cheese about 6,000 boxes. The annual import of apples reaches the handsome total of 100,000 barrels. Most of these goods reach Cardiff by coasting vessels from London, Liverpool, Bristol, and Glasgow, and some by rail from London. Practically no outside foodstuffs reach the port direct, except Argentine frozen mutton and some Canadian produce. The

reason for this is that it does not suit large liners to call at Cardiff unless they desire to take return cargoes of coal. New Zealand meat railed or reshipped from London is liable to suffer deterioration, and because of this, and the extra cost involved, it has little chance of obtaining a large hold of this market. Danish butter to a considerable extent holds the field, but there is no reason why New Zealand should not obtain an increasing share of this trade. I was informed that in July, 1904, the Cardiff Chamber of Commerce made representations to the New Zealand Government, through the High Commissioner, and showed the advantage of steamers in the west-coast service calling at Cardiff to obtain bunker-coal and to discharge produce; but nothing resulted from these representations—probably because the Government was powerless to do anything in the matter.

The Port of Cardiff includes the Bute Docks at Cardiff, owned by the Cardiff Railway Company; the Barry Docks, owned by the Barry Railway Company; and the Penarth Dock, owned by the Taff Vale Railway Company. Together, these constitute a safe and spacious port, with all modern appliances for the handling of cargoes of every description, and with excellent facilities for executing repairs to vessels. Cardiff ranks as the third largest port in the United Kingdom for shipping cleared. The clearances at the three chief ports in 1906 were,—

	Tons Register.
London	8,919,272
Liverpool	8,870,351
Cardiff	8,451,050

Cardiff is indeed the premier port in the United Kingdom in the matter of shipping cleared for foreign countries and overseas British possessions. This position she has attained by reason of her coal-export, which equals about seven-eighths of the total trade of the port. In 1906 the trade of the Port of Cardiff was,—

	Tons.
Exports	22,760,319
Imports	2,812,885
Total	25,573,204

Of the imports, only about 600,000 tons were foodstuffs and general merchandise—the great bulk of the cargoes being represented by iron-ore, pig iron, pit-wood, and other timber. I append some particulars of the different docks:—

Bute Docks.

Name of Dock.	Area in Acres.	Depth of Water on Sill.	
		Spring Tides.	Neap Tides.
		Ft.	Ft.
Bute West Dock	19½	28·9	18·9
Bute East Dock	46¼	31·9	21·9
Roath Basin	12	35·9	25·9
Roath Dock	33	35·9	25·9
South Dock	50	41·6	32·0
Timber Floats	24	6 ft. to 8 ft.	

The South Dock, which was opened by the King only a few months ago, has one side of its quayage reserved for import trade, and large transit and storage sheds are provided and are equipped with every appliance necessary for the despatch of cargoes. This dock is fitted to receive the largest ocean-going steamers, as it has a sea-lock 800 ft. in length and 90 ft. in breadth, with the same depth of water on sill as the dock itself. The quay-space on this dock alone is 6,700 ft. In connection with all the docks there is an ample equipment of cranes, including one of 70-ton capacity, as well as a grain-elevator, cold and other stores, cattle-lairs, slaughterhouses, &c.

Barry Docks.

Barry, which is some eight miles nearer to the sea than Cardiff, has three docks, with a total area of 114 acres. These are accessible in all weathers, and have a deep sea entrance, making them practically independent of tides. Appended are particulars of the docks:—

Name of Dock.	Area.	Length.	Width.	Quayage.	Width of Gates.
	Acres.	Ft.	Ft.	Ft.	Ft.
Dock No. 1	73	3,100	1,100	10,500	80
Dock No. 2	34	3,320	400 to 600	7,000	80
Dock No. 3 (Basin)	7	600	550	2,040	80
Lady Windsor Lock	...	647	65	...	65
Timber Float	...	800	400	2,000	...

The depth of water on sill in each case is 37 ft. 8 in. at high water, ordinary spring tides, and 29 ft. 4 in. at high water, ordinary neap tides. The machinery and appliances are all of the most approved type, and include 56 cranes, ranging in capacity from 36 cwt. to 50 tons.

Penarth Dock.

Near Penarth Head, between Cardiff and Barry, is situated the Penarth Dock; but particulars supplied to me show that it is used almost exclusively for loading coal. The depth of water on the sill of the dock is 35 ft. 9 in. at ordinary spring tides and 25 ft. 9 in. at ordinary neap tides.

Graving-docks.

The Mountstuart Dry Docks at Cardiff include the following:—

Name of Dock.	Length.	Width.	Entrance-gates.	Depth of Water, Ordinary Spring Tides.
	Ft.	Ft.	Ft. in.	Ft. in.
No. 1 Dock	440	70	52 6	26 0
No. 2 Dock	420	105	52 0	26 0
No. 3 Dock	550	85	66 0	28 6

At Barry there are three graving-docks, as under:—

	Ft.	in.
Commercial Graving-dock,—		
Total length	867	0
Width at entrance	60	0
,, of dock at top	113	6
,, ,, at bottom	100	0
Depth on outer sill, high water, ordinary spring tides	26	8
,, ,, neap tides	18	4
The dock can be divided into outer and inner docks of the following lengths respectively	366 ft. and 483 ft.	
Graving Dock Company's graving-dock,—		
Total length	778	0
Width at entrance	60	0
,, of dock at top	113	6
,, ,, at bottom	100	0
Average depth on sill, spring tides	24	8
,, neap tides	16	4
The dock can be divided into outer and inner docks of the following lengths	355 ft. and 405 ft.	
Graving Dock Company's single graving-dock,—		
Total length	623	0
Width at entrance	70	9
,, of dock at top	70	9
,, ,, at bottom	65	0

Trade in New Zealand Produce.

Opinions of Merchants.

Butter and Cheese.—The head of a firm doing a large business in New Zealand dairy-produce had a complaint to make with reference to butter containing 7 per cent. more water than it ought to contain. His firm bought the butter from individual dairies in New Zealand—not from factories—and sold it to a London dealer, who in turn sold it to a retailer. The retailer was prosecuted and fined in June last, and to make up for his loss the speaker's firm had taken 10s. per hundredweight off the price. (The firm's manager, speaking to me apart of the same incident, expressed the opinion that the Government of New Zealand should pay the fine and costs, as it was evidently through laxity on the part of the graders that the butter in question was passed.) Continuing, the principal of the firm said that Dutch dealers bought some New Zealand butter this season at 105s. per hundredweight, but, being unable to do anything with it, sold it back to his firm at much less. He wished to draw attention to what he considered an error in nomenclature. New Zealand exporters call their creamery butter "factory butter." What British dealers understand by "creamery butter" is butter made from cream supplied by the different dairies, whereas "factory butter" is butter made by the dairies and mixed by the factory. What British merchants call "factory butter" is designated "milled butter" in New Zealand. Butter from Canada and the United States is described in the terms familiar to British dealers, and the confusion of nomenclature is apt to cause injury to New Zealand produce. New Zealand milled butter, he remarked incidentally, is bad—much worse than Canadian or English. If New Zealand milled butter were treated in the manner pursued in Irish factories—selected and classified, instead of being all mixed together—it would command 1½d. to 2d. per pound more. At present New Zealand milled butter is hardly used for anything but pastry. He had written to the New Zealand Agricultural Department, suggesting that butter from that country should be treated on the Irish system. New Zealand would then have three classes of butter—(1) creamery, (2) factory, and (3) milled—thus corresponding with the classes of butter and methods of treatment familiar in England. There are, he said,

butter-blending machines in use which show automatically the proportion of moisture in the butter. It would, in his opinion, be well to have butter treated by these machines, and described and passed as "blended butter," because "milled butter" from New Zealand has a bad reputation. "Renovated butter," which is butter melted and aerated, is very good, and commands a good price. He considered butter-blending a perfectly honest practice, and it is the means of keeping up the price of New Zealand butter. It would be very foolish of the New Zealand Government to pass a law to prevent the exportation of saltless butter. Still, he believed that a good deal of blending could very well be done in New Zealand, if the dairy factories would blend it properly and export it as "blended butter." Butter without preservatives does not keep well. His firm sold some to Holland dealers at 109s. per hundredweight, bought it back at 97s., resold it in England at 92s., and now it was being thrown back on their hands because of its non-keeping qualities. Butter with preservatives in it is not allowed to be landed in Germany or Holland. It would, in this gentleman's opinion, be a huge mistake for New Zealand factories to stop butter-making and devote themselves solely to cheesemaking. Canada has to a great extent stopped buttermaking (producing little more than sufficient for her own consumption), and is largely increasing her output of cheese. Furthermore, the rate of freights—the difference between those from Canada and those from New Zealand—makes it inadvisable for New Zealand dairymen to go in more extensively for cheesemaking. The freight from Canada is 1s. 1d. for butter and 1s. 3d. for cheese, against 2s. 2d. for butter and 3s. 6d. to 4s. 8d. for cheese from New Zealand. Another reason why New Zealand should adhere to buttermaking is that New Zealand butter fetches a higher price than Canadian in England, whereas New Zealand cheese commands a lower price than Canadian.

Other dairy-produce importers with whom I conversed had no suggestions to make. They either deal exclusively in Irish and Canadian, or get their New Zealand butter and cheese through London. One of them expressed the opinion that New Zealand producers would not get so good a price for their butter in the coming season. He believed that consignment for sale would prove the best system in the long-run. Another gentleman said he was prepared to do business in New Zealand bacon if producers would export it.

Frozen Meat.—The principal of a firm that does the bulk of the foreign meat trade in Cardiff said that New Zealand meat is growing in popularity every year, and the trade in it would more rapidly increase if the steamers in the west-coast service were to call at Cardiff. His firm purchases the greater part of the New Zealand meat that is landed at Avonmouth. Barry would in one respect be cheaper, as the charges there are by the ton, whereas at Avonmouth they are per carcase. If the steamers were to call at Barry, where they could get bunker-coal, it would suit his firm much better than the present arrangement of calling at Avonmouth. At the same time, they preferred Avonmouth to London. Cardiff, he said, is the third largest port in the United Kingdom for the importation of frozen meat—Argentine, Australian, and New Zealand. The Argentine steamers come into Cardiff, and the meat is landed in good condition. New Zealand meat, on the other hand, is subject to deterioration through handling, and if consigned to Avonmouth has rail charges added to the cost.

The West-coast Service.—The only drawback to the steamer service from New Zealand, a large importer of produce said, is its irregularity. The seven weeks' passage is no obstacle; for, owing to the many delays in London, butter can be delivered in Cardiff almost as quickly by the west-coast service as *via* London. He considered that a vast amount of good had been done to New Zealand producers by the running of the Federal-Houlder-Shire steamers. He was quite satisfied, even though the steamers did not call at Cardiff; but of course he would be better pleased if they did. If they were to call at Barry for bunker-coal they could there discharge cheese, butter, and meat for Cardiff. He believed that in the course of a few years the west-coast trade will have developed equally with that of London, for the service is improving, despite the continued irregularities. In a few years, he thought, the west-coast trade would be able to employ fortnightly steamers. His firm finds that the west-coast service suits much better than any other. He blamed the narrowness and lack of patriotism of the Marquis of Bute's agent. Had a better spirit been shown, Cardiff would have had double its present population by now. Shipbuilders were prepared to come here and erect large yards; but such stringent conditions were imposed by the dock authorities that they went to Swansea instead. Similarly, some years ago, the coal people asked Lord Bute to provide more dock accommodation; but the reply of his agent was in effect, "Build your own docks." The result was that the Barry docks were built, and so much business was lost to Cardiff. If one of the other steamboat companies could be subsidised to send steamers alternately to London and Cardiff, it would be a great boon to the west coast. If Bristol were thought the better port, let the steamers go there instead of to Cardiff.

Another importer said he would like to see a proviso made compelling the west-coast steamers to call at Cardiff. Perhaps the Bute Dock authorities might be induced to reduce charges, in order to encourage steamers to call.

In the course of conversation with the manager of the Bute Docks I mentioned the desire of Cardiff merchants that the west-coast steamers should call at that port, and I asked whether in such event there was any hope of a reduction in charges. The reply was curt and conclusive, "No; we run the docks on business lines, and not from philanthropic motives." He further informed me that cold-stores were provided by the dock authorities, but were practically never used. They would probably be taken over by the Cardiff firm of meat-importers upon whom I called.

The explanation of the offhand attitude of the Bute Docks management was provided by a gentleman whom I saw later. Cardiff, he said, depends principally upon her large export of coal, and the authorities do not trouble about the import trade.

IV. LIVERPOOL.

Its Trade and Harbour Facilities.

The great maritime city of Liverpool, with its well-organized harbour and magnificent equipment of docks, sheds, warehouses, and appliances, is so well known that little need be said of it by way of description. The city, which this year celebrated the seven-hundredth anniversary of its foundation, cannot claim the same antiquity as some other British cities; but its comparative modernity only serves to accentuate its growth to a position of the first importance. This position it has attained chiefly through the enterprise displayed by the Mersey Docks and Harbour Board, in making the port accessible and safe, and in providing a system of docks which for extent, systematic construction, and completeness of equipment is without equal in the world. The natural difficulties in the way of this achievement were very great, and the fact reflects all the greater lustre on the genius and perseverance of those who constructed the works. There was originally little or no shelter for vessels in the Mersey. Ships anchored in the stream and always ran considerable risk in bad weather. In 1655, Liverpool's shipping record for the year was 15 ships, of an aggregate tonnage of 268, or under 20 tons each. In 1700, the total entrances and clearances were 102 ships of 8,619 tons; in 1800, this had grown to 4,746 ships of 450,000 tons. It was about 1708 that the first really notable step was taken in the development of the Port of Liverpool, by the construction of the first wet dock ever made in the world. This dock, the idea of which was conceived by a Mr. Steers, cost £15,000, and had a water-area of 3 acres 1,890 yards, while its entrance and basin occupied a further space of 1 acre 2,897 yards. Since then the progress of the port has been remarkable, as is shown by the following tabulated statement of the shipping at different periods, with intervals of twenty years, from 1826 to 1906:—

Year.	Vessels.	Tonnage.	Dock Dues received.
			£ s. d.
1826	9,601	1,228,318	131,000 19 0
1846	19,951	3,096,444	213,423 16 2
1866	21,720	5,581,322	631,268 6 4
1886	20,598	8,370,723	884,533 19 7
1906	25,773	16,147,856	1,305,509 12 0

It will be noted that since 1866 the increase of tonnage has been much greater than the increase in the number of vessels—this being due to the rapid development of large-sized steamers. The Port of Liverpool is now second only to that of London, and the city occupies the position of being third in point of population in the British Isles. The increase in the amount of dues collected becomes all the more remarkable when it is stated that in the year 1895–96 a reduction in rates was made which amounted, on business done, to about £50,000 per annum, while during the succeeding year a sum of £40,000 was remitted on imports of cotton.

The impediments to the navigation of the Mersey, in addition to the lack of shelter already referred to, included a troublesome bar and numerous sandbanks and shoals in the river. These difficulties have been grappled with and overcome. The bar has disappeared—it and the various channels in the river being kept clear by constant dredging—and for a distance of fourteen miles from the bar to the docks the river is most efficiently lighted and buoyed.

The Docks.

The Liverpool and Birkenhead docks are too many to enumerate in detail. It may suffice to say that the totals are as under:—

Docks and Basins.	Water-area. Acres yards.	Lineal Quayage. Miles yards.
Liverpool	417 3,820	28 1,033
Birkenhead	165 795	9 932
Totals	582 4,615	37 205

In addition there are two docks, belonging to the London and North-western Railway Company, with a total water-area of 14 acres 2,494 yards.

The following particulars of the Canada Docks and Basin, where the New Zealand steamers are usually berthed, may be of interest:—

Canada Lock: 600 ft. long; entrance, 100 ft. wide; water-area, 2,018 yards; lineal quayage, 467 yards.

Canada Basin: Entrance, 390 ft. wide; water-area, 9 acres 2,805 yards; lineal quayage, 846 yards.

Canada Dock: Entrance, 90 ft. wide; water-area, 24 acres 1,409 yards; lineal quayage, 1,345 yards.

Canada Dock, Branch No. 3: Water-area, 7 acres 1,625 yards; lineal quayage, 802 yards.

Canada Dock, Branch No. 2: Water-area, 6 acres 2,560 yards; lineal quayage, 732 yards.

Canada Dock, Branch No. 1: Water-area, 7 acres 2,313 yards; lineal quayage, 823 yards.

Graving-docks.

There are sixteen graving-docks on the Liverpool side of the river, ranging in length from 286 ft. to 930 ft.—their total length of floor being 11,067 ft. 4 in.

The Birkenhead graving-docks are three in number, their floors being respectively 930 ft., 750 ft., and 750 ft. long, or a total length of 2,430 ft.

There is also a gridiron at the Clarence Graving-dock basin, on the Liverpool side, 313 ft. 6 in. long and 25 ft. 6 in. broad.

All the wet and dry docks, with the exception of the two belonging to the London and North-western Railway Company, are the property of, and are controlled by, the Mersey Docks and Harbour Board.

The colossal nature of the harbour-works undertaken and executed may be understood when it is stated that the Docks and Harbour Board obtained parliamentary powers at various times to borrow £31,899,890 15s. 1d; it has actually borrowed £24,227,543, and has expended £29,484,677 15s. 1d.—the difference between the two latter amounts being made up by moneys obtained from sinking fund and sundry credit balances. The Board has still power to borrow £7,672,347 13s. 7d.

Drawbacks.—Despite this enormous expenditure, and the skill displayed in the construction and equipment of the docks, the Port of Liverpool still labours under many disabilities. There is no complaint as to expedition of discharge and loading. Large steamers can discharge their cargo and have it all cleared from the quay-sheds without incurring the space-charge levied by the Board on all goods not removed within seventy-two hours after being landed; can reload and be out of the docks on the fourth day after arrival. Nevertheless, the methods of handling are such as cause great deterioration to perishable goods like meat and butter. The docks are cut off from the goods-stations of the various railway companies by a broad roadway, and imports have to be landed in the transit-sheds, reloaded on to drays, and carted to stores or railway-stations. This causes extra handling; and, as the Board provides no cool transit-sheds or refrigerated stores, meat and butter suffer great deterioration in the handling and transit. I watched the process of landing frozen meat, and it requires no experience to characterize it as of the rudest and most unsatisfactory kind. The carcases are unloaded from the ship's slings on to the floor of a high one-story shed, with glass roof, through which the sun beats. It was raining part of the time I made observations, and a quantity of straw was spread on the floor of the shed to prevent the meat coming in contact with muddy slush. From this straw the carcases are loaded by hand into open drays, which sometimes stand for over half an hour before they are fully loaded, as the meat is sorted out to the different consignees before being put on the drays. In these open drays the meat is carted to the stores of importers, to the Union Cold-storage Company's premises, or to the goods-stations of the different railway companies—the distances ranging from a quarter of a mile to a mile and a half. Whether the weather be wet or sunny, meat and dairy-produce are sure to suffer from exposure; and I heard besides many complaints of meat being bruised and the shank-bones of sheep broken through rough handling.

