

SESSION II.
1912.
NEW ZEALAND.

HIGH COMMISSIONER FOR NEW ZEALAND

(REPORT OF THE) FOR THE YEAR ENDING 31ST MARCH, 1912.

Presented to both Houses of the General Assembly by Command.

DEPARTMENT OF THE HIGH COMMISSIONER: REPORT FOR 1911.

SIR,— Westminster Chambers, 13 Victoria Street, London S.W., 10th May, 1912.

In submitting the following report upon the work of the High Commissioner's Department during the year 1911, I desire to draw your special attention to the following points:—

- (1.) The large increase in the growth of the Department during recent years; and
- (2.) The number, extent, and variety of the subjects dealt with.

The growth of the Department is perhaps best evidenced, firstly, by the number of salaried officers now employed as compared with former years, and, secondly, by the comparisons set forth hereinafter between the present volume of certain parts of the departmental work and that for previous years. There are now, including the High Commissioner, the Veterinarian, and the Dairy-produce Inspector, forty-eight salaried officers on the books of the Department, as compared with nineteen in 1902 and sixteen in 1892; whilst the following figures partially serve to illustrate the extent of the growth of the work:—

| | 1911. | 1909. | 1902. | 1895. | 1892. |
|--|-------|-------|-------|-------|-------|
| Despatches received and sent to the Dominion | 9,536 | 8,267 | 5,084 | 2,560 | 2,586 |
| Cablegrams received and sent to the Dominion | 1,258 | 958 | 742 | 306 | 168 |
| Foreign Imprest Account: Number of payments | 6,489 | 5,266 | 3,609 | 1,772 | 2,048 |

The increase has been collateral with the growth of the Dominion, but in addition has been accelerated here by the starting of the new Shipping and Immigration Branch in November, 1909, which latter has been done with satisfactory financial results to the Dominion.

As regards the subjects dealt with by the officers of the Department, these comprise almost every matter touched upon by the different Departments in the Dominion. Their variety and extent has been multiplied in recent years by the evident desire of the various Departments to make use of this office for information and assistance whenever it can be best obtained and furnished from this country. Its scope is not, however, limited to the Government Departments, but the services of its officers are freely utilized by local bodies and individuals in the Dominion and in this country requiring assistance in procuring goods or information. This, of course, throws upon the responsible officers a far greater amount of work than in former years, and this work being of such a varied nature it greatly increases the responsibilities of these officers and the arduousness of their positions, which probably is not shared to the same extent by officers of any other single Department in the Dominion.

Before proceeding to give details of the work transacted in the year 1911, it will perhaps not be out of place to briefly describe for record purposes the composition of the office and the method adopted for dealing with the many subjects previously referred to.

The Department has practically three main branches, all under the supervision and direction of the permanent Secretary of the Department, who is responsible to the High Commissioner for the proper carrying-out of the work. These branches are—(1) The General Section; (2) the Financial and Commercial Section; (3) the Shipping and Immigration Section. In addition to these three main branches there are smaller sections of the Department entrusted to—(4) The Produce Commissioner; (5) the Veterinarian; (6) the Dairy Inspector.

The General Section, under the charge of the Chief Clerk, Mr. Row, deals with the dissemination of information concerning the Dominion both to visitors and by correspondence. It also

deals with diplomatic matters; educational and other Government or local bodies' appointments of various kinds; the obtaining of all publications ordered by the Dominion; arrangements as to Defence officers undergoing training here; and generally deals with such matters as are not specially undertaken by the other branches.

The Finance and Commercial Section is under the charge of the Accountant, Mr. Copus. It deals with the detail working of all financial matters and the accounts of the Department. In addition, the placing and execution of contracts for material (which involves asking competitive quotations in every case where practicable) for various Departments or local bodies and the obtaining of live-stock form part of the work of this branch, besides all insurance matters (life, fire, and marine), Public Trust Office business, and all work in connection with Government securities.

The Shipping and Emigration Section is under the charge of the Trade and Immigration Representative, Mr. Donne. It deals with the arrangements for the shipment of goods procured through the Finance and Commercial Section, and also the securing and arranging of passages for approved settlers. This section now also undertakes all the advertising in this country in connection with the Dominion, as well as the preparation and issue on loan of lantern-slides for the numerous lectures on the Dominion which are given all over the country.