I called on the manager of the Union Cold-storage Company and stated to him my opinion of the methods of handling and carting frozen meat as I had observed them. He said that the question of providing proper covering for the meat while being carted was engaging his attention. He added that the ships ought not to put out meat in wet weather.

When I mentioned these matters to the dock authorities, they informed me that the Board provided no refrigerated stores except by arrangement. Thus, by agreement with the Canadian Pacific Railway Company, the Board had erected insulated stores alongside the docks, into which vessels from Canada discharge produce. New Zealand could have similar facilities if the Government or shippers made an arrangement with the Docks and Harbour Board. The South American Meat Company had erected cold-stores at the docks and provided insulated vans for conveying their meat to the merchants' stores or railway-stations. The dock authorities further stated that it was for the importers to provide insulated vans or covered drays for conveying the meat from the docks to the stores or railway-stations. Some of them have done this, while in other cases the railway companies supply insulated vans.

Trade in New Zealand Produce.

Opinions of Importers.

Frozen Meat.—The local manager of a firm dealing largely in frozen mutton said the west-coast steam service was a great convenience to them. Their only complaint was with regard to the irregularity of the sailings. Last year, for example, three months' shipments came to hand in one steamer. This irregularity causes a temporary scarcity, followed by a glut, with the result that trade is disarranged. New Zealand meat generally arrives in good condition, and the quality is all that can be desired; but, practically, the Argentine meat has a monopoly of the Lancashire market. New Zealand lamb arrives rather late—falling on top of the Argentine and Australian.

The manager of another large meat-importing firm had the same remark to make on the subject of the irregularity of the steamer service. He said that a number of wholesale dealers, especially those who are also interested in the retail trade, prefer to buy New Zealand lamb in London, and pay the railway freight, rather than endure the uncertainty produced by the irregularity of the west-coast steamers. Although the long voyage rather takes the bloom off the meat, it generally arrives in good condition.

Yet another gentleman connected with the meat trade had a similar complaint as to irregularity. In consequence of the uncertainty of the arrival of New Zealand shipments, meat from Australia and Argentine is most in demand in Liverpool. If the west-coast steamers were more regular, and if some inferior meat were sent, New Zealand mutton and lamb would find a much larger market. New Zealand meat is of superior quality, but it costs the consumer ½d. per pound more. As a rule, the consumer does not know what country the meat is from; he looks only at the price. One or two companies, however, sell New Zealand meat as such. He did not think that

much good would be done by advertising New Zealand meat; the consumer does not care where the meat comes from. The want of insulated cars to take the meat from the ships to the stores in Liverpool causes deterioration. Things are much better managed in London. The trade in boned beef is at present very small in Liverpool; it ought to be as large here as in Glasgow.

The principal of a firm largely engaged in the meat trade said the west-coast service had improved of late, but the steamers are not yet regular and there is too long an interval between some of them. The service should be fortnightly from December to May—or, say, six-weekly in winter and three-weekly in summer. He was anxious to see the direct service maintained, for it enables his firm to save $\frac{1}{8}$d. per pound on meat that would otherwise be railed from London to Liverpool, and $\frac{5}{16}$d. per pound on meat railed to Glasgow. The meat is landed in Liverpool from the direct steamers in good condition, though the handling is not nearly so careful as it is in New Zealand. Losses through deterioration fall on the insurance companies, who have large claims made upon them in the summer-time, when the meat suffers most. This leads to a rise in premiums, and the loss ultimately falls on the New Zealand farmer. He believed that from $\frac{1}{16}$d. to $\frac{1}{8}$d. per pound is lost in England through careless handling of the meat. His firm had been trying to get the shipping company to load meat for Barry, but this the company declined to do, unless a guarantee of 5,000 carcases was given. The shipping company has a habit of railing goods from another port to the destination, whenever it suits it to do so. This causes deterioration of the meat, and the practice cancels the insurance policy, compelling the importers to pay an additional premium. He estimated that for 5,000 carcases landed at the port his firm has 15,000 sent by rail. In their Manchester trade they found that the demand is for small carcases of mutton and lamb. It is difficult to get shipments of light-weight carcases from New Zealand, so his firm prefers to have the meat landed at Liverpool, sorted out, and the light carcases railed to Manchester at a cost of $\frac{1}{6}$d. per pound.

According to a firm doing a large business in New Zealand and Australian meat and rabbits, retailers are glad to announce New Zealand meat as such, because of its high reputation. They do not now sell inferior meat as New Zealand, but they occasionally sell New Zealand as Scotch or Welsh. In Liverpool there is a good though limited market for the best quality of meat.

Another gentleman in the same trade said that, apart from rail charges, there is a loss incurred in the railing of meat from London. The meat arrives in seeming good condition, and no claim can be made on the underwriters; but it deteriorates afterwards. It might be worth the while of the New Zealand Government to consider the question of subsidising the steamers, so that they would be compelled to call at the different ports and keep time. If importers had confidence as to the arrival of steamers the trade would largely increase. Sometimes, last season, the steamers did not call at Avonmouth, and goods were railed from Cardiff to London, with the result that consignees lost the month's free storage at Avonmouth docks. He had in consequence refused to ship any more goods by the west-coast steamers, unless he has a guarantee that the ship would call at the port. He was charged 10s. to 12s. 6d. a ton more for goods sent to west-coast ports than for goods sent to London, and it suited him better, therefore, to have the goods sent to London. If the condition as to optional railing of goods were removed from the bills of lading it would be better. He finds that Australian rabbits are pushing out the New Zealand, as they are cheaper. In 1900 Britain imported 302,000 crates of New Zealand rabbits, and in 1906 only 94,000 crates. Of Australian rabbits there were imported 300,000 crates in 1900, and in 1906 the import had risen to 900,000 crates.

Dairy-produce.—The principal of a firm extensively engaged in the New Zealand dairy-produce trade said bluntly that the west-coast service is a "humbug." He had known cargo for Liverpool to be taken on to Manchester for five days and then brought back in leisurely fashion. He had great difficulty in persuading the shipping company to let him have some butter out at Manchester, on which he paid railway charges to Liverpool. Late arrival means loss, as the butter-market gradually lowers from Christmas till summer. There are incidental variations in the market, but the average over a series of years is steadily downwards. As to trade custom, he would prefer the consignment system, if he could rely on shipments being sent regularly. It would pay the New Zealand dairy companies to consign to established and reputable firms, as competition would compel the latter to do their best for the consignees. The bulk of the Irish creameries consign their produce. The Danes tried selling for a time, but are now taking more and more to consignment. He was sure consignment would be best in the long-run for New Zealand producers. If thought necessary, the Government or the dairy companies might appoint some one in England to look after their interests. The objection to weekly or fortnightly sales of butter in New Zealand is to be found in the preference that the retailers in England have for a certain brand or mark of goods—the consumers wish to have the same goods all the time. For this reason, he found the system of buying the season's output right out was advantageous, for his firm got 1s. to 2s. per hundredweight more for butter of known brands. The advantage of the consignment system is that goods are kept nearer to the market value, and thus the demand might increase. At the beginning of last season his firm anticipated a shortage in the supply of butter; but, though that anticipation had been realised, they had had ruinously low prices, mainly the result of fraudulent increase in bulk—to the extent of about 10s. per hundredweight—which had disturbed the market. Saltless butter, he said, will keep better than salted if inferior salt is used. He preferred butter to have $2\frac{1}{2}$ to 3 per cent. of salt. Preservatives may still be necessary, but not so much so if pure salt were used. The "fishiness" found in some brands of butter he considered to be due to the inferior salt used. The packing of New Zealand butter is excellent, and he had advised the Irish dairies to copy the system. The grading is not strict enough. Some brands certified as first grade vary as much as 5s. per hundredweight, or 1d. per pound retail. As regards cheese, Canadian is preferred for the Liverpool market. New Zealand cheese is too stiff for the Lancashire

taste. Danish bacon tops the market, and this position it has attained by the attention paid to breeding and by virtue of a patent system of curing. Under this method of curing, the bacon is placed in frames inside large boilers; the air is extracted and brine is let in; then air is admitted, and the bacon is perfectly cured in six hours—all the natural juices and the full flavour being retained, while the albumen in the meat is not made indigestible. When New Zealand starts exporting bacon she should copy Danish methods, though it remains to be demonstrated whether the system of cure will preserve the bacon during a long voyage.

Another wholesale dealer said that Danish butter had of late fallen relatively in price, which was probably due to New Zealand competition. He mentioned that last season's extra demand for cheese was largely due to the Chicago tinned-meat scare; but this will pass away.

The principal of a firm of produce-dealers said that last year there was an average loss of 10s. per hundredweight suffered by purchasers of New Zealand butter. Had the butter been consigned for sale the producers would have been so much the poorer. On the other hand, the price might have gone up, in which case sale on consignment would have given them better returns. His firm would much prefer to have butter on consignment, because then they would simply make their commission and run no risks. He did not blame the New Zealand producers—they did the best for themselves, just as he would do himself. New Zealand butter is of excellent quality and has an established reputation. He would like to see a regular steamboat service, making Liverpool the first port of call. At present his firm saves 1s. per hundredweight freight by getting butter landed at Liverpool; but, on the other hand, it runs the risk of losing 5s. to 10s. per hundredweight by missing the market. He was hopeful that the irregular running of the west-coast steamers would be corrected in time.

The representative of an influential firm of importers, after complaining of the irregular running of the west-coast steamers, went on to speak strongly against the New Zealand system of selling to the highest bidder the output of the dairy factories. It is, in his opinion, a short-sighted policy, and leads to unpleasantness, and the speculative element in it is detrimental to the extension of trade. The consignment system would be the best in the long-run for all concerned; a great deal depended, of course, upon the butter getting into good hands. The New Zealand factories should choose their English representatives, consign to them regularly for a series of years, and, if thought advisable, have some one in England to advise them whether to sell in advance, to hold, or to consign. During the first year of this system the prices might be lower in order to get possession of the market; but, when this was secured, prices would be altogether satisfactory. There should be mutual trust between New Zealand and England, and also a spirit of loyalty to each other. As an example of the want of these, he mentioned his firm's connection with a well-known Otago dairy factory. They started with this factory six years ago, giving 10¼d. per pound for the butter. For years they advertised this brand and established its reputation in the English market. They had advised the factory as to the proper course to pursue, and by following that advice the producers got £5,000 more than they otherwise would have done. In spite of all this, when, last season, other buyers stepped in and offered a higher price, the factory transferred its business to them. It was not pleasant to be turned off in this way. In addition, this policy injures the brand, which has to start afresh and be advertised among a new set of retailers and consumers. Further, the purchasers in this particular case had lost money, and the butter had been "kicked about," all of which is detrimental to the growth of trade.

Another produce-importer spoke at some length of the losses caused by the irregular arrival of the west-coast steamers. He said it would be very easy to glut the Liverpool market with high-class goods, as the great bulk of the people want cheap meat and butter. It is a "penny-wise and pound-foolish" policy for New Zealand factories to throw over old purchasers of their product merely because others offered a better price. There is, he said, a great advantage to producers in having a fixed connection with a good distributing-house in England. The multiplicity of buyers of New Zealand butter is a good thing for the producers; but the multiplicity of sellers in England tends to run down the price.

The head of a firm of produce-importers expressed the opinion that the New Zealand factories should make more cheese. The Canadian cheese on the market now (May) had to be made last September; and the New Zealand article, coming on at a time when Canadian is high-priced, ought to sell well. New Zealand cheese is not quite to the taste of the people, but it brings within 2s. per hundredweight of the price of Canadian. He thought, however, that there would be a great sale for New Zealand cheese in Liverpool, if supplies were sent. He had lost on New Zealand butter last season. He is suing a New Zealand factory for £2,000 damages for having put boric acid in butter sold to him in excess of the legal limit.

A gentleman in the dairy-produce trade said that nothing stood in the way of a great development of imports from New Zealand except the irregular shipments. There were two steamers last season, each of which was a month behind time. One dealer lost 12s. per hundredweight on a shipment of butter by one of these steamers. There ought to be fortnightly steamers during the butter season. He could work up a large trade in the north of England if the shipments were regular. Even monthly steamers would be all right, if they could be depended upon. He thought a bad year or two—a period of low prices for butter, consequent upon the losses suffered last season—would convert New Zealand dairy-factory owners to the consignment principle. If New Zealand cheese were made softer in texture he could take a large quantity of it, and at a better price than could be got in London. In the Midlands and the north of England the people want cheese made on the Cheshire principle. As showing the extent of the market, he mentioned that it annually absorbs 5,000,000 cheeses made in the United Kingdom, and 3,000,000 imported from Canada and the United States. The New Zealand factories should follow the Canadian example—have duplicate plants for butter and cheese, and make the one or the other according to the demand. By

studying the American supply, the factories would have an idea of what the English demand is likely to be in the following winter.

One of the partners in a large importing firm, who has lived in New Zealand and who knows the produce trade at both ends, was very emphatic and outspoken in his remarks. The west-coast steamer service he declared to be "absolutely rotten," and calculated to "kill the dairy-produce business altogether." The real way to increase the trade was—(1) have regular and more frequent steamers, and (2) adopt the consignment system. Wholesale purchasers of New Zealand butter last season lost about £250,000, and the factories would not get so high a price again. They would be better with a steady moderate price, rather than high prices one year and then a "slump." From the point of view of the butter trade, there ought to be a service of steamers arriving every third week, from December to May. Then, for lambs, the steamers ought to arrive regularly from March to September. There should, therefore, be a better service all the year round. Behind all this is the wool trade, which should be the backbone of the service; in short, he held that the securing of the wool trade is the only thing that will make a continuance of the service possible. The result of substituting three-weekly for four-weekly steamers would be an increase of the trade by 25 per cent. It would mean four more steamers. He expressed the opinion that Manchester as a port is "no good" at present. He started business in Manchester, and all his sympathies were with the city where he was born and bred, but he had to give it up. It would take two generations to breed a race of merchants in Manchester who would understand business requirements. There is not a firm there with a proper organization for distributing goods. The only hope is for Liverpool merchants to open branches in Manchester, but they will not do that. Timber, wool, and cotton pay well to be delivered in Manchester, but that city has made very little progress in the meat and dairy-produce trades. Meat sent by rail from Liverpool to Manchester (because so few of the steamers go up the Ship Canal) suffers deterioration, and as high as 2d. per pound has been claimed on large quantities of it. The west-coast line of steamers had done one good thing—it had demonstrated that there is a large market in Liverpool for New Zealand produce. He believed that a subsidy of £20,000 a year for three years would provide a fortnightly west-coast service, and that would be a very small expenditure when compared with the advantage that would be gained. He complained that contracts made with colonial people are not fulfilled when the market goes up. They simply break their contracts when it suits them, and take refuge in their distance from England and the heavy expense of taking legal proceedings against them. As an example he mentioned that the output of a butter-factory—150 tons—was bought by contract. His firm bought some of that butter, but could not get it. The factory took to cheesemaking, and said, "We have not produced any butter, and therefore cannot deliver it." The long and short of the matter is, when we buy out at a high price we get delivery; when we buy on contract, and the market goes up, we cannot get delivery. The whole system of dealing in butter in New Zealand he looked upon as highly immoral.

V. MANCHESTER.

Trade and Port Facilities.

Manchester, the largest inland city in the British Isles, has now a population of close on 600,000. Salford, which, though possessing a separate municipal organization, is practically part of Manchester, has some 270,000 inhabitants. The official estimate of the population of the two municipalities on the 30th June, 1906, was 871,202. To this total may properly be added another half-million of persons living in the immediate suburbs of Eccles, Stretford, Gorton, Hyde, Dukinfield, Droylsden, Ashton, Stalybridge, Failsworth, and Middleton, all within six miles of Manchester. Thus in the collection of municipal and suburban districts popularly known as "Manchester" there is a population of 1,370,000 persons.

By the opening of the Ship Canal in 1894 Manchester was converted into a seaport. Viewing the city in the light of the figures quoted, it is the second in importance in the British Empire. Even so, the figures stated give but an imperfect idea of the population served by the Port of Manchester. Within the cartage area from the Manchester docks there are located over 2,372,000 people. I give the actual figures of the census returns for thirty towns or suburban districts, including Manchester and Salford, for the years 1901 and 1891:—

Distance from Manchester.	1901.	1891.	Increase.
Manchester and Salford	764,925	703,482	61,443
4 miles	1,166,879	1,016,501	150,178
6 ,, ...	1,350,279	1,182,184	168,095
7 ,, ...	1,555,522	1,373,907	181,615
9 ,, ...	1,957,408	1,744,552	212,856
10 ,, ...	2,030,185	1,814,741	215,444
11 ,, ...	2,272,194	2,031,982	240,212
14 ,, ...	2,312,659	2,071,935	240,724
15 ,, ...	2,372,858	2,127,008	245,850

The increase of nearly a quarter of a million shown in the five-yearly period has been largely brought about owing to the existence of the Manchester Ship Canal and the industrial and commercial facilities conferred by that undertaking. This seems to be demonstrated by the fact that Salford, Eccles, and Stretford, all of which abut on the principal docks of the Ship Canal, had an average increase of population of over 15 per cent., or four times the average of twenty other surrounding industrial districts that have not the advantage of close proximity to the docks.

Advantages of the Ship Canal.—Convincing evidence of the benefits conferred by the Ship Canal is afforded by the striking development of the Trafford Park Estate, 1,100 acres in extent,

abutting on the docks. Ten years ago this area formed part of a gentleman's demesne, and consisted of green fields and avenues of trees. A company, recognising its potentialities on account of its proximity to the docks and the fact of its having three miles of frontage to the canal, purchased the estate, and cut it up into industrial and town sections. Mr. Marshall Stevens, managing director of the Trafford Park Estate Company, gives the following description of the position of the estate at the end of 1906:—

"There are seven engineering firms on the estate, turning out machinery and machine tools of all sorts and sizes, from the heaviest castings for the turbines of the latest Cunarder to the motor-car which won the Tourist Trophy Race. There are five firms of contractors and constructional engineers. Eight timber-merchants are located in the park. Three sawmills are in operation, and a fourth is in course of erection.

"Two new flour-mills have been completed, and are turning out sufficient flour to supply the requirements of considerably more than half a million people. There is a large provender-mill at work, and another in the course of erection. Another large malting-house is being added to the one existing. There are two railway and tramway carriage works; one, an American concern, turning out a fully equipped railway-carriage per day for the London tubes. The burning-oil trade is represented by a tankage-capacity of 6,500,000 gallons, and six miles of pipe-lines are available for delivering the oil from one end of the park to the other. Another firm has been added during the year to those concerned in the production of lubricating-oil.

"The warehousing of the merchandise is being provided for by a warehousing company, who are adding two more to the six warehouses they have already. One firm manufactures electric cables, employing between six and seven hundred men, and the two others make cable conduits; another provides electric power and light. There are also a lard-refinery, a large iron-merchants' depot, a gear-cutting works, a lead-pipe factory, turning out a sufficient length of lead pipe per annum to reach from Manchester to Moscow; a glass-bottle works, the largest in Europe, now nearing completion; a brickyard, a stone depot and stone-polishing works, a fireproof-flooring works, a bacon-curing factory, a biscuit-distributing depot, an enamelling-works, a metal-refining works, and two banks. All the factories are naturally equipped with the most up-to-date appliances, and directly and indirectly they give a livelihood to at least fifty thousand people. More than half a million tons of traffic pass over the railways per annum, and two millions of passengers travel upon the electric and gas cars running in the park."

The advantages of Manchester as a distributing centre are not exhausted by the statement of the population within the cartage area from the docks. It is claimed that Manchester is the best port for the supply of goods to 177 towns in the interior of England. In eighty-five of these towns, each with over 20,000 inhabitants, there was, in 1901, a total population of 6,360,180; and when the smaller towns and villages are included there is a population of over 10,000,000 nearer to Manchester than to any other part. This is almost entirely an industrial population, earning good wages and consuming large quantities of all kinds of foodstuffs.

The Manchester Ship Canal, besides being a great boon to the manufacturing and commercial interests of Lancashire, Yorkshire, &c., is a wonderful monument of engineering skill, as any visitor can see on even a casual inspection. It is unnecessary in this report to deal with the various engineering problems or to describe the means by which these were triumphantly solved. The Ship Canal is about thirty-six miles in length, and might be described as a continuous series of docks and quays. Beginning at Eastham, where the canal joins the Mersey, we find a "lay-by" 1,450 ft. long, with a water-depth of 28 ft., and electrically driven sheer-legs of 15 tons lifting-power; there is also a large wharf at Ellesmere Port, near which is a pontoon floating dock. Further up the canal is the Runcorn "lay-by" 1,500 ft. long, with a water-depth of 28 ft.; also six docks, with a water-space of 15 acres; higher up is the Warrington wharf, 300 ft. long, where large vessels can be loaded and discharged; still higher up are the Partington Coaling Basin, nearly three-quarters of a mile long, with 6½ acres of water-space and over twenty miles of railway-siding; the Irlam wharf, 300 ft. long; and the Irwell Park wharf, Eccles, 1,000 ft. long, besides a number of smaller wharves and quays. The principal docks are, of course, at the Manchester end of the canal, fifty miles from the sea. The Ship Canal Company is also a railway company, owning 132 miles of line, of which sixty miles are at the Manchester docks, with forty-eight locomotives, 1,450 wagons, and sidings to accommodate 9,000 wagons.

Docks, Sheds, etc.

The Manchester Dock Estate covers an area of 406½ acres, including a water-space of 120 acres, and quays 6½ miles in length, and 286½ acres in extent. The height of the quay-walls is about 8 ft. above ordinary water-level.

The dimensions of the Manchester docks are:—

No. 1	700 ft. by 120 ft.	No. 6	850 ft. by 225 ft.
No. 2	600 ft. by 150 ft.	No. 7	1,160 ft. by 225 ft.
No. 3	600 ft. by 150 ft.	No. 8	1,340 ft. by 250 ft.
No. 4	560 ft. by 150 ft.	No. 9	2,700 ft. by 250 ft.
No. 5	980 ft. by 750 ft.		

(No. 5 Dock, though planned, has not been completed.)

The equipment includes 53 hydraulic, 60 steam, and 91 electric cranes, with a radius of from 16 ft. to 40 ft., capable of lifting from 1 to 10 tons to a height from rail-level of from 13 ft. to 59 ft.; a 30-ton steam crane; six floating pontoons of a dead-weight capacity of 800 tons each, and all modern appliances for giving vessels quick despatch. There is also a pontoon sheers capable of dealing with weights up to 250 tons, with a lift of 21 ft.

There is a range of 13 single-floor, 1 two-floor, 6 three-floor, 5 four-floor, and 12 five-floor transit-sheds, for the sorting of frozen meat and other produce; also 13 warehouses, seven stories each, fitted with 27 friction hoists worked by gas-engine; and in Trafford Park the Ship Canal Company has 4 single-floor warehouses, each 300 ft. by 100 ft. The docks, quays, sheds, and warehouses are lighted by electricity, and there are 30 hydraulic and 16 electric capstans on the quays.

The new ferro-concrete transit-shed of four floors, situated at No. 9 Dock, where the Federal-Houlder-Shire steamers are berthed, is, I have no doubt, the largest and most up-to-date structure of the kind in the world. (Manchester, being a new seaport, enjoys this advantage over her older rivals: that she is not burdened or hampered in her development by the possession of inadequate, imperfect buildings or obsolete appliances.) This shed, or, rather, series of sheds, is half a mile in length. On its flat roof are a number of cranes, and space for stacking enormous quantities of timber. Other goods can be loaded or unloaded under cover, the arrangements for handling being as nearly perfect as possible. This shed cost £350,000 to construct.

There is the largest grain-elevator in the United Kingdom provided at the docks. Its capacity is 1,500,000 bushels. The Ship Canal Company has plans ready for a second elevator of equal or larger capacity, as soon as trade may warrant its erection. The Foreign Animals Wharf, lairages, &c., are most complete and commodious.

Near Mode Wheel Locks, close to the city end of the canal, are the Manchester Dry Docks Company's works, fitted for ship building or repairing; a graving-dock 535 ft. long by 65 ft. wide, with 22 ft. of water on the blocks, which are 4 ft. high; another dock 425 ft. long by 65 ft. wide, with 18 ft. of water on the blocks, which are 4 ft. high; and a floating pontoon 260 ft. long by 63 ft. wide, with 16 ft. of water on the blocks, which are 3 ft. 9 in. high, capable of lifting vessels weighing up to 2,000 tons.

Meat-transit Shed and Cold-stores.

Most ample and satisfactory provision is made at Manchester for the handling and storage of frozen meat and other perishable produce. A portion of the ferro-concrete shed already referred to has been insulated as a transit-shed. This refrigerated transit accommodation consists of an insulated chamber 123 ft. 6 in. long, 99 ft. 3 in. wide, and 7 ft. 5 in. high, on the first floor. The chamber has a capacity of 85,500 cubic feet, and provision has been made for further extension whenever required by the trade. In front of the chamber, facing the dock, a covered verandah has been provided, with tilting platforms, on which the goods are landed from the vessels by means of electric cranes stationed on the quay. There are also movable platforms for dealing with carcases discharged from steamer's hatches not lying immediately in front of the refrigerated chamber. The insulating material employed on the walls, floors, and ceiling of the chamber is silicate cotton, and the whole work has been carried out on the latest principles and in accordance with the requirements of Lloyd's, the chamber being in the "approved list" of the London Underwriters. The refrigeration of the chamber is on the cold-air system; it is entirely free from snow, fog, or damp, and all superfluous moisture is removed by a supply of cleansed and purified cold air constantly in circulation throughout the chamber, which is, therefore, capable of being used for any class of perishable goods. In case of breakdown in any part of the plant, there is a complete spare plant installed in readiness to maintain the temperature in the chamber, and there is no possible risk of goods being damaged through insufficient plant for controlling the temperature to secure any reasonable degree of refrigeration.

There are excellent facilities in the City of Manchester for storing frozen produce, the Manchester Corporation having provided spacious cold-stores in a central position in the city, within easy cartage distance from the Manchester docks. These stores form a valuable adjunct to the extensive meat-markets and abattoirs of the Corporation, and are constructed to accommodate 120,000 carcases of sheep. The Union Cold-storage Company (Limited) has also erected a cold-store at the Manchester docks capable of holding 175,000 carcases. A wharf for large steamers, with railway connections, has been provided, so that steamers carrying any considerable quantity of frozen produce can be berthed alongside. The same company also has a cold-store in Miller Street, Manchester, with a capacity of 80,000 carcases.

GROWTH OF TRADE.

The expansion of trade is said to follow the line of least resistance; in other words, the increased volume flows in those channels where the best facilities are provided at the lowest rates.

With its magnificent port, up-to-date sheds and stores, and efficient mechanical appliances, Manchester could not fail to show an enhanced traffic; and if the progress made had not been commensurate with the facilities provided, the retarding cause must be assumed to be the *vis inertia* that operates in commercial as in other concerns—the disinclination to depart from the old ways, even when better ways are ready to hand. Nevertheless, the growth of traffic at the Port of Manchester has been most gratifying, and even remarkable, as may be seen from the following table, which gives the total tonnage in traffic and the total revenue since the opening of the canal in 1894:—

Year.	Tons.	Revenue. £	Year.	Tons.	Revenue. £
1894 ...	925,659	97,901	1901 ...	2,942,393	309,517
1895 ...	1,358,875	137,474	1902 ...	3,418,059	358,491
1896 ...	1,826,237	182,330	1903 ...	3,846,895	397,026
1897 ...	2,065,815	204,664	1904 ...	3,917,578	418,043
1898 ...	2,595,585	236,225	1905 ...	4,253,354	449,436
1899 ...	2,778,108	264,775	1906 ...	4,700,924	498,837
1900 ...	3,060,516	290,830			

Grain, fruit, and timber bulk most largely in the increased trade of Manchester. The appended table shows the amount of grain imported annually since the opening of the canal :—

Year.	Tons.	Year.	Tons.
1894	14,879	1901	214,528
1895	35,688	1902	285,594
1896	75,170	1903	377,944
1897	86,926	1904	329,941
1898	130,741	1905	278,087
1899	146,345	1906 (approximate)	342,000
1900	219,755		

Owing to superiority in methods of handling and distributing, Manchester has become easily the first among British ports in the banana trade, as the following comparison shows :—

Imports to—	1905. Bunches.	1906. Bunches.
Manchester	1,929,000	2,583,000
Bristol	1,303,000	1,450,000
Liverpool	1,206,000	1,250,000 (Estimated).

The largest and finest fruit-steamers in the world maintain a regular weekly service between Limon (Costa Rica) and Manchester. In the Mediterranean fruit trade with Manchester eleven steamers were employed regularly last year, bringing supplies from Sicily, Italy, and Spain, in addition to which the regular service of the Prince line has been used by importers of Jaffa oranges and Egyptian onions. Fruit imported to Manchester is now distributed to all parts of the country, and many express fruit-trains laden with bananas are run from the Manchester docks to London, Birmingham, and other large centres of consumption.

In the matter of timber-imports Manchester has rapidly risen to the fifth position among the ports of the United Kingdom, and if the rate of increase is maintained she will soon pass Hull and Liverpool, though she cannot hope for many years to reach the volume of trade in timber done by London and Cardiff. The imports of hewn and sawn timber to Manchester (including Runcorn) for the six months ending 30th June, 1906, were 158,283 loads, which for the corresponding period in 1907 had risen to 174,081 loads. In the month of July, 1907, no fewer than twenty vessels with full cargoes of timber discharged at Manchester, and in addition large quantities of timber were carried by the regular lines from the Baltic, Canada, and United States.

Facilities for Distribution.

Prominent among the advantages of the port of Manchester are the exceptional facilities enjoyed for distribution to all parts of the United Kingdom, and more especially to the special area comprising ten millions of population that can most speedily and economically be served from the Manchester docks. Six great railway-lines—the London and North-western, Lancashire and Yorkshire, Great Northern, Midland, Great Central, and Cheshire lines—have direct connection with the Manchester docks, and three lines are connected with the Ship Canal Railway that runs from Eastham, on the Mersey, to Manchester. Cheap and convenient water transit is also provided. In addition to the Bridgewater Canals, acquired by the Ship Canal Company at a cost of £1,268,089, the following canals enable direct communication by water to be maintained between the Ship Canal and all the inland navigations of the country: Leeds and Liverpool, Bolton and Bury, Rochdale, Ashton, Huddersfield, Stockport, Calder and Hebble, Peak Forest, Macclesfield, Aire and Calder, Trent and Mersey, Weaver Navigation, Shropshire Union.

Through rates of freight by rail or canal are quoted by the Ship Canal Company, and these are in most cases based upon special concessions made by the owners of the railways and canals.

Position of the Canal Company.

In the making of the Port of Manchester and securing all these facilities for handling, storage, and distribution much money and engineering skill have been expended. The Ship Canal Company's expenditure on capital account to the 31st December, 1906, reached the enormous total of £16,486,427. During the half-year to the end of June last an additional sum of £43,172 was expended on works and equipment, including the deepening of the Ship Canal throughout to a depth of 28 ft., this being considered advisable in order to keep pace with the growing dimensions of merchant steamers. At the forty-fourth half-yearly meeting of the shareholders, held on the 8th August last, it was reported that the weight of sea-borne merchandise imported and exported by means of the Ship Canal, and paying toll, amounted for the half-year ending 30th June last to 2,271,583 tons, an increase of 158,770 tons as compared with the corresponding half-year of 1906. During the same period the receipts from the Ship Canal Department amounted to £248,333, an increase of £15,157 as compared with the first six months of the preceding year. It is to be hoped that very soon the patriotic shareholders in the concern will reap some direct return for their capital invested.

Trade in New Zealand Produce.

Opinions of Importers.

Frozen Meat and Rabbits.—The principal of one of the largest meat-importing firms said he had no complaint except as to the New Zealand method of trading. He had sent purchasing agents to New Zealand, but the meat-producers there would not consign their produce—they preferred to sell it to the shipping companies and their agents, and in consequence the bulk of the meat goes to London. Meat from every other part of the world comes to England on consignment, and as New Zealand enters into competition with these countries, her producers could not continue to make terms for themselves. They could only obtain a larger market in Manchester by sending meat on consignment. If they did so they could draw on shipments up to a certain proportion of the value, and would receive prompt cash settlements. Lambs and young sheep are most in demand, having already superseded four-year-old sheep, which used to meet the popular taste. New Zealand lambs are the best imported. His experience was that the superior-artisan class and people who are members of co-operative societies will not have frozen meat. He finds when he gets meat from New Zealand that it is more convenient to have it consigned to Liverpool, for even when the steamer comes to Manchester they cannot put it out, as they cannot get at the particular consignment wanted. English mutton is now so dear that many leading butchers are compelled to sell frozen, but by doing so they generally spoil their trade in English, as their customers get suspicious that the frozen article is being sold as English. He believed that the prices of English and frozen mutton would approach nearer to each other. Frozen mutton is growing in popularity, and purchasers do not seem to mind the absence of flavour.

The manager of another meat-dealing concern said he would prefer to have foreign mutton shipped direct to Manchester, but his principals preferred shipping to London. Many thousands of pounds were lost every year through paying railway-freight on meat from London to Liverpool. He had been making representations on the subject to headquarters for years, but so far without result. The meat usually arrives in good condition, especially that sent through London.

Another local manager said he usually got his meat through Liverpool, and when he could not get it there he got it from London. The trade in frozen mutton was growing enormously: in seven years it had, in his case, increased from thirty lambs per week to three or four thousand. The demand is for small lambs; those from New Zealand are generally too fat. If there were greater facilities for landing New Zealand meat in Manchester the trade would grow more rapidly. Asked to state what were the obstacles, he blamed the Ship Canal Company for delays and disputes. For example, they made the shipowners shorten their funnels to get through the bridges, and when this was done they were prosecuted for causing a smoke nuisance. As showing what might be done in the way of popularising New Zealand produce, he mentioned that Mr. H. C. Cameron, before he became Produce Commissioner to the Government, started a New-Zealand-meat shop in Manchester, established a most profitable business, and now the shop is one of the largest and most prosperous in the city.

A partner in a large meat-importing concern that has a number of retail shops all over the United Kingdom said that a serious hindrance to the development of trade in New Zealand meat is the irregularity of the running of the west-coast steamers. February shipments of lambs sometimes do not leave New Zealand until the middle of March; they could never get reliable information as to the movements of the steamers. The s.s. "Fifeshire," with June shipments, did not leave New Zealand till the 8th July, and it was the first week in September when it reached England. What is necessary is that the steamers should leave New Zealand in the month in which the meat is shipped, and that information should be given as to the route, &c., so that they could calculate when the meat would arrive. If they had regular shipments by the west-coast steamers, and could get the meat delivered at Manchester, it would be much cheaper, and they could give a better price to the colonial producer. This season he had got 30,000 lambs from London which it would have suited him much better to have shipped direct to Manchester, but he could not ship to Manchester because of the irregularity of the service.

A dealer in New Zealand produce said that as long ago as 1898 he had worked up the establishment of direct trade between New Zealand and Manchester. In conjunction with another firm he had brought New Zealand meat, rabbits, &c., direct to this port. The Argentine people at once lowered the price of their meat, with the result that importations of mutton from New Zealand and Australia dropped. The trade by the west-coast route had since revived, and it would grow by natural and gradual process. A Government subsidy would undoubtedly improve the direct-steamer service and stimulate the development of trade; but even without that assistance the trade with Manchester had grown and would continue to grow steadily. He did not approve of opening shops to advertise New Zealand produce, as such action would tend to arouse hostility. When the proposal was mooted some time ago there was a great outcry against it from the retail butchers of Manchester. They were all desirous of doing a direct trade with New Zealand. At present in a great many cases return cargoes to the colony went through London. The buyers are stationed there, and they come to Manchester to buy goods, which are sent to London and repacked there.