The Produce Section, under Mr. Cameron, deals with all matters pertaining to produce, market cables, and also the work entailed in connection with the collection, display, &c., of exhibits at the various exhibitions.

The Veterinary Section, under Mr. Crabb, deals mainly with the inspection of New Zealand meat arriving in this country, and with the export of live-stock from this country to the Dominion.

The Dairy Produce Section, under Mr. Wright, deals with the inspection of dairy-produce arriving in this country from New Zealand.

In addition the following technical advisers are attached to the office: Major-General E. Harding Steward acts as Military Adviser and Inspector of Warlike Stores and Cadet Equipment ordered by the Defence and Education Departments; Messrs. Carruthers and Elliot act as Consulting Engineers and Inspectors as regards railway, public works, and other stores and material; Messrs. Preece, Cardew, and Snell act as Consulting and Inspecting Engineers in respect to telephone and telegraph material; Mr. Sandle acts as Adviser and Inspector for stationery, stamp-paper, &c.; Messrs. D. and C. Stevenson act as Marine Engineers for lighthouse and similar materials.

FINANCIAL.

As the more important financial transactions are confidential, I am embodying them in a separate letter. As you are aware, this is a very important and responsible part of the work of the Department, and involves the keeping of accounts and conducting of transactions with the Bank of England, the Bank of New Zealand, the Crown Agents for the Colonies, Messrs. J. and A. Scrimgeour, and the Inland Revenue Department. In addition, the business appertaining to the Loan and Stock Agents and the trustees of the sinking fund of loan of 1863 is carried out by the Department.

GENERAL AND COMMERCIAL.

Attached hereto are appendices containing statistical particulars which in themselves give a good indication of the extent and variety of the business transacted by the Department, but I desire to draw special attention to the following figures and particulars for purposes of comparison:—

The amount of correspondence is again much above that of past years. The total number of letters received and despatched during 1911 amount to 167,668 (being a daily average of 536), as compared with 137,546 (being a daily average of 439) in 1910, and with 76,757 (being a daily average of 245), the average of the eight years up to the year 1906.

The number of Government despatches received from and sent to the Dominion amounted in 1911 to 9,536, as compared with 8,598 in 1910, 8,267 in 1909, 5,084 in 1902, 2,560 in 1895, and 2,586 in 1892. The number of rail and book packets despatched during 1911 amounted to 3,431, as compared with 3,388 in 1910.

The number of cablegrams received from and sent to the Dominion in 1911 on public business was 1,258, as compared with 1,273 in 1910, 958 in 1909, 306 in 1895, and 168 in 1892.

Publications relating to the Dominion, amounting to a total of 601,737 (as per attached list) have been circulated during the past year, as compared with 372,136 in 1910 and 175,943 in 1906.

INDENTS.

The number of orders of all descriptions received from the various Government Departments during 1911 was 639, involving the placing of 929 separate contracts, as compared with 483 and 767 respectively in 1910. In addition to these there were 415 standing orders, principally for publications, as compared with 381 in 1910 and 192 in 1902. The value of many of these indents is very considerable, and their placing and execution requires great care and experience, involving in every case where practicable the invitation of as many competitive quotations as possible. The figures show a marked increase, and they add considerably to the number of accounts and shipments.

In addition, a great quantity of bridge material, for which the contracts are let in New Zealand, is supplied from an inspected in this country. In 1911 this amounted to 2,530 tons of material of all descriptions, the checking and passing of which adds considerably to the work of the office.

SHIPMENTS.

During the year 1,314 separate shipments were made, comprising 22,232 tons dead-weight, representing 123,799 bundles, pieces, casks, or cases, and 27,501 packages of measurement goods, as compared with 18,000 tons dead-weight and 29,000 packages of measurement goods in 1910. In addition, one million salmon-ova were supplied and shipped to New Zealand, besides shipments of pheasants, little owls, one bull and six heifers; the arrangements for these entailing considerable work and careful attention to ensure their arriving in New Zealand in a satisfactory condition.

MARINE INSURANCE.

The number of marine insurances effected on these goods and material amount to 1,708, representing £471,404, as compared with 1,561 and £398,081 in 1910 and 1,121 and £266,467 in 1899.

PUBLIC TRUST OFFICE.

The number of payments made on account of intestate and trust estates dealt with by this office during 1911 on behalf of the Public Trustee was 622, and the amount disbursed on account thereof was £17,893, as compared with 552 and £18,510 in 1910, showing a considerable increase in the number of payments.