A large dealer in rabbits remarked that the supply from New Zealand showed a rapid decline, and he quoted the following figures of imports from Australia and New Zealand:—

Country.	1900. Cases.	1906. Cases.
New Zealand	302,482	94,920
Australia	299,585	907,324

There were, he said, too many rabbits coming forward; there was an increase of 300,000 cases of Australian rabbits in 1906 as compared with 1905. The result was that prices had fallen: rabbits, skins and all, could be bought in the retail shops at 9d., 8d., and as low as 6d. each. His firm could dispose of 1,500 cases a week. The importer sells at cost-price and trusts to realising a profit by getting 1d. to 1½d. per skin. New Zealand rabbits are of a superior quality, but he could not get a higher price for them, so he was dropping them.

Dairy-produce.—The principal of one of the largest firms in the dairy-produce trade said that New Zealand cheese does not quite suit the taste of the northern people. It is good, well-made, honest cheese, and he is surprised that the people in the northern part of the kingdom do not take to it more kindly than they do. He thought London the best centre for the distribution of New Zealand cheese. As regards butter, it would be well if there were more direct shipments to Manchester; monthly intervals are too great. Therefore, until there is as regular and frequent a service of steamers from New Zealand to Manchester as there is to London, there is little use having butter shipped to Manchester direct. He expressed himself as very desirous of getting direct shipments of butter; but under present arrangements it pays better to get the goods through London and pay railway carriage on them. Until there was a more frequent and regular west-coast service he would not recommend any one to ship to these ports. It is all right to ship cheese by the direct steamers to Manchester, because it is not so perishable as butter and not subject to the same market fluctuations; but its quality must be such as suits the public taste. New Zealand butter is growing tremendously in popularity in the north of England, and if there were a regular line of steamers he would encourage large shipmenst of butter to Manchester. It is the practice here to sell New Zealand butter to the retailers in the original boxes, as "New Zealand," and his firm encourages shopkeepers to mark it as such on the counters, which is in many cases done. In the south of England particularly a large quantity of New Zealand butter is used for blending purposes; but, despite the rumours flying about, he felt certain that the blended butters were not sold as "New Zealand,"-but are simply marked on the grocers' counters as "butter," at such-and-such a price. The practice of the blending consumes surplus New Zealand butter, and strengthens the price of the genuine article. He believed that the great bulk of New Zealand is sold to retailers in the original packages. Danish butter is mixed with margarine, and makes a very good mixture. The Danes do not object to this practice, because it clears their surplus butter at a high price, and strengthens the market generally. The blended material is sold as a mixture of the finest Danish butter and margarine. Quantities of Canadian dairy butter used to come to Manchester, but owing to the irregularity of the quality it was principally used for confectionery, and fetched a low price. When blending became fashionable, the blenders bought up these dairy butters and made a good article at a reasonable price. The result was that prices which were formerly 60s. to 70s. per hundredweight advanced to 85s. and 90s., simply because of the extra demand for the butter for blending purposes. As regards the New Zealand practice of adding salt and water to the butter, the north-of-England buyers would prefer about 2 per cent. of salt; but he would not allow the addition of water. What will be the effect of the new Butter Act passed by the Imperial Parliament? After the 1st January, 1908, 24 per cent. of water may be added to butter, and the product will be allowed to be sold, but not as butter—it must have a special name. How will this affect the butter trade? In his opinion it will increase the practice of blending, and will enhance the price of genuine butter, as the watered product will compete only with margarine.

The representative of another large firm said that the most of the New Zealand butter consumed in the Manchester district comes through London. The consumption is very large, and it would greatly increase if there were a better service of direct steamers. In the meantime, it is better to pay the carriage from London, because the steamers from New Zealand to that port are more rapid and regular. Canadian cheese is more popular here than New Zealand; but when Canadian is scarce or dear, New Zealand gets a chance. New Zealand cheese is, in his opinion, as good as any that is imported to Manchester, while New Zealand butter is a good deal better. The export of Canadian butter is falling off, as large quantities are being consumed in Canada, especially among the grain-farmers of the west. Last year some Canadian butter that was shipped to Manchester had to be sent back to Canada for consumption. His firm expected to get a good deal of butter on consignment during the coming season. He believed it would pay New Zealand producers better to send regularly on consignment, making an agreement for three or four years, at a fixed commission.

According to the head of a firm extensively engaged in the New Zealand produce trade, there had been for a long time a difficulty in getting goods landed from the steamers at Manchester. Another great drawback is that, whereas Bristol gets delivery of goods from the west-coast line almost as quickly as the other lines can deliver to London, it takes seven or eight days longer to get goods to Manchester. The market for New Zealand butter is always a falling one from the opening of the season, and in the circumstances it pays better to get the butter through London. What is wanted is a two-weekly west-coast service—the steamers alternately making their first call at Bristol and at Liverpool or Manchester. Fortnightly shipments are necessary for the proper distribution of butter to retailers. New Zealand butter is not selling so well lately, because its price has too nearly approximated that of Danish. A characteristic of New Zealand butter is that it is always too highly coloured. It would be well if, in preparing it, it were made whiter. New South Wales butter is paler, and it finds a readier sale on that account. His firm, he said, does one-fifth of the whole butter trade of Manchester, and handles one-third of all the butter exported from New Zealand. Four-fifths of the butter handled by his firm comes through London. If there were a two-weekly direct service of steamers the quantity of produce shipped to west-coast ports would be

quadrupled. New Zealand cheese is making its way in the Manchester market; it can now be sold on its merits as "New Zealand," and not merely as a substitute for Canadian. His firm had always sold New Zealand cheese on its own merits. This season's supply had been marked by "weediness" and too much moisture. This is affecting the reputation of the cheese, and causing loss to dealers and dissatisfaction to the public. The cheese becomes too rapidly acid when there is an excess of moisture. If a high quality of New Zealand cheese is maintained his firm would be able to sell it against English cheese, as it comes nearer in description to English cheddar than Canadian does.

A partner in another firm of produce-importers said they get some New Zealand butter from Liverpool, but most of it from London. The reason why they do not get direct shipments is that if they buy "c.i.f. Manchester" the documents come quickly and they have to meet them and hold the bills of lading till the vessels arrive. They have 6d. extra carriage to pay on butter coming to Manchester. On one occasion it was two months after they got the bills of lading before they were able to handle the butter. London is at the head of the market, and it is impossible to create a market in Manchester. New Zealand butter has not a great sale with them; it is mostly Scandinavian. New Zealand ranks as second-class, and yet it brought only 1d. per pound less than Danish. When it can be sold at 1s. per pound it goes very well. With a better service of steamers they might develop a direct trade. Monthly steamers reaching here in seven weeks' time would go far towards making a market in Manchester. New Zealand cheese goes very well in Manchester, but they would prefer it paler in colour—as white as it can be produced; at any rate the larger proportion of it should be white, as that suits the taste of the people. They had made a trial of 1 lb. packets of butter received from a New Zealand factory, but the experiment had not proved very successful.

Bacon.—A Manchester importer told me that he had just received a trial shipment of New Zealand bacon from the Eltham factory. He could not say as yet how it would turn out, but the pigs appeared to be too small.

Another large importer of Danish and Irish bacon was favourably disposed to giving New Zealand bacon a trial if the export were developed.

VI. GLASGOW.

Population, Trade Possibilities, etc.

No more promising field exists for the extension of a direct trade in New Zealand products than is presented by the great maritime and industrial city of Glasgow. The population within the municipal boundaries (over 800,000) places Glasgow in the undisputed position of being the second largest city in the Empire—Manchester being beaten in the contest by the narrow policy that keeps Salford, &c., in the position of separate boroughs. Glasgow is, in addition, in the very heart of the Scottish "Black Country"—in the region of coal-producing, shipbuilding, iron and steel manufactures, and great cotton, sugar, and other industries. Within thirty miles of the city are many large towns, such as Greenock, Paisley, Renfrew, Port Glasgow, and Dumbarton, with their shipbuilding, cotton, sugar, and other industries; Rutherglen, Coatbridge, Airdrie, Motherwell, Hamilton, and Wishaw, with their large populations engaged in coal-mining, iron and steel manufactures; Stirling, Falkirk, Linlithgow, Lanark, and numerous other towns and villages, whose population, added to that of Glasgow, brings up the total to over a million and a half. Most of the people in this area are engaged in fatiguing occupations demanding a generous diet for the preservation of their physical powers; most of them earn good wages and spend them freely; and they present a body of consumers capable of purchasing large quantities of New Zealand mutton, butter, and cheese, while other of our products, such as timber, grain, hemp, wool, &c., are largely in demand. Nor does the radius of distribution described exhaust the potentialities of Glasgow as a field for imports from New Zealand. As the only Scottish port in direct connection with this country by steamer service, Glasgow is fitted to become a centre of distribution of our products for the whole of Scotland, as well as for Belfast and the north of Ireland, with which it has close commercial relations and every facility of communication. Although Edinburgh and the eastern districts of Scotland are served by steam communication from London—there being regular lines of steamers plying to Leith, Dundee, Aberdeen, &c.—there is no reason why Glasgow, with her direct connection with New Zealand, aided by the enterprise of her merchants, who have branch businesses all over the country, should not in a short time wrest some of the New Zealand trade from London.

The chief drawback to an extension of trade between New Zealand and Glasgow lies in the fact that the northern city is the last port of call for the west-coast steamers—the detention at other ports making an interval of nine to ten weeks elapse between the shipping of goods at New Zealand and their delivery in Glasgow. The length of the journey does not greatly affect the trade in such articles as frozen meat, grain, hemp, wool, and timber, but it is fatal to the development of a business in dairy-produce. It may be hoped, however, that, with the growth of general traffic, there will come an improvement in the steamer service that will enable large quantities of our more perishable products to be shipped to Glasgow. There has not, so far, been any very marked development of direct trade between New Zealand and that port; but the business done is by no means insignificant, as may be seen from the following table compiled for me by the general traffic superintendent of the Clyde Navigation Trust:—

IMPORTS FROM NEW ZEALAND, LANDED AT PRINCES DOCK, GLASGOW, FROM JANUARY, 1905, TILL MAY, 1907.

Date.	Vessel.	Frozen Meats.	Grain.	Flour.	Timber.	Cheese.	Tallow.	Butter.	Wool.	Skins.	Hemp.
1905.		Tons.	Tons.	Tons.	Tons.	Tons.	Tons.	Tons.	Tons.	Tons.	Tons.
Jan. 13	S.s. Surrey ...	15	830	...	...	...	...	...	...	14	...
„ 26	„ Banffshire ...	8	275	75	...	...	...	...	...	...	...
Feb. 27	„ Oswestry Grange	...	243	...	...	...	...	...	...	...	...
Mar. 10	„ Ayrshire ...	...	75	...	...	...	...	4	...	...	...
April 14	„ Suffolk ...	80	234	...	...	...	...	...	...	...	...
June 22	„ Somerset ...	116	...	...	85	...	12	...	...	...	6
Aug. 8	„ Morayshire ...	76	24	40	104	...	...	...	...	11	...
Sept. 5	„ Banffshire ...	50	70	...	100	...	...	...	...	...	...
Oct. 1	„ Nairnshire ...	111	263	...	...	...	...	...	...	...	...
„ 16	„ Wakanui ...	288	15	...	200	...	...	...	20	...	...
Dec. 6	„ Essex ...	...	300	...	62	...	...	...	...	...	22
1906.											
Mar. 20	„ Devon ...	78	45	...	24	...	...	17	...	...	26
April 16	„ Morayshire ...	136	15	...	...	...	...	33	...	...	40
May 6	„ Somerset ...	392	...	...	127	...	...	...	10	10	53
„ 30	„ Ayrshire ...	478	...	...	86	...	22	...	16	...	12
July 4	„ Essex ...	460	200	...	...	...	11	...	...	...	27
Aug. 11	„ Dorset ...	358	10	...	82	...	...	...	...	10	80
Sept. 6	„ Waiwera ...	272	...	...	80	...	...	...	...	...	12
Oct. 5	„ Oswestry Grange	45	31	...	20	...	...	...	...	...	50
Nov. 9	„ Devon ...	50	...	...	136	...	...	...	...	...	...
Oct. 16	„ Wakanui ...	68	15	...	161	...	...	...	20	...	30
Nov. 15	„ Karamea ...	8	20	...	...	...	...	1	...	...	24
Dec. 6	„ Essex ...	47	242	...	266	...	...	...	...	...	47
„ 22	„ Waimate ...	73	...	...	...	57	...	2	7	...	97
1907.											
Jan. 13	„ Morayshire ...	...	...	...	52	...	...	...	...	...	15
April 15	„ Sussex ...	155	30	...	22	73	...	...	60	...	113
May 11	„ Oswestry Grange	340	...	...	100	37	...	...	72	14	50
	Totals ...	3,704	2,937	115	1,707	167	45	57	205	59	704

Glasgow is rather behindhand in the matter of facilities for handling New Zealand produce. There are no cold-stores or refrigerated transit-sheds on her quays, and the handling of meat is about as unsatisfactory as it is at Liverpool. These two ports have, indeed, many things in common. They have such a large general shipping business that they pay little heed to the requirements of an import trade in foodstuffs, which represents but an infinitesimal proportion of their total business; and the harbour is in each case managed by a trust which is in no way amenable to public pressure. Hence, while the Glasgow docks are splendidly equipped and efficiently managed, and while there is every facility for the delivery and distribution of general merchandise by rail, little or no attention is paid to the special requirements of the import trade in foodstuffs. Frozen meat is, as in Liverpool, landed from the ship's slings into large open sheds, sorted out to different consignees under unfavourable conditions, and carted to stores at least a mile from the docks. The same thing applies to boneless beef, in which there is a considerable trade at Glasgow. Once the meat reaches the refrigerating-stores it is well cared for, and, as the Corporation has provided a commodious and well-arranged dead-meat market, the subsequent handling of the meat is conducted under the best conditions; but it almost goes without saying that in wet or warm weather it suffers deterioration owing to the lack of facilities at the docks.

TRADE IN NEW ZEALAND PRODUCTS.

Opinions of Importers, &c.

Frozen Meat.—The proprietor of a large refrigerated stores in the heart of the city had a good deal to say regarding the actualities and possibilities of the meat trade in Glasgow. He said he had built these stores, which have a million feet storage-space, for the express purpose of accommodating direct shipments of New Zealand meat; but instead of these he had simply got small quantities from London and Liverpool. Glasgow, he said, is looked upon as a sort of dumping-ground for the surplus meat from Liverpool, and that which reaches Glasgow is generally of inferior quality. He also provides cold-storage for butter and cheese. He has an arrangement with the Allan Line from America, under which frozen meat is handled without the slightest risk of deterioration. This arrangement was entered into at the instigation of the Canadian Government, acting in the interests of the producers. If the New Zealand Government were to take similar action, an identical arrangement could be arrived at for the proper handling of New Zealand produce in Glasgow. At present the handling is most unsatisfactory. There may be eight different consignees of New Zealand meat, and the carcases get all mixed up in course of delivery from the

steamer's hold. Each consignee employs a separate contractor to cart the meat to the stores, and the carcases have to be sorted out in the open shed. While this is going on the drays, partially loaded, stand waiting, sometimes for hours, until the unloading of the meat is completed. There is thus great waste of time, unnecessary handling of the meat, and deterioration through exposure. The same thing applies to the landing of butter, though the evil in this case is not so great, as New Zealand butter mostly arrives in the cold months. If proper arrangements were made, he thought the trade in New Zealand foodstuffs could be largely increased. I was shown over the stores by the proprietor, and found them very completely equipped, and constructed on the most approved principles. There are two large De la Verne refrigerating-machines, either of which is of sufficient capacity to do the refrigerating for the whole store. There is thus no risk of goods suffering damage in the event of one of the machines breaking down. All the auxiliary plant is also in duplicate. This store is, in fact, the only one in Glasgow that is on the London Underwriters' "approved" list. The different chambers are well arranged, and the appliances for rapid and efficient handling of meat and other produce are of the best.

One of the partners in a firm of meat-dealers who had 2,000 carcases of lamb consigned to them by the s.s. "Oswestry Grange," complained of the irregular running of the steamers. Last year a shipment that should have reached them in March did not arrive till May. Matters are a little better this year. More frequent steamers are required. He could at present (June) take 5,000 New Zealand lambs and could not get them, except in London, where the cost is too great. His customers want heavy sheep, not too fat, but with plenty of flesh. He could take wethers and ewes from New Zealand.

Another meat-dealer, who got 1,600 cases of boned beef by the s.s. "Oswestry Grange" in May last, said he does not get all his New Zealand meat direct, as some of it is railed from Manchester or Liverpool. In the course of handling the meat is liable to deterioration, especially in hot weather. New Zealand, he said, has the reputation in Glasgow, as elsewhere, of supplying a good class of meat, according to brand. The boned beef from New Zealand does not, however, command so good a price as the American. This is not owing to any inferiority in the quality, but simply to defective packing. In response to my request for an explanation, he opened a package of "H. & S. Bull Beef," well packed in a box constructed slat-wise, and showed that two different qualities of beef were put up together. There are good and inferior parts in each animal, and these should be packed separately, as is done by the American exporters. He gets 4d. per pound for American "butts," as the good parts are called, and only 3d. over all for New Zealand bull-beef. The New Zealand exporters would make ½d. a pound more if they packed the shoulders and "butts" separately from the other portions of the carcase—say, six "butts" in each box. The reason for this is that there are two classes of consumers—in Glasgow those of the East End and those of the West End—the one buying cheap meat and the other the best quality. Under the system of indiscriminate packing pursued in New Zealand both the East End butchers and those of the West End are compelled to buy meat that they really do not require, and hence they do not give so high a price. He also advised New Zealand beef-exporters to cut off and reject the cartilage-lump from each carcase. The boneless beef is mostly used for mincing, and, as it is minced while frozen, the cartilage is so hard that it cannot be minced. He thought the trade in New Zealand boned beef would greatly increase if the meat were properly packed.