I have referred in the attached financial part of this report to the number and value of the deposits by insurance companies under the Foreign Insurance Companies Deposits Act, 1908, and held here on behalf of the Public Trustee.

GOVERNMENT LIFE INSURANCE.

The number of policies registered at this office amounted in the past year to 582, representing £188,419, the amount insured, as compared with 584 and £183,339 in 1910.

The number of premiums received in 1911 was 836, amounting to £5,237 11s., as compared with 834 amounting to £5,233 in 1910, and the amount of annuities paid was £2,432, as compared with £2,170 in 1910.

In addition to the receipt of premiums and payment of annuities, transactions connected with loans and surrender of policies have been completed by this office, as well as the procuring of birth and other certificates from various parts of the United Kingdom.

STATE FIRE INSURANCE.

The number of reinsurances effected with the underwriters through this Department in 1911 was 3,220, representing an amount of £823,436 and premiums of £4,517, as compared with 2,423 and £818,020 and £4,366 respectively in 1910. In addition to these, 3,404 renewals, representing £1,050,223, were effected in 1911, as compared with 2,953 and £901,463 in 1910, and the amount of renewal premiums in 1911 was £6,373, as compared with £5,490 in 1910. The arranging of the annual reinsurance cover with Lloyd's underwriters is effected through this Department, together with any variations therefrom from time to time.

OLD-AGE PENSIONS.

This office also obtains, under instructions from the Old-age Pensions Branch in the Dominion, the necessary proofs of age in cases where applicants apparently have been unable to furnish proof. Schedules of such cases are received regularly from the Dominion, and the amount of correspondence with all parts of the United Kingdom necessary to obtain proof is very great, and several hundred certificates and other forms of proof were obtained and sent to the Dominion last year. The proofs obtained, however, do not give any idea of the amount of work, as the correspondence in cases where no proof is obtainable is always heavier than in successful cases.

INFORMATION BUREAU.

I attach list [not printed] of the publications, &c., relating to the Dominion which can be seen or obtained at the Information Bureau.

The number of persons calling personally at the Bureau for information respecting New Zealand and the prospects it holds out to those who desire to settle in one of the colonies has been great, and the number of visitors from the Dominion has been even larger than usual during the past year, owing, of course, to the Coronation. These visitors naturally look for considerable attention from this Department, and I make a point of doing all that I can to assist them in seeing as much of interest in this country as possible. This, of course, involves a very great amount of work and correspondence in obtaining special permits for places of interest, and in the furnishing of very many letters of introduction. Many thousands of such permits were secured for visitors last year.

The extent to which this office is utilized by visitors from New Zealand is shown by the fact that 21,436 letters, &c., addressed to them "care of the High Commissioner" were received for the purpose of their being forwarded to addresses entered in the visitors' book. The figures for 1910 were 14,700. There is a steady and constant increase in this item.

I am glad to be able to again report that a large number of letters were received during 1911 containing expressions of thanks and appreciation for the information and assistance afforded by the High Commissioner's Department to the writers. I attach copies of a few such letters [not printed].

The reading-room attached to the Bureau, where files of the New Zealand papers and parliamentary and other publications can be seen, has been resorted to by a large number of visitors and others seeking information.

Inquiries made on subjects other than those relating to the prospects of intending settlers have been very numerous, and the official publications belonging to the library of the Department have been in constant requisition in respect to matters relating to New Zealand legislation, powers of attorney, intestate estates, old-age pensions, mining, formation of companies, Customs duties, education, labour legislation, and other matters relating to the Dominion.

SHIPPING AND IMMIGRATION BRANCH.

With reference to this branch, I desire to draw attention to the financial results as shown by the report herewith, and how, if desired, the number of immigrants can be increased to any number required by the Dominion; and I am of opinion that a trial should be made of sending out lads who come from agricultural districts, and therefore would be better suited for colonial life than those selected from towns.

The addition of this branch has, of course, entailed increased work and responsibilities to the other branches of this Department. Every effort has been made to carry out the work efficiently and economically, with a view to ensuring that the branch should pay its way, and this, I am glad to say, has been the case.

I do not propose to go into further detail here, as the matter is fully dealt with in the report by Mr. Donne attached hereto.

REDUCED-RATE PASSAGES.

The number of persons to whom reduced-rate passages were granted and who embarked for New Zealand was 3,300, taking with them £33,922 declared capital, making a total of 25,208 persons, taking with them £769,315 declared capital who have gone out under the reduced-rate passages regulations since March, 1904, when new regulations came into force. Under the regulations in force prior to March, 1904, 3,091 persons went out thereunder, taking with them £623,450 capital. The total number, therefore, of reduced-rate passengers since the system was recommenced is 28,299, taking with them £1,392,765 capital.

As I have before remarked in previous reports, there is no doubt that many persons take with them a larger amount of capital than that which they name on their applications, so that the actual amount which has been taken out by the reduced-rate passengers materially exceeds the above amounts.

The carrying into effect of the regulations under which these passages are granted involves a large amount of work and correspondence. In the first place, the requests for information have to be dealt with; then comes the work of considering the applications sent in by those who decide to apply, correspondence with the persons named by the applicants as references, the consideration of their replies and of the medical examiners' reports as regards the applicants' health; and, after finally approving or declining, the arrangements have to be made for passages and embarkation of those who have been approved. The advertisements directing attention to these passages appear in nearly two hundred newspapers and other periodical publications circulating in the various parts of the United Kingdom, and they have the effect, no doubt, of keeping the Dominion well before the public of this country. I may mention that in selecting the newspapers, &c., in which to insert the advertising matter preference is given to those circulating in agricultural districts. During the last three years and a half the granting of reduced-rate passages has been limited to persons of the agricultural and dairying classes, domestic servants, and those nominated through the Government Immigration Office in the Dominion.

I may add, in respect to this part of the work of this Department, that it is gratifying to note that almost invariably the reports of the Immigration Officers in the Dominion concerning the reduced-rate passengers are favourable as regards their appearance and general character.

During the lecture season numerous applications were received for the loan of lantern-slides to illustrate lectures on New Zealand. More than one hundred lectures on New Zealand in various parts of the United Kingdom were illustrated in this way.

NEW ZEALAND PRODUCE AND EXHIBITIONS.

Mr. Cameron has prepared, as usual, a special report dealing with the work carried out by and under his direction during the year 1911. A copy of this report is attached hereto.

VETERINARIAN.

Mr. Crabb's report upon the work carried out by him during the year 1911 is attached.

DAIRY INSPECTOR.

The report by Mr. Wright upon the work carried out by him for the portion of last year commencing with his arrival in this country is attached.

SPECIAL WORK FOR LOCAL BODIES, ETC.

A considerable amount of business has been transacted by the Department on behalf of public bodies and institutions and others outside the Government Departments, as follows: For the Auckland City Council, obtaining arms and supports for City of Auckland: for the Auckland Acclimatization Society, obtaining and shipping pheasants and partridges: for the Otago Harbour Board, obtaining tenders for tug and salvage steamer: for the Hawke's Bay Fruitgrowers' Association, obtaining and shipping forty little owls, food, crates, &c.: for the Lyttelton Har-

hour Board, completion of order for dredge "Canterbury" (value nearly £40,000): for the Canterbury Acclimatization Society, obtaining and despatching 900 salmon-marks: for the Kāpōnga Defence Rifle Club, obtaining and forwarding two telephone sets: for the Auckland Education Board, obtaining—(1) Chief Lady Instructor for Domestic Department, Auckland Technical College; (2) Woodwork Instructor for Hamilton and Cambridge Manual Training Schools; (3) second Art Master for Auckland Technical College: for the University of Otago, obtaining Professor of Chemistry: for the Wellington Education Board, assisting Mr. J. S. Tennant in connection with appointment of Instructress in Domestic Economy: for the Auckland Art Gallery and Government House, Wellington (per Hon. E. Mitchelson), obtaining photographs of former Governors of New Zealand from their relatives: for the Canterbury Association, obtaining further photographs, letters, papers, and interesting records relating to the early history of this association.

CORONATION AND IMPERIAL CONFERENCES.

The Coronation and the visit to this country last year of the Prime Minister and the Attorney-General to attend the Imperial Conference naturally added a good deal of work to this Department, much clerical help being required by them in dealing with the heavy correspondence which they had during their stay.

DISTRESSED NEW-ZEALANDERS.