Dairy-produce.—A partner in a firm dealing largely in New Zealand produce stated that the Scottish trade in New Zealand butter had not increased so rapidly as he could have wished. For this he blamed solely the manipulation of speculators—large companies in London and Liverpool—who have been offering high prices for the purchase of the whole output of factories. These speculators had now been badly bitten, and, as speculation must now to a large extent cease, it becomes a matter of deep concern to New Zealand dairy factories to choose the most reliable houses on this side to whom they may consign their produce. If they adopted the practice of consigning confidence would be established that would not be disturbed by the absurd competition now prevalent. The quality of New Zealand dairy-produce, he said, is A1, and this is much more recognised in the Midlands and south of England than it is in Scotland. Buyers in the north are looking for an article that will compare with Danish for sweetness and colour. Danish butter is white, whereas New Zealand is rich and highly coloured. Intrinsically, there is not a brand of butter on the market to be compared with the finest qualities of New Zealand. This he considered to be due to the Government grading and instruction. He had been employed as an expert in the making of butter, and when the Government of Queensland consulted him lately as to the best methods of preparing, grading, and shipping butter, he recommended it to follow the New Zealand system. It would be well to have separate and distinct brands for each country's produce—Danish, New Zealand, Australian, or Siberian. At present the Danes rule the market, but merchants are selling Danish butter at little or no profit—buying at 106s. per hundredweight and selling at 112s. Some special brands of Argentine butter have of late been entering into competition with New Zealand. In 1904 he visited New Zealand and advocated direct shipments of butter to Glasgow. This was done in one case, and proved successful; but, generally speaking, the direct steamers took too long on the journey, and, before the produce could be landed, changes in the market upset all calculations. The lapse of two or three weeks between the arrival of the steamer at Avonmouth and the delivery of butter in Glasgow may result in heavy loss. In order to do a safe trade his firm found it better to buy butter in London, and obtain quick and regular delivery, though it costs 2s. per hundredweight more for carriage. His firm, he said, engages in butter-blending, and he defended the practice. New Zealand and Australian butter is too stiff to spread in British winter weather. By means of scientific blending they produce a "spreadable" butter in the very depth of winter. If the blending were done in the colonies the butter would be "unspreadable" when it reached Britain. Canadian producers are this year trying the blending

of butter before exportation, but he predicted it would prove a failure. Butter made in New Zealand with more than 12 per cent. of water in it will not stand freezing—it reaches Britain in bad condition and most irregular in quality. He advised the New Zealand factories to keep on sending their best and driest butter, and it will command a high price from the blenders. The best New Zealand unsalted butter, if properly marketed in Scotland, would command a higher price than Danish. At present it is simply sold as "fresh factory butter." Blending makes colonial butter whiter, which suits the market better; for example, a blend of Victorian and New Zealand butter is whiter than either would be separately. It would be greatly to the advantage of the New Zealand butter-factories if each would regularly consign its output to one dealer, who would then advertise the particular brand and establish its reputation. The "Anchor" brand (Auckland) had been established in this way, and it now commands 2s. per hundredweight more in London than any other New Zealand butter. If his firm could get regular consignments from a good factory, he could make the reputation of the brand and give better returns to the producers. New Zealand cheese is greatly in demand here in May, June, and July, and prices this year are phenomenally high. He would advise New Zealand factories to have duplicate plants, and make either butter or cheese according to the state of the market. His firm does business in tinned meats, and he believes that the Chicago scare will pass away, and these goods will again be in demand; but when that happens colonial tinned meats will have first attention.

Another firm of produce-dealers said that if there were a better and more regular service of steamers the trade could be greatly extended. They were in every way satisfied with the quality, condition, and packing of the New Zealand produce, but would like to be put on a footing of equality with London in the matter of speedy and regular delivery. Some cheese that they had received by the "Oswestry Grange" was two months later than it should have been.

A partner in a large firm of provision-dealers said the importation of New Zealand dairy-produce is largely increasing. How increase it still further? Send the best article, and have more frequent steamers. He denounced the "insane competition" for the purchase of New Zealand butter. Still, he could not affirm that sending on consignment would be better for the New Zealand factories. However, the bad policy of shifting about from one purchaser to another would result in bad times for the producers. They have had good prices; they will have to face a "slump" when it comes. His firm had not lost by the present system, so he was not in any way smarting; but he was satisfied that, taking an average of five years, the dairy factories would find it to their advantage to consign their brand to one firm, who would establish the reputation of the goods and find a steady market for them. His firm had had an unpleasant experience of the west-coast service of steamers. They were getting a certain brand of butter shipped week by week from Australia *via* London, which brand commanded the best prices right through the season, and they had regular buyers for it. That was very satisfactory. But they had other brands of Australian butter coming *via* Cape Horn, and, owing to the length of the voyage and the uncertainty as to the date of arrival, those who shipped by that route lost from 3s. to 5s. per hundredweight. He considered that the west-coast service had upset the market for dairy-produce, for some dealers got direct shipments, and supplies coming at unexpected times overstock the market. His firm would like to get meat from New Zealand, but they found that the large freezing companies have all their own connections in this country, and the small freezing companies will only do business on condition that the consignees establish bank credits for them. The New-Zealanders, he concluded, want too much. This opinion he based upon his experience of several agents in the colony.

A partner in another firm of provision-importers said he was content to get his supplies of New Zealand butter from London, but meat shipped direct to Glasgow is received in better condition than if railed from another port. He condemned the present system of purchasing New Zealand butter. It would be well if the factories would send on open consignment. His firm had been asked to take butter on consignment at a guaranteed price, but that would be worse than buying straight out. They were offered ½d. margin, buying, say, at 9½d., everything realised over that price going to the producer and they suffering any loss. A few years ago a large business was done on that basis. He is satisfied that New Zealand butter has established its reputation, has been a boon to the British public, and has come to stay. It is a very good substitute for second-class Danish.

In the opinion of a gentleman engaged in the produce trade, the only way to increase the trade in New Zealand butter is to reduce the price. At present it is too close to Danish. New Zealand butter, if sent good and white, will command a good market in Glasgow. Cheese, he thought, would be better if packed in light round boxes, one cheese to each box, instead of in crates.

This opinion was contradicted by the next dealer upon whom I called, who said that crates were best for New Zealand cheese, because they allowed of the necessary ventilation, and he found no inconvenience in having two cheeses in one crate. It would be better if the New Zealand factories made their cheese softer.

VII. LONDON.

Although, strictly speaking, London is outside the scope of inquiries into the west-coast trade, I found it expedient to visit the metropolis, chiefly for the purpose of seeing the heads of some large importing concerns that have interests in the west and north-west of Britain. While in London I made such inquiries as I could: but these make no pretence to being other than casual and fragmentary. I paid no visit to the docks; but, having got an introduction to the chairman of the Thames Navigation Committee of the Corporation of London, and having been informed that there are many defects in the means and methods of handling New Zealand produce at the docks, I inquired of that gentleman whether the Corporation would be disposed to facilitate matters con-

nected with our export trade to London, as by providing better transit-sheds, &c. He could not, of course, speak for the Corporation; but he replied generally that they acted on the principle of leaving such things to be undertaken by private enterprise.

I paid two visits to Smithfield Market. While that great emporium of the meat trade impresses one by its extent and the generally excellent organization and appliances, the methods in vogue for distributing meat to retailers struck me as being very primitive and unsatisfactory. The meat is conveyed in small carts, owned by private carriers, and having a tarpaulin covering. Rows of these carts stand outside the market, sometimes for an hour or more, until each receives its load of different kinds of meat, which is carried out by hand. I watched these carts being loaded, and this is how it is done: Two or more sides of beef are placed in the bottom of the cart, a number of carcases of frozen mutton or lamb are thrown in on top of them, then sides of bacon or hams are piled on top of the frozen meat, with small boxes of pressed meat, &c., jammed in at the sides. This crude and tedious process, carried on, as it must necessarily be, in wet or sultry weather, with the subsequent jolting of the meat during its transit through the streets to all parts of the city, must result in considerable bruising and general deterioration of the goods.

Among those I visited who are engaged in the importation and distribution of New Zealand meat and dairy-produce all over Britain was the manager of a large concern dealing extensively in meat. This gentleman said the west-coast steamers were a great convenience to them, enabling them to make direct shipments to Bristol, Liverpool, &c. The meat was thus landed at these ports in good condition, without the expense and deterioration consequent upon sending by rail from London. They had quantities of meat for Liverpool and Glasgow on the "Oswestry Grange." Owing to the length of the journey, the west-coast steamers were of very little use for the shipment of dairy-produce. The best means of increasing the trade in New Zealand foodstuffs was, in his opinion, for the producers to ship on consignment. Another large firm of general-produce importers on whom I called stated that they were desirous of making use of the west-coast steamers; but they considered the service was practically useless. It ought to be made as frequent and as rapid as that to London. Practically the same statement was made by the manager of another concern largely engaged in the importation of butter. The latter gentleman was loud in his complaints of the defective grading of butter, and hinted at "palm oil" to the graders being an element in the matter; but, on closer inquiry, I learned that he was chiefly referring to butter from Australia.

The principal of a firm of produce-dealers who have a branch in Liverpool stated that he would recommend New Zealand producers to cultivate the Port of Manchester as most suitable for the distribution of imported produce. He added, however, that little could be done in the way of extending trade in that direction until the west-coast steamer service was greatly improved.

The editor of the *Meat Trades Journal*, the organ of the retail butchers of England, said that the butchers were opposed to having special brands on meat—they preferred to sell it on its merits; and, because of this hostility, the branding of meat would not tend to increase the sale. He spoke highly of the quality of New Zealand mutton and lamb, but said its reputation suffered owing to its not being properly thawed before it is sold to the consumers. In his opinion the butchers should pay attention to this.

VIII.—OTHER ARTICLES OF EXPORT.

1. Hemp.

I was able to make some inquiries with regard to the consumption of New Zealand hemp, and found that purchasers are generally well satisfied with the quality and condition of that product and with the system of Government grading. There is every prospect of the trade increasing, and in view of this I think it most desirable that the exporters should get into more direct communication with the actual consumers of the article. Users of our hemp are very reticent in speaking of the purposes to which it is put, outside of the making of heavy ropes and the coarser kind of cordage; but as the result of indirect inquiries in Dundee and elsewhere I learned that the tow is used for mixing with other material in the making of the finer quality of bags, also in carpet-making, brush-manufacture, &c. Most of the buyers of New Zealand hemp and tow get their supplies through London brokers. To discover the ramifications of the hemp trade, and the best means of organizing it with a view to increasing its volume and obtaining the best price for the product, would require a good deal more time than I had at my disposal, but I have no doubt the information is obtainable and would prove highly beneficial to producers.

There are two large hemp and flax mills in Bristol, one of them using New Zealand tow for mixing purposes, while the other works the hemp for roping-yarns. There are a number of rope-makers in the southern counties of England, and also in the Midlands, who might become purchasers of New Zealand hemp if its merits were brought under their notice. Some of these, as well as manufacturers along the east coast of Great Britain, from Hull to Aberdeen, probably use our product without knowing it, as a good deal of mixing of hemp is done in London. In Belfast, where the largest ropeworks in the United Kingdom are situated, I could not learn that New Zealand hemp is used to any extent. In a recent trade article dealing with this subject it was stated that a sample of hemp grown in India had some time ago been exhibited in Belfast. Of New Zealand hemp, the writer of this article remarked that "presumably it is not suitable for Belfast manufacture, as no vigorous effort is made to bring it here, where an open market awaits it." There is not, in my opinion, sufficient warrant for the assumption that New Zealand hemp is unsuitable for Belfast manufacture, and it would be well if steps were taken to get hold of this very promising market. It could be efficiently supplied through the agency of the west-coast service, as there is regular steam communication with Belfast from Bristol, Liverpool, and Glasgow.

One of the Bristol manufacturers informed me that New Zealand hemp is now being increasingly used in competition with manila, sisal, and Mauritius hemps. He thought the trade might be increased, especially if the fibre is well and honestly prepared, and shipped in a sound condition, free from extraneous matter. In nearly every bale he finds a quantity of dust like sawdust; others contain lumps of wood, and an excessive quantity of wire and iron hooping inside the wrapping, which all tends to make the cost of the fibre higher. If care were taken by exporters to minimise these defects, good shipper's marks would soon gain a reputation and command a better price. In strength New Zealand hemp is not quite equal to manila; but he thinks that, with greater care in the growth and in the subsequent preparation of the fibre prior to export, the strength could be brought up to manila.

Liverpool dealers in New Zealand hemp, who distribute it all over the United Kingdom, said that the fibre arrives in good condition, but they would prefer to have it of higher quality. They get no direct shipments to Liverpool; they buy through London. All the New Zealand hemp, so far as they are aware, is used for ropemaking; but some New Zealand "slivers" are utilised for mixing with other goods. Manila hemp holds the premier position. New Zealand does not compete with it in the meantime; but if the phormium fibre were improved it would be able to take the place of manila. The price of New Zealand hemp at the present time (May) is equal to that of the lower qualities of manila, and the demand is increasing.

The principal of a firm of hemp-dealers in Manchester said there was not a large demand for the New Zealand fibre in that city. Liverpool and the east-coast ports are large consumers, but draw their supplies from London, where the hemp is handled by brokers. At present Manchester is not a good distributing centre for hemp; but if the Ship Canal Company could fix up low through rates of carriage to the consuming centres there might be a large business done. Hitherto, it had cost his firm more to import direct to Manchester than to obtain the hemp from London. There is, under existing conditions, too much of a "gamble" about dealing in New Zealand hemp, as well as in manila and sisal. That is because of the method of selling; the producers ought to send it on consignment. He found the system of Government grading in New Zealand most satisfactory.

The chief partner in a London firm upon whom I called said he was not disposed to commence making direct purchases of New Zealand hemp in the colony; he could buy better on Mincing Lane. New Zealand hemp is an excellent article, but it does not stand tear and wear so well as manila, and is more readily injured by wet.

The managing director of a large concern in Glasgow said that New Zealand hemp is sent out in a fairly satisfactory condition, and he anticipates that the new system of grading will be the means of improving it. Even as it is, the grading is much in advance of other classes of fibres. His company utilises New Zealand tow in the making of cheap cords, but does not use it or hemp for any other purpose than cordage-manufacture. The principal fibres competing with New Zealand hemp are manila, also sisals from various countries. For shipping purposes, which is the principal source of demand for hemp in Scotland, manila is much in advance of New Zealand hemp, owing to its standing wet much better. Any increase in the consumption of New Zealand hemp could only be brought about by prices being considerably under those of manila. He considered the direct steam service from New Zealand fairly satisfactory. His chief complaint was the irregularity of the running. Sometimes a steamer arrives within seven or eight weeks after sailing from New Zealand; but at other times, through calling at different ports, it may take three or four months. This throws them out very much in their calculations as to deliveries.

In Dundee, where there is a large market for hemp, for ropemaking and other purposes, I was informed that no New Zealand hemp is used for fine cordage, but there is a considerable quantity used in the making of heavy ropes. The New Zealand fibre is generally bought in London through brokers, and the firms using it think that this is the best way of dealing with it, and that there would be no advantage in direct relations with the exporters. Generally speaking, Italian hemp is what is required in Dundee, and other kinds are only used when the Italian is scarce or the price prohibitive.

When in Liverpool a second time, on the 20th September, I visited the Tropical Products Exhibition, held in the Old Cotton Exchange. In this there was a large exhibit of manila, sisal, ramie, and a number of other fibres. New Zealand hemp did not figure among them, as it is not at present grown in any tropical country; but the exhibit impressed one with the importance of having the New Zealand product shown whenever and wherever possible. In this connection, I was pleased to observe some very fine samples of hemp and tow shown, with other produce, in the New Zealand Court at the Dublin International Exhibition.

2. Timber.

The export trade in New Zealand timber is capable of great extension, if proper attention is paid to it. Glasgow, Liverpool, and Manchester are all large consumers of timbers like kauri and white-pine; while Bristol, if cultivated, might develop a considerable business in the finer woods suitable for cabinetmaking. Cardiff, which is the largest timber-importing port in the United Kingdom, takes none from New Zealand at present—her requirements being chiefly the cheaper kinds of wood, for use as pit-props, &c., which she can obtain more cheaply from European countries. The timber in which a great development of trade may be expected is white-pine, which is in growing demand on account of the shortage of Canadian. From statistics recently issued by the secretary of the Northern Pine Manufacturers' Association, a decrease in the production of Canadian white-pine to the extent of 240,000,000 ft. is reported for this year, as compared with last. The stock in hand on the 1st August, 1907, was 822,317,578 ft., as against 966,079,774 ft. at the same time last year. This shortage creates a great opportunity for extending the English

market for New Zealand white-pine, and the development would be much more rapid if the export duty on pine-flitches were abolished.

Manchester is a splendid market for timber, and, in addition to the excellent facilities for handling and stacking provided by the Ship Canal Company, the Trafford Park Property and Storage Company is offering special inducements to importers of timber, including very low rates for storage. A partner in a Manchester firm that does a large trade in New Zealand timber informed me that they recently landed 60,000 ft. of white-pine at that port, while a partner now on a visit to New Zealand has negotiated the purchase of 120,000 ft. more of the same timber. In a circular issued by this firm particulars are given of the qualities and uses of twenty-seven different New Zealand woods, besides veneers, and barks for tanning. They find a brisk demand for white-pine, which would increase if the duty of 2s. per 100 ft. exported in flitch were removed. They understand that this duty was imposed for the purpose of preventing export in logs to Australia, but they think it a mistake to impose the duty on flitches sent to Britain. If that were removed the sawmillers would get a better price for the timber. White-pine is, they consider, to a large extent wasted when devoted to making butter-boxes. It would pay the exporters better to send all the long timber to England, and use end pieces for butter-boxes; they would get 7s. 6d. to 8s. in England, as against 6s. 9d. in Sydney. Red and yellow pine, totara, kauri, rata, and matai are also in demand in Great Britain; but there is little or no market for veneers or inlaid work.

The head of a large firm of timber-merchants in Liverpool informed me that he imported large quantities of New Zealand white-pine and kauri. The kauri is chiefly used by shipbuilders and railway companies for internal work, and also to some extent for cabinetmaking. As New Zealand timbers become better known he anticipates a greater demand for them. They find the west-coast service a great convenience to them. Formerly they had to take full cargoes by chance sailing-ships; but now they can get more frequent shipments, in convenient quantities, by steamer.

A partner in a Glasgow firm of timber-importers stated that they receive large quantities of New Zealand wood, chiefly kauri and kahikatea (white-pine) from Auckland. The latter timber is used instead of Canadian white-pine, which is becoming scarce. Kauri is in demand for the decking of steamers, as well as for the internal furnishing of high-class buildings. For the latter purpose it has obtained quite a hold in Glasgow, and its use should increase as it becomes better known. His firm finds the direct steamers a great advantage.

3. Wool.

Wool, though a most important article of export, is not one that appeared to me to call for any special inquiries as to means of increasing its sale. There is, generally speaking, an ample demand for it, and its price is ruled by circumstances and conditions almost entirely apart from shipping facilities. Our export trade is mostly concentrated in London. It will be found extremely difficult to divert any considerable part of the trade to west-coast ports; for, though Manchester offers splendid facilities, with cheaper handling and distribution, the *vis inertia* of established trading methods is hard to overcome. Small consignments of wool are finding their way to Manchester and other west-coast ports, and the export to these places may be expected to grow, but very slowly.

4. Bacon, Poultry, Fruit, etc.

There is at present practically no export of these from New Zealand; but I found at the various west-coast ports eager inquiries concerning the prospects of trade being established and every promise of good markets for these classes of goods. Bacon is being received regularly from Victoria, and, as its quality and condition are such as to command a ready sale, there is no reason why New Zealand exporters should not do a profitable trade.

Poultry will have to be both good and cheap if it is to find a market in Great Britain. In the refrigerated stores at Manchester I was shown part of a consignment of New Zealand poultry, which constituted a good object-lesson in "how not to do it." The birds were well trussed and packed; but they were a mixed lot—some few being young, but the great majority old and tough. The crowning mistake was that these were all invoiced at 2s. 6d. per head—a preposterous price to ask in a city where I saw young live birds offered for sale in the public market at 1s. 6d. each. Poultry ought to be well graded; young birds only should be sent, if possible; and, until the trade is established, low prices will have to be accepted.

There is an almost unlimited market for eggs in England; but, owing to the enormous quantities received from Ireland, Denmark, Russia, &c., it is doubtful if ever a profitable export trade from New Zealand can be established.

Tasmanian and Australian fruit is highly spoken of, and there is no doubt that when New Zealand can land supplies in good condition she will find an excellent market for her fruit.

5. Hides, Skins, and Fat.

A very small trade is done in these articles at west-coast ports, and it seems to me that by a little attention a very lucrative connection might be established. In Manchester I was shown over the premises of Richard Markendale and Co. (Limited). This is the largest market for hides and skins in the United Kingdom. The building, which is in close proximity to the city abattoirs and meat-market, covers an area of 4,000 square yards, and has every convenience for the discharge of a large amount of business. Sales are held weekly, and weekly settlements are made with consignees. In conversation with a director of the company and its secretary, Mr. W. L. Crawford, I was informed that they get no hides, skins, or tallow from New Zealand, but are prepared to do

business with the colony on most advantageous terms. It may be that the trade in these is governed by the same conditions as govern the export of wool, in which case any diversion of trade to other markets, however beneficial such might prove to exporters, will only be accomplished by slow degrees.

6. Grain and Seeds.

There is a good market for these at Bristol, Cardiff, Manchester, and Glasgow. New Zealand oats in particular are highly prized for their superior quality. As, however, our production is limited, and is likely to remain so for some time, there seems to be no immediate utility in considering how the export may be increased.

IX. GROWTH OF TRADE.

The direct steamer service to west-coast ports was inaugurated in 1904—the earlier steamers calling at London before proceeding to Avonmouth and the other western ports. The first steamer to go to west-coast ports direct was the "Suffolk," which arrived at Avonmouth on the 11th August, 1904, after a voyage of ten weeks' duration by way of Australia and Cape Town. It may be useful to recall the principal items of her cargo, which were as follows:—

Port.	Carcases Mutton.	Carcases Lamb.	Crates Rabbits.	Boxes Butter.	Sacks Oats.
Bristol	722	3,359	Nil	250	Nil.
Liverpool...	9,026	17,614	14,165	Nil	3,232
Glasgow	2,002	1,084	Nil	Nil	2,685
Totals	11,750	22,057	14,165	250	5,917

There were also comprised in her cargo quantities of wheat, peas, beans, bran, and timber, consigned to Cardiff, Liverpool, and Glasgow. This was a very fair beginning, but the quantities of produce carried by successive steamers have gone on increasing, and the trade has now assumed very respectable proportions. I cannot do better than present in a series of tables the growth of trade to the five west-coast ports in our staple products. It is necessary to explain that there were no more than ten sailings of steamers in 1904, and that the statistics for 1907 are only up to the end of October. I present the figures, which are compiled from the ships' papers kindly placed at my disposal:—

Exports to the Port of Bristol, 1904 to 1907.

Year.	Carcases Mutton.	Carcases Lambs.	Boxes Butter.	Cases Cheese.	Crates Rabbits.	Bales Hemp and Tow.	Bales Wool.
1904	10,527	17,254	500	Nil	150	Nil	Nil.
1905	3,436	47,554	8,298	223	350	Nil	Nil.
1906	18,914	43,375	28,323	5,028	7,801	1,095	Nil.
1907	24,000	92,322	76,102	21,409	3,430	652	168
Totals ...	56,877	200,505	113,223	71,660	11,731	1,747	168

The noteworthy feature about the foregoing table is the continuous and remarkable growth in the exportations of butter and cheese to Bristol. The increase in frozen meat is also considerable.

Exports to the Port of Cardiff (including Barry), 1904 to 1907.

Year.	Carcases Mutton.	Carcases Lamb.	Boxes Butter.	Crates Rabbits.
1904	1,601	11,907	264	150
1905	Nil	4,692	Nil	7,977
1906	1,397	18,515	2,274	500
1907	Nil	Nil	Nil	Nil.
Totals	2,998	35,114	2,538	8,627

Cardiff has also been a considerable importer of wheat and other cereals, but that trade has not developed, on account of the steamers ceasing to call at that port. It will be observed that no trade whatever is credited to Cardiff for the year 1907. Palpably, however, there is a large amount of business to be done with Cardiff if it could be made a port of call. The trade has not, of course, ceased since the steamers stopped calling, but most of the goods for Cardiff are now unloaded at Avonmouth and forwarded by rail, a proportion going by way of London.

EXPORTS TO THE PORT OF LIVERPOOL, 1904 TO 1907.

Year.	Carcases Mutton.	Carcases Lamb.	Boxes Butter.	Cases Cheese.	Crates Rabbits.	Bales Hemp and Tow.	Bales Wool.	Boxes Boned Beef.	Superficial Feet Timber.
1904	21,404	68,343	1,000	Nil	58,983	960	Nil	Nil	222,575
1905	12,829	104,937	2,154	Nil	33,186	5,061	Nil	Nil	Nil.
1906	38,043	110,555	3,164	Nil	17,741	6,869	598	Nil	61,717
1907	41,384	345,155	23,765	1,399	45,739	18,161	Nil	21,104	424,453
Totals ...	113,660	628,990	30,083	1,399	155,649	31,051	598	21,104	708,745

The large proportions of Liverpool trade are conspicuously shown in this table. As a matter of fact, Liverpool has more than half of the entire west-coast trade in mutton, lamb, and rabbits, while her imports of hemp, timber, and boned beef are now very great. The growth in the imports of lamb is most remarkable.

EXPORTS TO THE PORT OF MANCHESTER, 1904 TO 1907.

Year.	Carcases Mutton.	Carcases Lamb.	Boxes Butter.	Cases Cheese.	Crates Rabbits.	Bales Wool.	Bales Hemp and Tow.	Superficial Feet Timber.
1904 ...	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil.
1905 ...	250	20,594	1,907	Nil	16,381	Nil	139	6,589
1906 ...	14,629	36,069	1,137	Nil	6,427	3,886*	126	165,068
1907 ...	318	20,155	1,030	347	7,756	9,713	Nil	58,769
Totals ...	15,197	76,818	4,074	347	32,564	13,599	265	230,426

* Includes 687 bales consigned to Bradford.

The trade of Manchester seems disappointingly small when we consider the splendid facilities offered by the port, and its advantages as a distributing centre. What has been accomplished in three years is, however, distinctly encouraging, especially as regards wool and timber. With a more regular service of steamers, Manchester may be expected to develop a very large trade.

EXPORTS TO THE PORT OF GLASGOW, 1904 TO 1907.

Year.	Carcases Mutton.	Carcases Lamb.	Boxes Boned Beef.	Boxes Butter.	Cases Cheese.	Crates Rabbits.	Bales Hemp and Tow.	Bales Wool.	Superficial Feet Timber.
1904	7066	8,415	600	138	Nil	Nil	Nil	Nil	112,830
1905	5,948	26,450	4,146	892	Nil	2,600	965	Nil	496,881
1906	18,571	58,834	35,477	1,076	49	300	1,930	249	528,510
1907	2,867	31,995	67,471	949	1,578	3,126	4,716	1,646	328,346
Totals ...	34,452	125,694	107,094	3,055	1,627	6,026	7,611	1,895	1,466,567

The remarkable features in the foregoing table are the enormous imports of boned beef and of timber. There is also disclosed good promise of a trade in frozen meat, cheese, rabbits, hemp, and wool, the growth of which has been considerable.

Taking a comprehensive view of the west-coast trade, its development has been very marked, as may be better seen by comparing the ten shipments of 1904 with the ten months' trade of 1907. This works out as follows:—

GROWTH OF WEST-COAST TRADE IN FOUR YEARS (ALL PORTS).

Year.	Carcases Mutton.	Carcases Lamb.	Boxes Boned Beef.	Crates Rabbits.	Boxes Butter.	Cases Cheese.
1904	40,198	105,919	600	59,283	1,902	Nil.
1907	68,569	489,627	88,575	60,051	101,846	24,733

The extent of our export trade to west-coast ports may be appreciated by a presentation of the total quantities of staple articles sent during the four years 1904–7, which are as under :—

Mutton	223,184	carcases.
Lamb	1,067,121	,,
Boned beef	128,198	boxes.
Rabbits	214,597	crates.
Butter	152,973	boxes.
Cheese	75,033	cases.

There is here a volume of business that is highly creditable to the enterprise of the shipping companies and of the west-coast merchants. It is a remarkable achievement to have built up such an extensive trade in four years; but these results are but an earnest of much greater things to be accomplished when the steamer service is improved, and steady and consistent effort is devoted to the development of the west-coast markets. It is not too much to say that in a few years the trade could be doubled if proper exertions are put forth and if a more rapid and regular service of steamers is secured. The service is, in a sense, still in its infancy, but it has more than justified its existence, and I am confident that a great expansion of trade to the west-coast ports will follow upon action to improve New Zealand's connection with these extensive and lucrative markets.

CONCLUSIONS.

It will be noted that British importers are practically unanimous in the opinion that the trade in our staple products with British west-coast ports is capable of very great expansion, and my personal observation leads me to emphatically indorse this view. In the western, and more especially in the north-western, counties of Great Britain there is a teeming population, consuming large quantities of foodstuffs. These articles of consumption include heavy imports of New Zealand meat and dairy-produce, of which a large proportion reaches the wholesale merchants by way of London. This roundabout method of delivery not only adds to the cost of the goods, but also leads to deterioration through unnecessary handling and the risks and delays of transit. It is palpable that, by direct delivery, the merchants in the west-coast cities will obtain such goods as meat, rabbits, butter, and cheese at a cheaper rate and in better condition, and that the advantage gained will be shared by the New Zealand producers. The question of how to increase the direct trade between this country and the west-coast ports of Great Britain is, therefore, one that immediately concerns all our producers, and in fact our whole population, because any increase of trade or enhancement of prices has a beneficial effect upon the general prosperity.

Without a single exception, all the west-coast merchants who handle New Zealand produce declare that the first essential to a rapid development of business is an improved steamer service—not necessarily faster vessels, but greater frequency and regularity in the running. The second point that they almost unanimously insist upon is that foodstuffs should be sent upon consignment. These and several other points I shall deal with in detail later on, discriminating between what can be done by private initiative and what can be best achieved by State action. The west-coast trade has grown at a fairly rapid rate since its inception some four years ago, and it is doubtless true that, by a process of natural development, it would, without any extraneous aid, assume year by year larger proportions, until commercial requirements would be such as to compel a more frequent and regular service of steamers. But in these strenuous days, when business competition is keen, people have not patience to wait "the long results of time," and their interest forces them to adopt measures that will enable them to keep pace with their rivals in trade.

1. The Best West-coast Markets.

Of the five ports embraced in the west-coast service, it seems to me that Bristol, Manchester, and Glasgow are the three that offer the best field for the expansion of our trade, as well as for the diversion of a proportion of the business now conducted through London. In Bristol we have a most advantageously situated distributing centre, with well-organized businesses for dealing with foodstuffs. The city occupies a dominating position for supplying meat and other provisions to the south-west of England, South Wales, and the Midlands. Within a radius of a hundred miles from the city there is a population of nine millions and a half, which can be more economically served through Bristol than through any other ocean port. The municipal authorities, who own and control the harbour and docks, have provided ample accommodation for the largest steamers, also refrigerated transit-sheds, cold-stores, grain-elevators, and other appliances of the most approved construction, while the facilities for the rapid forwarding of goods by rail are unsurpassed anywhere. By a combination of municipal and commercial enterprise the trade of Bristol has progressed by leaps and bounds during the last two decades, and the limit of its expansion has by no means been reached. Apart from the growth that may be expected in the future, we have to consider those branches of business in which New Zealand has at present a fair prospect of competing successfully with rival producing countries — as, for instance, with Canada for the supplying of butter and cheese, and with the Argentine Republic for the supplying of mutton and lamb. Splendid work has been done in the way of establishing a market for New Zealand mutton and lamb in Bristol, through an agency started by the Christchurch Meat Company, under the management of Mr. W. J. Kent, and the fruits of this pioneering effort may be shared in by all the meat-exporting organizations. Bristol is a very large consumer of butter and cheese, and, since Canada has practically ceased exporting butter, a most promising market offers for our product. New Zealand cheese has obtained a good foothold; and, as its texture and quality are pleasing to consumers in the south-west of England, there is reason to believe that it

will in constantly increasing degree displace Canadian in the market. Among other products for which there is a market in Bristol, hemp, grain, and timber may be mentioned. These, as well as the staple products already referred to, can be advantageously supplied to Cardiff from Avonmouth Dock; and, as it is inexpedient for the steamers to call at more than one port in the Bristol Channel, everything points to Bristol as being the best port of call. Our products have obtained a high reputation in that city, and command rather better prices there than elsewhere, so it is clearly in the interest of our producers that the Bristol connection should be continued and enlarged.

As between Liverpool and Manchester, the older port at present does much the larger share of the import trade from New Zealand, while Manchester sends us larger return cargoes. Liverpool's ascendancy in the matter of imports is solely due to the tendency of trade to flow in accustomed channels, and to the fact of large importing businesses being established in that city, with wide connection and fully developed organizations for distribution. For the trade in foodstuffs, Manchester offers infinitely superior dock, storage, and railway facilities, and the charges are generally lower, while as a centre for distribution it is far ahead of Liverpool. There is a population of ten million souls within the area of distribution claimed for Manchester; but this area in some parts overlaps that embraced in the Bristol area. Even making allowance for this, Manchester is undoubtedly the most convenient port in the north of England to serve a vast industrial population which largely consumes imported foodstuffs. The Liverpool harbour and dock authorities have their hands fully occupied in making provision for the general trade of the port, and will not exert themselves to supply storage and handling facilities for perishable cargoes. Manchester, on the other hand, is splendidly equipped with sheds, refrigerated stores, and handling-appliances of the most approved design. It has the good fortune to be a new port, and is not, like its older rival, hampered by having sheds and appliances of antiquated structure, nor does it labour under the disadvantage of having its docks cut off from railway communication. Whereas in Liverpool our foodstuffs have to be unloaded, reloaded, and carted to stores or railway-stations under most damaging conditions, the facilities at Manchester are all that can be desired. Unloading is conducted at Manchester under cover, into insulated transit-sheds and railway-trucks, as at Avonmouth; there are spacious cold-stores at the docks, where meat, butter, and cheese can be safely kept at low rates of storage; and the Corporation Cold-stores, immediately adjacent to the meat-market, are also commodious and convenient. The fact that so small a portion of the meat and dairy-produce trade has been diverted to Manchester in the thirteen years that have elapsed since the opening of the Ship Canal has led some people to conclude that Manchester merchants are deficient in enterprise and organizing capacity; but this assumption is altogether unwarranted. If we take a new line of trade, like that in bananas, for instance, it can be easily seen that Manchester has no lack of business acumen and enterprise. Last year Manchester imported 2,583,000 bunches of bananas, against Bristol's 1,450,000, and Liverpool's 1,250,000—proportions which, by the way, fairly represent the relative importance of these several cities as centres for the distribution of foodstuffs. From the way in which Manchester has come to the front in this trade, it is a reasonable deduction that, given equal conditions, she would have done equally well in other lines. But the conservatism of trade-methods in England is difficult to overcome, and so, despite the superior advantages of Manchester as a port and centre of distribution, she has made but little progress in the establishment of an important trade in meat and dairy-produce. In grain and timber Manchester has done much better, the facilities offered being sufficient to overcome trade prejudices. As a port for the reception of wool and cotton Manchester has many advantages over London and Liverpool respectively; yet she has been able to divert but a small portion of the import trade in these raw materials. In time, however, Manchester's superiority in the matter of port and transit facilities must tell. She is nearer to the consuming centres; and, being thus able to offer the lowest through rates by rail or canal to the Midlands or north of England, traders cannot always pursue a policy that involves them in large annual losses of legitimate profits. It should be the steady aim of the New Zealand Government and those interested in the export trade to encourage shipments to Manchester, because of the advantages that accrue for obtaining return cargoes of cotton goods and general merchandise at low rates of freight from that port.