Many applications are still made to this office by distressed New-Zealanders for assistance to enable them to return to their homes in the Dominion, and the necessary inquiries into their cases entail a considerable amount of correspondence. In most cases the men come over to this country with very little prospect of obtaining funds sufficient to enable them to pay their passage back to their homes; consequently application has to be made to the various shipping companies trading with New Zealand to allow them to work their way, and, although these stranded persons often cause discontent amongst the regular crew, the companies are generally ready to find working passages if possible. In some cases it is necessary to supply these men with board and lodging, and also with clothing.

APPOINTMENTS.

In addition to his position as representative of New Zealand in this country, the High Commissioner holds the appointments of Stock Agent, Commissioner under the Public Revenues Act, Loan Agent under the New Zealand Loans Act, 1908, and various authorizing Acts, Sinking Fund Trustee and Custodian under the Public Securities Act. He also acts as representative of New Zealand on the Pacific Cable Board and as New Zealand representative on the Advisory Committee assisting the Board of Trade in the management of the Imperial Institute, and member of the Board of Trade Advisory Committee on Commercial Intelligence.

Mr. Palliser, in addition to the duties appertaining to his appointment of Secretary to this Department, holds also the appointments of Stock Agent, Commissioner under the Public Revenues Act, Loan Agent, Custodian and Sinking Fund Trustee.

In conclusion, I beg to state that the brief particulars and statistical information given in this report show that the business of this Department increases year by year in variety and amount, and in reference thereto I deem it right to place on record that the officers whose duty it is to carry into effect the Government's and High Commissioner's instructions continue to do so loyally and efficiently, notwithstanding the inconvenience experienced in these offices. I am still hopeful that the Government will authorize removal to a more central thoroughfare, where, in addition to improved office arrangements, an effective display of New Zealand's products can be made.

I have, &c.,

WM. HALL-JONES.

The Hon. the Prime Minister, Wellington, New Zealand.

APPENDIX.

HIGH COMMISSIONER'S DEPARTMENT: DETAILS OF WORK, 1911.

| | | | | | |
|--|----|----|----|-------------|------------|
| Number of letters received from Dominion and elsewhere | .. | .. | .. | .. | 99,662 |
| Number of letters sent to Dominion and by hand | .. | .. | .. | .. | 68,006 |
| Number of letters received for visitors and readdressed | .. | .. | .. | .. | 21,436 |
| Book packets sent | .. | .. | .. | .. | 2,290 |
| Rail packets sent | .. | .. | .. | .. | 1,141 |
| Number of despatches, memos, and letters received from Government Departments in New Zealand | .. | .. | .. | .. | 2,935 |
| Number of despatches, memos, and letters sent to Government Departments in New Zealand | .. | .. | .. | .. | 6,601 |
| Number of standing orders | .. | .. | .. | .. | 415 |
| Number of cablegrams to and from the Dominion— | | | | | |
| Outward | .. | .. | .. | .. | 622 |
| Inward | .. | .. | .. | .. | 636 |
| Amount of receipts into Public Account in London | .. | .. | .. | £10,050,924 | 1s. 8d. |
| Amount of payments therefrom | .. | .. | .. | £9,966,053 | 6s. 2d. |
| Number of Treasury vouchers passed for payment on Foreign Imprest Account | .. | .. | .. | .. | £6,489. |
| Amount of payments made through Foreign Imprest Account | .. | .. | .. | £1,933,775 | 18s. 9d. |
| Amount of pensions paid | .. | .. | .. | .. | £1,697 8s. |
| Number of orders for goods and material from Government Departments in the Dominion | .. | .. | .. | .. | 639 |

| | |
|--|-------------|
| Number of contracts | 929 |
| Number of marine insurances effected | 1,708 |
| Amount insured | £471,404 |
| Number of shipments | 1,314 |
| Bridge material, &c., inspected only (approximate tonnage) | 2,529 tons. |

New Zealand Government Life Assurance.

| | |
|---|----------------|
| Number of policies on registry | 582 |
| Amount insured | £188,419 |
| Number and amount of the premiums received— | |
| Number | 836 |
| Amount | £5,237 11s. |
| Amount of annuities paid | £2,432 6s. 2d. |

Public Trust Office.

| | |
|--|-----------------|
| Number of payments under trusts and estates dealt with | 622 |
| Amount disbursed on account of Public Trust Office | £17,893 9s. 9d. |

State Fire Office.

| | |
|--|--------------------|
| Number of reinsurances effected | 3,220 |
| Amount of reinsurances effected | £823,435 16s. 2d. |
| Amount of premiums (net) | £4,516 17s. 10d. |
| Number of renewals effected | 3,404 |
| Amount of renewals effected | £1,050,223 4s. 2d. |
| Amount of renewal premiums (net) | £6,372 19s. |

High Commissioner's Department.

| | |
|---|------------------|
| Number of coupons paid | 8,182 |
| Amount of coupons paid | £140,629 3s. 6d. |
| Amount of bonds from which coupons were paid | £3,652,914 |
| Bonds matured and paid off, exchanged, converted into stock, transferred, or cancelled and returned to New Zealand— | |
| Amount | £1,028,500 |
| Number | 1,634 |
| Bonds issued— | |
| Amount | £285,000 |
| Number | 265 |

SHIPMENTS BY THE HIGH COMMISSIONER'S DEPARTMENT.

| Number of Bundles, Pieces, Casks, or Cases. | | <i>Dead-weight.</i> | | | |
|---|--|---------------------|------|-----|-----|
| | | Tons. | cwt. | qr. | lb. |
| 46,697 | Steel rails | 15,930 | 6 | 1 | 15 |
| 30,859 | Rail-fastenings, fangs, spikes, bed-plates, fish-plates, and fish-bolts, &c. | 1,582 | 10 | 2 | 2 |
| 5,048 | Steel tires | 663 | 0 | 1 | 0 |
| 576 | Channel-bars | 231 | 4 | 1 | 1 |
| 6,503 | Iron and steel plates, bars, angles, rods, &c. | 1,131 | 16 | 2 | 10 |
| 3 | Steel castings | 3 | 16 | 2 | 3 |
| 3,699 | Steel-axle forgings, steel forgings, &c. | 419 | 9 | 2 | 19 |
| 92 | Copper wire, &c. | 28 | 4 | 1 | 26 |
| 13,379 | Pig iron | 634 | 0 | 0 | 0 |
| 1,030 | Galvanized-iron wire and bolts | 50 | 17 | 2 | 0 |
| 800 | White-lead | 42 | 17 | 0 | 16 |
| 4,692 | Insulator-bolts | 112 | 14 | 2 | 5 |
| 2,827 | Machinery, cranes, chains, ropes, &c. ; wheels and axles | 646 | 15 | 1 | 26 |
| 100 | Telegraph material | 7 | 1 | 2 | 17 |
| 3,963 | Steel coil springs | 210 | 9 | 0 | 3 |
| 2,563 | Defence—Shot-fuses, cartridges, gunpowder, &c. | 80 | 4 | 3 | 20 |
| 320 | Spring steel | 51 | 6 | 2 | 25 |
| 618 | Hoop steel | 30 | 1 | 3 | 1 |
| 30 | Knots submarine cable | 375 | 0 | 0 | 0 |
| 123,799 | | 22,231 | 17 | 1 | 21 |

Measurement Goods.

| |
|---|
| 279 pieces and packages Pintsch's gaslight apparatus. |
| 484 bales cotton and woollen waste. |
| 230 bales canvas. |
| 115 pieces and packages workshop machinery, cranes, weighbridges, &c. |
| 1,857 cases, &c., telegraph and telephone material and stores. |

- 10,800 cases, &c., insulator-cups.
 3,690 cases, &c., general stationery, Printing and Stationery Department, &c.
 95 cases mail-boxes.
 156 cases, casks, and bales, Telegraph Department stationery.
 48 cases scientific instruments, various.
 251 barrels sheet-dressing composition.
 12 cases railway-ticket cards.
 170 cases, &c., Public Works and Mines stores, &c.
 19 cases, casks, &c., marine stores, &c.
 49 cases, &c., Survey Department stores, Asylum, Tourist and Health, chemicals, &c.
 125 cases postage-stamp papers, letter-card papers, &c.
 533 cases general railway stores.
 270 kegs chloride of lime.
 24 cases books and sundries.
 4,692 cases, barrels, &c., Ordnance and Defence stores, guncotton, cordite, shell, fuses, cartridges, rifles, &c.
 853 cases boiler-tubes.
 19 cases Agricultural Department stores, &c.
 105 cases Education Department material.
 800 drums (4,000 gallons) turpentine.
 400 drums (2,000 gallons) colza oil.
 74 drums (404 gallons) Rangoon oil.
 1,000 cases (10,000 gallons) paraffin oil.
 400 gallons dustolio.
 188 packages, &c., linoleum and cork carpet.
 36 packages paint.
 19 packages returned exhibits.
 16 boxes (comprising 1,989 cubic feet) salmon-ova.
- Live-stock.*
- 44 pheasants.
 40 little owls.
 7 cattle (1 bull, 6 heifers).
 1 dog.