Glasgow, the great Scottish port, has not received that attention which it deserves as a centre for the consumption and distribution of New Zealand products, more especially mutton, lamb, butter, and cheese. The first direct shipment of frozen meat received at Glasgow was by the s.s. "Delphic," from New Zealand, early in 1904—Argentine importations following later in the year. The s.s. "Suffolk," of the Federal-Houlder-Shire Line, took a considerable quantity of New Zealand frozen meat to Glasgow in August of the same year; but the trade has not developed in a degree commensurate with the promise given by those early shipments. This is largely due to the fact of Glasgow being the last port of call of the west-coast steamers, whose journey there from New Zealand occupies about nine weeks; but it is in a greater degree due to the irregularity of the sailings. As regards the cheese and butter trade, the length of the voyage is a fatal obstacle, as, owing to fluctuations in the market, it is of the greatest importance to have regular and frequent deliveries. The position of Glasgow as a large centre of population, and as a trade emporium for the greater part of Scotland, gives it great potentialities as a market for New Zealand produce; and in any improvement or rearrangement of the steamer service its claims should have careful attention. Our meat, butter, and cheese have won a high reputation in Scotland, and it only requires a better steamboat service to insure an enormous increase in the trade. Hemp, grain, seeds, and timber are among the products that find a ready market in Glasgow; and to increase the trade in these requires nothing more than enterprise on the part of exporters. It is difficult to see how a direct trade in dairy-produce can be developed with Glasgow, unless steamers could be run fortnightly in the season; but the connection would prove so valuable that it is well worth while making an effort to provide an improved steamer service.

II. Obstacles to the Expansion of Trade.

The main obstacles to the rapid development of trade with the west-coast ports are (1) the conservatism of British traders, (2) the indifference of New Zealand producers, (3) the irregularity and infrequency of the sailings of steamers, and (4) the established custom of New Zealand produce being sold right out, instead of being consigned for sale. What I mean by the conservatism of traders is well illustrated by the statement made to me in Manchester, on the best authority, that a company dealing extensively in New Zealand mutton and lamb continues to get large quantities of these goods from London, rather than take advantage of the direct steamers from New Zealand to Manchester, though by following the latter course hundreds of pounds per annum would be saved. This wasteful practice prevails widely and unnecessarily. The merchants are thoroughly well aware of what they are doing; for, when it is pointed out to them that they could make large profits by shipping direct to west-coast ports, their reply is that they are perfectly satisfied with things as they are. This disinclination to alter their business routine is general with large firms and companies having their headquarters in London, and it seems to indicate that their profits are sufficiently ample to enable them to ignore an economy of several hundreds a year. The competition of more enterprising firms will ere long compel them to change their attitude. As regards the indifference of New Zealand producers, this may not operate actively as a hindrance to the development of the west-coast trade, but negatively it has a powerful influence. If the New Zealand producers constantly realised what a boon it is to them to be brought into direct communication with lucrative markets they would take a greater interest than they now do in the destination of their produce and the route by which it is intended to be sent. By stipulating, whenever practicable, that their goods should be forwarded by the west-coast steamers they might do much to extend the market and enhance prices. The inadequacy of the steamboat service, and the question of consignment *versus* sale, I shall consider under my next heading. Another obstacle to the diversion of trade or the opening-up of fresh markets is, curiously enough, the excellence of New Zealand products, the keen competition for them, and the high prices they command. There are markets in which cheapness counts for more than quality, and where a footing can only be obtained by competing with countries that send inferior products at a low price. Now, high quality has always been the aim of New Zealand, and excellence has been attained under the careful fostering and supervision of the Government. As a result our products, more especially butter, cheese, and lamb, are keenly competed for, and are generally bought up at satisfactory prices. We have therefore no surplus or inferior goods that we can send on consignment to open up a new market or to "dump" upon an old one in order to undersell our competitors. I am not prepared to affirm that it is desirable to have overproduction, inferior quality, or low prices for New Zealand products; therefore, to the extent to which the absence of these conditions hinders the opening of new markets or the expansion of trade in existing channels, I should rather counsel the bearing of the ills we have than the rushing into worse evils. The cheap markets may be left to the producers of cheap and inferior goods; there is still "room at the top"; and the object of our producers should be, as hitherto, to secure the best trade at the highest prices. Better far to consume our inferior goods ourselves than have the hard-won reputation of our products injured in the slightest degree by having meat or dairy-produce of low grade placed upon the British markets as "New Zealand."

III. How our Trade may be Increased.

There are various means by which our export trade in general, and our trade with British west-coast ports in particular, can be increased, and that without any injury to the reputation of our products or radical change in the methods of business. These means may be classed under two leading heads—

1. Private Effort.

Producers and exporters can do much to develop trade by attention to various detail points, as well as to some of general policy and organization; and I would ask them to believe that in what I have to say under this head I am guided by criticisms and remarks made to me in no captious spirit by those who are genuinely desirous of furthering New Zealand's interests as well as their own.

(*a.*) By maintaining and improving the quality of their products, and by fair and honest dealing based upon mutual trust and confidence.

(*b.*) By showing loyalty to the west-coast service—*i.e.*, by giving it the preference in the carriage of their goods.

(*c.*) By the meat-freezing companies and dairy organizations establishing agencies in different British centres to push and supervise the sale of their products. What has been accomplished in a few years by the agency established in Bristol by the Christchurch Meat Company is a striking object-lesson for others to copy.

(*d.*) By studying the markets, as in the demand for butter and cheese in different seasons. It seems advisable that New Zealand dairy factories should follow the Canadian example, by obtaining equipments enabling them to manufacture both butter and cheese, and by turning out a larger proportion of the particular article that is likely to be in demand.

(*e.*) By giving heed to popular prejudice with regard to the light colour of butter and cheese, the smallness and leanness of carcases of mutton and lamb, and the better selection and packing of boned beef.

(*f.*) By catering to the tastes of the people in different parts of Great Britain. For example, our cheese, as now manufactured, is acceptable to consumers in the south-west of England and to

some extent in London; but for the Midlands and north-west, as well as for Scotland, the texture is too stiff. By sending to the latter markets cheese more like the Canadian, or made on the Cheshire principle, a greatly increased sale would be secured.

(*g.*) By altering the nomenclature now in vogue with regard to our butter, which produces confusion, and injures the reputation of the New Zealand article. What is now called "factory butter" should be designated "creamery butter"; "milled butter" should be prepared on a better system, and called "factory butter"; while butter prepared on the system at present pursued in New Zealand milling should be described as "milled." The distinction between these three classes will be found lucidly set forth in the statement of a Cardiff merchant, given in the body of this report.

(*h.*) By consigning on sale a certain proportion of meat, butter, cheese, rabbits, hemp, &c., in order to facilitate the opening-up of new avenues of trade. There is a consensus of expert opinion that the price of New Zealand butter in particular has been depreciated by the system of selling the whole output of the factories at a fixed rate per pound. Practically all the dealers whom I saw were of opinion that the high price obtained by New Zealand factories last year was purely empirical, owing to "insane competition" among buyers; and many of the latter were smarting to such an extent over their losses that they were likely to run to the other extreme of cautious dealing, with the result that prices would collapse. In one of his reports, Mr. H. C. Cameron, head of the Produce Department in London, contended that, owing solely to the system of selling the whole output, the price of New Zealand butter relatively to Danish had suffered serious decline. In January, 1901, Danish butter stood at 126s. to 128s. per hundredweight, with New Zealand 16s. per hundredweight lower. Within a short time, owing to certain New Zealand brands being advertised by dealers who had bought the output of factories, the prices of Danish and New Zealand butter approximated to within 2s. per hundredweight of each other; but, on account of these New Zealand brands getting into the hands of other merchants who offered a higher price for them, the value of the advertising was lost, and the price of New Zealand butter for several years suffered a steady decline as compared with Danish. The price of the Danish article being fixed by the Butter Control Committee, there is not the same competition for it as for New Zealand, and the consequence is a steady demand and steady prices. Possibly it is a correct deduction that New Zealand butter would be commanding a better price to-day if the system of consignment had been in vogue instead of the straight-out sale; but I cannot see that the New Zealand factories are to blame for the existing system, which has in a sense been forced upon them by the tactics of the English buyers.

After experiencing such high prices as were realised last season, it will be difficult to persuade the factories to send their butter on consignment, unless there should be a very serious collapse of the market. Nor is it to be expected that the British firms who have established purchasing agencies in this country will abandon their methods because of one rather bitter experience. It seems clear to me, however, that the butter export trade will not be placed on a secure and mutually satisfactory basis until the system of selling the output in advance of delivery is abandoned in favour of methods similar to those pursued by the Danes. In the judgment of qualified persons, New Zealand butter is equal to Danish in everything except paleness of colour. Its reputation is now well established; and there is no reason (save the trading system) why it should not bring a uniform price, year after year, only 1s. to 2s. lower than that of the best Danish. Merchants in the cities on the west coast of Britain would assuredly exert themselves to extend the market for New Zealand butter if they could do a non-speculative business on commission; and, if assured of continuity for a term of years, they would advertise and establish particular brands, and do their utmost to obtain the best price possible. Until butter is consigned for sale the price will fluctuate according to the keenness of competition for it, and the demand for it is not likely to increase. The system of consignment could be introduced by agreement between producers and merchants; but such agreement is not likely to be arrived at for some years to come. The factories imagine that they do better under the system of selling their output; and those merchants who have purchasing agents in New Zealand are not likely to relinquish the advantage they suppose they possess, but will go on in the hope of recouping themselves for last year's losses by making extra profits on future transactions. One or two years of calamitously low prices would do more than anything else to bring about the desired change. In the meantime, if an extension of trade is desired, the policy of consigning a part of the output of butter to reputable firms ought to have a trial. At the commencement of my inquiries I was fully satisfied that the system of sale was the best for New Zealand producers; but, after hearing the opinions of merchants—not those who had lost heavily by bidding too high last season, but those who saw the resultant disorganization of the market, as well as others whose interests were in no way affected, but who are desirous of entering into direct relations with the factories—I am driven to the conclusion that nothing but a change in methods of trading will lead to an increased demand for New Zealand butter, and establish a steady price for it in the British market.

(*i.*) By forming special commercial organizations to regulate business and secure equitable arrangements as to freights, bills of lading, &c. A start has been made with such associations in Great Britain, and the principle of them is so sound that the idea ought to be acted upon by New Zealand supporters. The London *Times*, in an article published in May last, commented upon the suggestion made by the Prime Minister of New Zealand, on the occasion of his visit to Manchester, that, in order to meet the competition of foreign rivals, merchants' associations should be formed to watch over their common interests in trade matters and enter into negotiations with the shipping conference as to services and freights. The proposal was warmly supported by the great London journal, and a few days later the Manchester *Guardian* published and commented upon a letter from a correspondent urging the advisableness of forming a merchants' association in Man-

chester, especially with reference to trade between that city, New Zealand, and Australia. That trade, it was pointed out, is still practically controlled in London, so far as the shipping department is concerned, and many Manchester exporters continue to send goods to New Zealand through London, thus incurring needless expense. I have pointed out in this report that the same practice largely prevails with regard to imports of New Zealand produce. In 1898 the Australian Merchants' Association was formed in Manchester; but, owing to some defect in its constitution or management, it did practically nothing. On the 18th July last a fresh start was made, and at a meeting held in the Town Hall, under the presidency of the Lord Mayor, the Manchester Association of Importers and Exporters was formed, on the lines of the Australian Merchants' Association of London. Referring to this movement, Mr. John K. Bythell, chairman of the Ship Canal Company, speaking at the forty-fourth half-yearly meeting of shareholders on the 8th August last, said he was hopeful that it would result in an increase of traffic at the port. The primary object was to develop oversea trade with the colonies and foreign countries, and this object ought to command the support of all Lancashire manufacturers, as well as of the merchants in Manchester. Mr. Bythell further said that "if the merchants and others engaged in any particular export trade would act together they would undoubtedly find that shipowners would be not only willing to meet them and discuss matters, but to do what is just and reasonable. They would show every desire to act with the shippers in maintaining their trade." It is my conviction that New Zealand exporters, by adopting the principle of combination, could do much towards securing more satisfactory steam services, freights, and bills of lading. It may be contended that the Chambers of Commerce in the different centres can make representations on these matters; but reflection will show that resolutions of these Chambers, addressed to people at a distance, cannot have the same weight as those of a special organization every one of whose members has direct business relations with the shipping companies. A New Zealand Exporters' and Importers' Association, with branches in the chief centres, and affiliated with British societies like those of London and Manchester, and with others such as the Bristol Provision Trade Association, could do a great deal not only in the way of securing better terms from the shipowners, but also in the direction of extending trade by exchanging information and receiving advice as to the state of the markets.

2. Government Action.

So much has been undertaken and successfully accomplished by the Government of New Zealand in the way of developing production and trade that the people become prone to place too much reliance upon State action in such matters. There are, however, various things that the Government can do much better than the private individual or any combination of individuals, and in the suggestions to be offered under this head I shall not advocate any extension of State functions, but simply the application of those already sanctioned and proved by experience. The means by which the Government might aid in the development of the west-coast trade and our export trade in general include the following:—

(*a.*) Subsidising the steamboat service to Bristol, Liverpool, Manchester, and Glasgow, and imposing conditions for its improvement in various ways. There is nothing but praise to be given to the initiators of the west-coast service, which has proved of immense advantage to the producers and merchants of New Zealand, as well as to the manufacturers and importers of Great Britain. The service has improved continuously as trade has expanded, and the shipowners must, ere long, in their own interests, take steps to still further improve it, so as to remedy the grievances arising from irregularity of sailings, &c. For rapid improvement, however, some external stimulus is required, and the best means is undoubtedly a Government subsidy. Under an agreement between the State and the shipowners stipulations could be made as to sailing-dates, the time consumed on the voyage, the date and conditions of bills of lading, the delivery of cargo direct at the port of consignment, and other matters of moment to traders. The conditions would include provision for a run of forty-two to forty-six days from the last New Zealand port to Bristol, the steamers to sail once a fortnight during the butter-export season and perhaps less frequently for the remainder of the year. It might also be advisable to stipulate for Liverpool (and Manchester) being, alternately with Bristol, the first port of call in Britain. The geographical position of Glasgow makes it difficult to establish a speedy direct service with that port; the extent of its trade at present does not warrant its being made alternately the first port of call; but, with the acceleration of the service that is suggested and a time-table date for the arrival of steamers, most of the objections now urged by Glasgow merchants would be met.

(*b.*) Reorganizing and strengthening the Produce Branch of the High Commissioner's Department. This branch is inadequately manned, as, owing to the frequency of exhibitions, conferences, &c., the time of one official is almost constantly employed in connection with these, and Mr. Cameron, with all his energy and enthusiasm, is unable to give the necessary attention to some departments of the work. There should be at least two additional assistants provided for him. It would also be advisable to have the High Commissioner's office removed to a position in closer proximity to the docks, the meat-market, and the principal importing establishments in London.

(*c.*) Systematic advertising of New Zealand's products. So little is done by exporters and traders in this direction that the great bulk of New Zealand meat, butter, cheese, &c., is sold simply on its merits; and, as the consumer does not as a rule make any inquiry as to the country of origin, New Zealand is deprived of that credit to which the high quality of her produce entitles her. The reputation of our goods is, of course, well established among the importers and wholesale dealers; but, in order to make their merits known to the general public, some system of advertising is necessary.

(*d.*) Opening retail shops for the sale of New Zealand produce in various populous centres of the United Kingdom. The brilliant success achieved by a retail establishment in Manchester, opened thirteen years ago with the prominent signboard, "New Zealand Produce," is proof that the public are ready to purchase New Zealand goods as such. The talk of popular prejudice against frozen meat, butter, &c., emanates mostly from people whose interest it is to keep the public in ignorance of the country of origin. These interested people are not, as a rule, the retailers. One large importing firm, which has retail shops all over the country, shows prominent signboards, "New Zealand and Colonial Mutton and Lamb." In Glasgow I found a retail dealer announcing "New Zealand mutton, guaranteed by the Government, cooked ready for eating, 8d. per pound"; and even in small provincial towns I found New Zealand meat retailed under its proper description. A shop in Camden Town, London, displays a gigantic signboard, with the legend, "English and Scotch Meat for the Epicure; New Zealand and American Meat for the Thrifty." These instances, however, are the exceptions; I mention them to support my contention that there is no prejudice against our produce, and that if it were better advertised it would meet with more extensive sale. In such cases as I have mentioned there is, however, no assurance that dealers really sell New Zealand meat when they announce that they do so, and there is a suspicion that unscrupulous people, especially in remote places, still sell inferior meat as New Zealand, and thus injure the reputation of our product. To enable the public to see and judge as to the quality of New Zealand meat, butter, cheese, &c., the most effective means would be the opening of Government retail shops. This should be done with the object of advertising by demonstration, and not with the idea of competing with private retailers, whose goodwill it is desirable to retain, since the object aimed at should simply be to establish the reputation of New Zealand products and create such a public demand for them as would compel retailers to sell them under their proper designation. The retail shop in Manchester to which I referred has been carrying on a profitable trade for thirteen years; but the owners now sell all kinds of meat, though mainly frozen and chilled. Their price-list announces "prime selected New Zealand mutton" at from 2½d. to 8d. per pound. When selling New Zealand produce only, an annual profit of 25 per cent. was made by the original owner of this shop, who established an excellent business connection with people of the middle and upper classes. The shop is still among the neatest and cleanest in Manchester. All over Great Britain I found the colonial and foreign meat shops to be the tidiest of butchers' establishments, and this attention to cleanliness and attractiveness has had much to do with the popularity of frozen meat. Shops of this kind, devoted to the sale of New Zealand meat and dairy-produce, if opened in various part of the United Kingdom, would at once increase the demand for our products and would be practically self-supporting. They would not be started with any idea of permanent Government ownership and control, but rather with the intention of selling out, within five years at most, to some local dealer, who would undertake to maintain the name and character of the shops as emporiums for New Zealand products. The meat trade in Ireland, and in some parts of Scotland, is carried on under conditions that are almost disgusting, and in such places the opening of neat, well-conducted shops for the sale of New Zealand produce would lead to almost instantaneous success. If the Government had no more than half a dozen smart and reliable salesmen to manage these shops, a great and useful work would be achieved, for, as one set of shops were sold to local people, the salesmen could be instructed to open others in different towns. These shops should be all under the supervision and control of the Produce Commissioner, whose duty it would be to see that they were properly conducted. I am satisfied that, by making a start with several establishments of this kind in the manufacturing towns of Lancashire, Yorkshire, and the Midlands, as well as in Glasgow and neighbouring towns, a vast impetus would be given to the export of our meat and other products to the west-coast ports of Great Britain. If it be objected that it is outside the functions of the Government to engage in retail trading, even if only for the purpose of advertisement, an alternative plan would be for the State to subsidise retailers in different towns to honestly sell and effectively advertise New Zealand products. After a year or two of such assistance the dealers would find it to their advantage to continue advertising New Zealand produce without subsidy. Failing the adoption of either of these methods, retail shops might well be opened by the meat companies and dairy associations in connection with the agencies which I have suggested they should establish.