27,501

LIST OF PUBLICATIONS ON NEW ZEALAND DISTRIBUTED FROM THE HIGH COMMISSIONER'S OFFICE
DURING THE YEARS 1910 AND 1911.

| | 1910. | 1911. |
|--|---------|---------|
| New Zealand Official Year-book | 1,034 | 990 |
| Advance Sheets of Official Year-book | 7,300 | 9,436 |
| Settlers' Handbook of New Zealand | 157 | 1,020 |
| New Zealand Handbook | 29,500 | 33,400 |
| Professional Handbook | 307 | 250 |
| Emigration Statutes and General Handbook | 124 | 100 |
| New Zealand Illustrated Handbook | 111,500 | 152,000 |
| Journal of the Department of Labour | 5,411 | 8,390 |
| New Zealand Mining Report | 70 | 100 |
| Crown Lands Guide | 792 | 634 |
| List of Publications available at the High Commissioner's Office and other General Information | 31,850 | 45,000 |
| Maps of New Zealand for Emigrants' Information Office | 30,000 | 60,000 |
| New Zealand Government Railway Time-table | 240 | 243 |
| Reduced-rate-passages Application Forms | 26,200 | 65,000 |
| New Zealand Wants Domestic Servants | .. | 28,500 |
| Statistics of New Zealand | 1,030 | 990 |
| Books of Views of New Zealand | 710 | 194 |
| New Zealand Post-cards | 1,450 | 1,700 |
| New Zealand Customs Tariff | 30 | 45 |
| New Zealand Census Results | 75 | 20 |
| Pamphlets giving Information <i>re</i> Wool and Meat | 52,500 | 96,500 |
| New Zealand Itinerary of Travel | 106 | 70 |
| New Zealand (Cowan) | 950 | 275 |
| New Zealand in a Nutshell | 64,800 | 89,380 |
| Miscellaneous: Reports of Department of Agriculture, Cheeseman's Flora of New Zealand, New Zealand Mining Handbook, A Tour through Westland, The Marlborough Sounds and Nelson, Nautical Almanacs, Acts, Parliamentary Papers, Topographical Maps of New Zealand, Extracts from Customs Tariff <i>re</i> Passengers' Baggage and Effects | 6,000 | 7,500 |
| | 372,136 | 601,737 |

IMMIGRATION, SHIPPING, AND ADVERTISING DEPARTMENTS.

SIR,—

8th May, 1912.

I have the honour to report on the work of the Immigration, Shipping, and Advertising Departments for the year ending 31st March, 1912.

IMMIGRATION.

Following are tables showing a comparison of the number of persons dealt with under the reduced-rate passage scheme for the years 1910–11 and 1911–12 :—

| | 1910–11. | 1911–12. |
|--|-------------|-------------|
| Number of applications received | 2,898 | 4,235 |
| " approved | 1,758 | 2,231 |
| " declined, abandoned, and in abeyance.. | 1,140 | 2,004 |
| Number of persons to whom reduced-rate passages were granted who proceeded to New Zealand— | | |
| Farmers | 506 | 520 |
| Single women domestic servants | 831 | 1,020 |
| Wives rejoining their husbands | 325 | 397 |
| | <hr/> 1,662 | <hr/> 1,937 |
| Total number of souls | 2,634 | 3,300 |
| Number of persons nominated in New Zealand | 713 | 846 |

There was an increase of 666 in the number of souls booked.

During last season, by arrangement with the shipping companies, two extra steamers were scheduled to sail for New Zealand—viz., the s.s. "Tongariro" and the s.s. "Mamari"—which left London on the 20th October and 12th December, and carried 358 and 491 reduced-rate passengers respectively.

Owing to our not being able to secure sufficient accommodation, the usual congestion of applications and nominations for reduced-rate passages occurred, preventing a large number of intending emigrants from proceeding to New Zealand at the reduced rates, and they had either to pay ordinary fares and sail during the winter months or else wait for the present season's bookings. The demand for accommodation to New Zealand has been so great that at times all third-class berths were booked up fully three months in advance. I feel certain that two, or even three, additional steamers could have been readily filled with emigrants for New Zealand had they been available.