(*e.*) Branding of meat: All the meat-dealers to whom I spoke declared themselves opposed to the branding of New Zealand meat. This in itself seems suspicious, especially when they could give no other reason for their opinion than that "it would do no good." The absence of brands enables retailers to sell New Zealand meat as Welsh or Scotch, and to pass off Argentine mutton and lamb as New Zealand, both of these fraudulent practices resulting in injury to the reputation of New Zealand meat and loss to the exporters. An indelible brand placed, prior to export, on the principal joints of the meat, in addition to the tags of the different freezing companies, would enable the superiority of New Zealand mutton and lamb to be recognised by the consumer, and the result would be a considerable advance in prices. Branding I consider a necessary preliminary to any system of advertising or opening of retail shops by the Government or the exporting companies. The real reason for the opposition of British merchants to the branding of imported meat was disclosed in statements made at a meeting of the National Federation of Meat-traders' Associations, held in London on the 30th April, 1903. Mr. William Cooper, L.C.C., Chairman of the Meat Section of the London Chamber of Commerce, said, "If New Zealand meat were branded it would result in the sale of a great deal more, and consequently less British produce. In the interest of agriculture alone, therefore, he objected to meat-marking legislation." Other speakers supported meat-branding, but all alleged that large quantities of New Zealand mutton and lamb were sold as Home produce. In view of the activity of Argentine competition, and the improvement constantly being made in the quality of Argentine meat, I think it urgently necessary that New Zealand meat should be branded, so as to maintain its reputation and protect the producers by securing to them the full market value of the article.

(*f.*) Stricter grading of butter and hemp should be secured, if the reputation of these articles is not to suffer. Every effort should be made to obtain uniformity of practice by the graders at different ports, so that importers may place absolute reliance upon the Government brands.

(*g.*) The better handling of produce, especially at Liverpool and Glasgow, is a subject that ought to engage the attention of the State. If the Government were to place itself in communication with the Harbour Trusts at these two ports it might be found possible, at small cost, to have arrangements made that would prevent meat and dairy-produce suffering serious deterioration from the imperfect methods of handling now employed.

(*h.*) Leaflets, on the plan of those already issued from the High Commissioner's Department, should be continuously distributed among wholesale and retail dealers, setting forth the merits of New Zealand meat, butter, and other products.

(*i.*) Instruction in butter-blending might well be given by the Government, with a view to the establishment of an export trade in superior blended butter. The new Butter Bill passed by the Imperial Parliament will have a tendency to increase the practice of blending and renovating colonial butters, and there is no reason whatever why the New Zealand dairy factories should not share in the profits of this very lucrative business. Blended butter is a perfectly honest article, which suits the requirements of a large section of British consumers, and by catering to that class of customers an excellent market would be found for the New Zealand dairy-butters which at present realise the lowest prices.

(*j.*) Removal of the export duty on timber sent to the United Kingdom. This would give a fillip to trade, and would greatly benefit exporters.

3. Establishing New Branches of Trade.

An excellent opportunity presents itself for establishing new branches of trade at the west-coast ports, since in such cases there are no obstacles to be encountered in the shape of trade custom and use and wont. Among the undeveloped or partially developed lines of export may be mentioned poultry, bacon, fruit, honey, &c. With a view to the success of these industries, it would be advisable for the Government to appoint experts to give instruction in bacon-curing and in the packing of fruit, &c., for export. There is for these articles a large and constantly expanding market in Great Britain, and I found merchants eager to obtain consignments from New Zealand and desirous of pushing the sale of these commodities.

These, then, are, according to my best judgment, the means that should be employed in order to enhance the trade in New Zealand products and secure better prices to the producer. First in importance is the improvement of the west-coast steamer service, and to this the early attention of the Government should be given. As New Zealand products have to compete in the open market with those of other countries, it is apparent that the costs of transit and handling must fall upon the producers; therefore any cheapening of these costs must benefit the producing and exporting classes. It is doubtless a recognition of this economic truth that makes British importers with London headquarters disinclined to take advantage of the west-coast steam service. Although they could effect large economies by saving the railway charges for distributing goods from London, they see that the money would ultimately find its way into the pockets of the producers, in the shape of enhanced prices, and they therefore decline to make any change. This constitutes a powerful reason why the Government should put forth every effort to secure a diversion of trade to the west-coast ports, and the best way to do this is to subsidise the steamboat service to such an extent as may be thought necessary. The other suggestions for Government and private action I commend most earnestly to the careful consideration of those concerned; and if, on examination, any of them should be found practicable, I advise their adoption, feeling assured that thereby the interests of the producers and the people generally of this country will be furthered, and the reputation and sale of New Zealand products in the Home markets established on a firmer basis than ever.

I have, &c.,

Wellington, 23rd December, 1907. J. Liddell Kelly.

APPENDIX.

I. BRISTOL AS A PORT FOR DISTRIBUTION.

Charges per Ton of Frozen Meat (Forty Carcases to the Ton).—London and Avonmouth Compared.

London and India Docks.	Charges per Ton. £ s. d.
Ex ship to trucks or Smithfield Market	0 7 6
,, store for twenty-eight days or less	1 0 9
Total for twenty-eight days or less	1 8 3
For one to twenty-eight days longer in store	1 0 9
Total for twenty-nine to fifty-six days	2 9 0

Avonmouth Docks.

	Charges per Ton. £ s. d.
Dock dues	0 1 6
In and out of store, with twenty-eight days' storage	0 5 0
Total for twenty-eight days or less	0 6 6
For twenty-eight days longer in store, at ½d. per carcase per week—1s. 8d. per ton per week × 4	0 6 8
Total for fifty-six days	0 13 2

MUTTON AND LAMB FROM AVONMOUTH.

Delivered direct *ex* Ship to Railway-wagon.	To London. Per Ton. £ s. d.	To Birmingham. Per Ton. £ s. d.
Dock dues	0 1 6	0 1 6
Quay rate	0 3 9	0 3 9
Railway rate	1 0 0	1 5 0
	1 5 3	1 10 3
	= 1/7 d. per pound.	= 1/6 d. per pound.

BUTTER AND CHEESE FROM AVONMOUTH.

Delivered direct *ex* Ship to Railway-wagon.	To London. Per Ton. £ s. d.	To Birmingham. Per Ton. £ s. d.
Dock dues	0 1 0	0 1 0
Quay rate	0 1 0	0 1 0
Railway rate	0 16 8	0 17 6
	0 18 8	0 19 6
	= 1/10 d. per pound.	= 1/9 d. per pound.

HIDES (UNDRESSED) FROM AVONMOUTH.

Delivered direct *ex* Ship to Railway-wagon.	To Leicester. Per Ton. £ s. d.	To Nottingham. Per Ton. £ s. d.
Dock dues	0 1 6	0 1 6
Quay rate	0 1 9	0 1 9
Railway rate	1 0 0	1 2 6
	1 3 3	1 5 9

WOOL (RAW) FROM AVONMOUTH.

Delivered direct *ex* Ship to Railway-wagon.	To Bradford. Per Ton. £ s. d.	To London. Per Ton. £ s. d.
Dock dues	0 1 0	0 1 0
Quay rate	0 1 6	0 1 6
Railway rate	1 19 4	1 8 10
	2 1 10	1 11 4
	= 1/4 d. per pound.	= 1/6 d. per pound.

II. ADVANTAGE OF SHIPPING GOODS FROM MANCHESTER.

COST OF SHIPPING GOODS OF VARIOUS CLASSES AT MANCHESTER DOCKS, COMPARED WITH LIVERPOOL, HULL, AND LONDON.*

From.	Description of Goods.	Total Cost to Manchester. Per Ton. £ s. d.	Total Cost to Liverpool. Per Ton. £ s. d.	Total Cost to Hull. Per Ton. £ s. d.	Railway Rate to London. Per Ton. £ s. d.
Accrington	Machinery (parts) in cases	0 13 0	0 14 9	0 18 2	1 10 0
„	Iron wire, packed	0 16 0	0 18 8	0 17 2	1 6 8
Birmingham	Oils	0 18 2	0 19 11	1 3 11	1 2 6
Blackburn	Cotton-waste (2-ton loads)	0 10 0	0 11 9	1 0 10	1 10 0
Burslem	Earthenware (not packed, 1-ton loads)	0 15 0	0 16 7	1 5 6	1 12 6
Bury (Lancashire)	Machinery (parts) in cases	0 8 11	0 11 5	0 18 2	1 8 10
„ „	Cotton, linen, and woollen goods (packed)	0 10 0	0 13 9	1 0 8	2 5 6
Bradford	Woollen, worsted, and stuff goods (packed)	0 16 2	0 19 2	0 15 8	1 12 6
Hanley	Tiles (under 2 tons)	0 11 10	0 13 2	1 1 3	1 7 11
Huddersfield	Printing-paper, bales or reels	0 13 6	0 17 4	0 14 3	1 7 6
Meddleton (Lancashire)	Sheep-dip and sheep-wash	0 9 6	0 11 9	1 0 8	1 11 11
Openshaw	Iron or steel boilers	0 6 8	0 10 2	1 0 8	1 11 8
Rochdale	Heavy drapery	0 12 4	0 19 6	1 6 11	2 5 6
Saughall	Galvanised iron (2-ton loads)	0 8 7	0 8 3	0 15 8	..
Sheffield	Plated goods	1 6 8	1 12 4	1 3 11	2 10 0
„	Railway springs	0 13 6	0 19 7	0 15 3	1 2 6
„	Wire ropes	0 17 2	0 19 4	0 15 8	1 10 5
Stoke-on-Trent	Earthenware, packed	0 15 0	0 16 7	1 3 0	1 6 3
Warrington	Wire	0 6 5	0 6 5	0 15 8	1 6 8
„	Wire netting	0 6 5	0 6 5	0 15 8	1 10 0

* Abridged from a list prepared by the Manchester Ship Canal Company.] In the case of Manchester, the charge covers canal tolls; in the case of London, dock charges are not included.

III. LIST OF OFFICIALS, IMPORTERS, ETC., INTERVIEWED.

1. Bristol.

The Lord Mayor of Bristol (Mr. A. J. Smith).
The Town Clerk (Mr. Edmond J. Taylor).
Mr. F. B. Girdlestone, Secretary and General Manager, Bristol Docks.
Mr. A. Harvey, Assistant Secretary and General Manager, Bristol Docks.
Captain E. W. Harvey, Dockmaster, Avonmouth.
Mr. Hilliar, Secretary, Chamber of Commerce.
Mr. T. Parker, Hon. Secretary, Bristol Provision Trade Association.
Messrs. Bethell, Gwyn, and Co., shipping agents, 40 Corn Street.
,, H. H. and S. Budgett and Co., dairy-produce merchants, 12 Nelson Street.
,, W. and A. Titley and Co., dairy-produce merchants, 105–108 Thomas Street.
,, Widgery and Co. (Colonial Produce Co.), dairy-produce merchants, Victoria Street.
,, Pullin, Thomas, and Slade, dairy-produce merchants, 26 Victoria Street.
,, Gardner, Thomas, and Co., dairy-produce merchants, Nelson Street.
,, Spear Bros. and Clark, dairy-produce merchants, 36 Victoria Street.
,, Price and Parker, dairy-produce merchants, 35 Victoria Street.
Mr. F. A. Wills, dairy-produce merchant, 7 Temple Street.
Mr. G. Wicks, dairy-produce merchant, 12 Queen Square.
Mr. W. J. Kent (Southern Cross Agency), meat and produce dealer, 22 St. Nicholas Street.
Messrs. Stevens Bros. and Martin, flax-millers, Horton Street.
The Manager, Bristol Branch, English Wholesale Co-operative Society.

2. Cardiff.

Mr. Roger Price, Manager, Bute Docks, Cardiff.
Mr. W. R. Hawkins, Secretary, Chamber of Commerce.
Messrs. Neal and West, Cardiff Cold-storage Company.
,, H. Woodley and Co., meat-importers, 34 Tressillian Terrace.
,, Collett and Co., dairy-produce merchants, 10 New Street.
,, Flint Bros., dairy-produce merchants, 120 Customhouse Street.
,, William Evans and Co., dairy-produce merchants, John Street.
,, J. Isaac and Co., dairy-produce merchants, Millicent Street.

3. Liverpool.

Mr. Myles Kirk Burton, Manager, Mersey Harbour and Dock Trust.
Messrs. Houlder Bros., shipowners, 14 Water Street.
,, W. and R. Fletcher (Limited), meat-importers, North John Street.
,, Thomas Borthwick and Sons (Limited), meat-importers, Hood Street.
,, W. Weddel and Co. (Limited), meat-importers, North John Street.
,, Gordon, Woodroffe, and Co., meat-importers, North John Street.
,, McKerrow Bros. (Limited), meat-importers, Victoria Street.
Mr. J. Noble, meat-importer, Victoria Street.
Messrs. Litt Bros. and Co., dairy-produce merchants, 8 Temple Lane.
,, Stevenson and Pae, dairy-produce merchants, 10 Stanley Street.
,, George Wall and Co., dairy-produce merchants, Williamson Street.
,, Pelling, Stanley, and Co., dairy-produce merchants, 52 Stanley Street.
,, Fowler Bros. (Limited), dairy-produce merchants, Victoria Street.
,, Pearson and Rutter (Limited), dairy-produce merchants, 42 Stanley Street.
,, S. Perry and Co., dairy-produce merchants, 65 Victoria Street.
,, G. Fletcher and Co., dairy-produce merchants, 56 Victoria Street.
Mr. Cecil Rowson, dairy-produce merchant, 8 Victoria Street.
Messrs. Thomas Rimmer and Son, timber-merchants, 169 Regent Road.
,, Andrew Lindsay and Co., hemp-importers, 4 Old Hall Street.
,, James Ruddin and Co., rabbit-importers, 12 Rose Street.
Sir Charles Petrie, rabbit-importer, 15 Rose Street.
Mr. Wilson, manager, Union Cold-storage Company, Canada Docks.

4. Manchester.

The Lord Mayor of Manchester (Mr. Harrop).
The Chairman, Markets Committee, City Corporation.
Captain Wade, Superintendent of Markets.
Messrs. Marwood and Robertson, shipping agents, 2 Mount Street.
Mr. H. M. Gibson, superintendent, Ship Canal Company.
Mr. James S. McConechy, Ship Canal Company.
Mr. F. W. Way, Ship Canal Company.
Messrs. W. and R. Fletcher (Limited), meat-importers, the Abattoirs, Water Street.
,, William Brown (Limited), meat-importers, the Abattoirs, Water Street.
Colonial Consignment and Distributing Company (Limited), meat-importers, the Abattoirs, Water Street.
Messrs Thomas Borthwick and Sons (Limited), meat-importers, the Abattoirs, Water Street.
Argenta Meat Company, meat-importers, 404 Corn Exchange Buildings.
Mr. A. J. Pease, meat and produce importer, 27 Fennel Street.

Messrs. Nield and Clark, bacon-importers, 4 Watling Street.
,, Pearson and Rutter (Limited), dairy-produce merchants, 47–51 Fennel Street.
,, George Wall and Co. (Lovell and Christmas), dairy-produce merchants, 13 Greenwood Street.
,, Willer and Riley, dairy-produce merchants, 54–56 Corporation Street.
,, George Little (Limited), dairy-produce merchants, 84 Corporation Street.
,, John Wilcock and Co., hemp-importers.
,, Onyon, Lake, and Co., timber and produce merchants, 15 Market Street.
,, R. Markendale and Co. (Limited), hide, skin, and tallow merchants, Water Street.
Mr. James Blackburn, rabbit-importer, Fish Market.

5. GLASGOW.

The Lord Provost of Glasgow (Mr. Bilsland).
Bailies Battersby and Willox, City Council.
Mr. T. R. Mackenzie, Manager and Secretary, Clyde Navigation Trust.
Mr. William Stewart, Traffic Superintendent, Clyde Navigation Trust.
Messrs. Houlder Bros., shipowners, Gordon Street.
Scottish Co-operative Wholesale Society, 95 Morrison Street.
Mr. J. Irwin, meat-importer, Meat Market, Moore Street.
Messrs. Hill Bros., meat-importers, Meat Market, Moore Street.
,, Thomas Borthwick and Sons, meat-importers, Meat Market, Moore Street.
Mr. William Milne, cold-stores, 40 Old Wynd.
Messrs. A. Clement and Sons (Limited), dairy-produce merchants, 75 Albion Street.
,, R. and W. Davidson, dairy-produce merchants, 9 Virginia Street.
,, Fulton and Weir, dairy-produce merchants, 67–71 Brunswick Street.
,, Mathie and McWilliam, dairy-produce merchants, 126–130 Ingram Street.
,, Moorhead, Watson, and Co., dairy-produce merchants, 104 Brunswick Street.
,, James Osborne and Co., dairy-produce merchants, 60 Virginia Street.
,, Stevenson and Pae, provision-merchants, Cochrane Street.
,, Singleton, Dunn, and Co., timber-merchants, 27 Union Street.
Govan Ropework Company, hemp-importers, Helen Street, Govan.

6. LONDON.

Mr. W. Cooper, meat-importer, Smithfield, Chairman of Thames Navigation Committee, Corporation of London.
Mr. J. J. Redding, 89 The Minories, Chairman of Officers and Clerks Committee, Corporation of London.
Messrs. Eastmans (Limited), meat-importers, 91 Charterhouse Street.
,, J. Nathan and Co., produce-importers, 88 Gracechurch Street.
,, Hawkings and Tipson, hemp-importers, The Minories.
,, Rowson, Hodgson, and Co., produce-importers, 35 Tooley Street.
,, Lonsdale and Co., produce-importers, 35 Tooley Street.
,, Van der Bergs (Limited), produce-importers, 82–84 Fenchurch Street.
Mr. D. Allister, produce-importer, Mark Lane.
Mr. James Gillanders, produce-importer, 41 Tooley Street.
Messrs. Birt, Potter, and Hughes, shipping agents, 2 Fenchurch Avenue.

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