The first steamer of the season by which farmers and nominated persons, other than domestic servants, were forwarded was the s.s. "Tainui," which left London on the 20th July, 1911; and the final steamer was the s.s. "Turakina," which sailed from London on the 20th January, 1912.

I would suggest for consideration that, as far as possible, those who are nominated by relatives resident in New Zealand should be permitted to travel between January and August, so as to relieve the demand for accommodation which occurs during the August-December season, it being arranged for the nominators in New Zealand to undertake to provide work for their nominees immediately on arrival.

I must reiterate that, in my opinion, farmers and farm hands could with advantage be sent from here in June and July, so as to arrive in New Zealand in July and August respectively, in which case farmers could purchase farms and begin operations immediately after winter, and farm labourers could hire themselves to farmers in time for ploughing and other early operations.

The amount of capital submitted for inspection by the Department and taken to New Zealand by reduced-rate passengers amounted to £33,922, but it is known that this did not fully represent the total sum of money taken by these passengers. Many of them, as a rule, merely declared the amount of capital necessary to comply with existing conditions, as they did not desire that their financial position should be generally known.

The class of farmer, farm labourer, and single-women domestic servant who apply for reduced-rate passages are, speaking in general terms, very high and satisfactory, and it is not often that such passages are declined for lack of good character.

Large numbers of applications are received from those who are not eligible for consideration in respect of reduced-rate passages; many of them who have had farming experience in early life having taken up other forms of employment, and many of the girls having been employed in factories or other occupations outside of domestic service. In all cases strict inquiries are made as to character and health, as well as other suitability, before reduced-rate passages are granted. The ages of persons to whom reduced-rate passages are given is restricted to fifty years as a maximum for farmers, and thirty-five years for domestic servants, the minimum age in both cases being seventeen years. In all cases where the person applying is under twenty-one years of age, the written consent to their going to New Zealand is obtained from the parents or guardian.

The practice of sending a matron with parties of not less than twenty-five girls has been maintained, and it is found that a good type of highly principled certificated medical nurses are willing to proceed to New Zealand as matrons on the voyage. It is gratifying to note that the reports of the matrons and the Immigration Officer in New Zealand show the type and class of persons who are being sent to New Zealand under the Government immigration scheme to be quite satisfactory.

The following table of the population and comparative increase of the countries named for the last ten years, 1901–11, shows that New Zealand obtained a very gratifying percentage.

POPULATION AND INCREASE PER CENTUM, 1901-11.

| Name of Country. | Population. | | Increase per Cent. |
|----------------------------|-------------|-----------|--------------------|
| | 1901. | 1911. | |
| New Zealand.. .. | 772,719 | 1,008,468 | 30.509 |
| Australia | 3,773,801 | 4,449,493 | 17.904 |
| Union of South Africa.. .. | 4,992,188 | 5,958,499 | 19.356 |
| Canada | 5,371,315 | 7,081,869 | 31.846 |

SHIPPING (FREIGHT).

The work of the shipping department, as distinct from the immigration work, has also been very heavy during the past year. The quantity of goods dealt with comprised 22,230 tons dead-weight, and 25,100 packages of measurement goods, comprising 4,000 tons; also 16,800 gallons of oils, besides special shipments of birds, cattle, salmon-ova, cordite, &c. The amount of goods shipped would probably have been increased by over 3,000 tons had it not been for the strikes of the dockers, railway-men, and coal-miners. Attached hereto is a list showing in detail the various consignments of goods which have been forwarded. (See page 6.)

The following table shows the receipts and expenditure in connection with the Immigration and Shipping Department:—

| <i>Receipts.</i> | | | | <i>Expenditure.</i> | | | |
|---|---------------|-----------|----------|---|---------------|-----------|----------|
| | £ | s. | d. | | £ | s. | d. |
| Commission and bonuses on reduced-rate passages from 1st April, 1911, to 31st March, 1912 | 1,803 | 11 | 0 | Salaries (including half Mr. Donne's) | 1,409 | 10 | 0 |
| Commission on shipment of goods .. | 975 | 0 | 0 | Stationery | 79 | 10 | 0 |
| | | | | Carriage on parcels, slides, &c. .. | 27 | 10 | 3 |
| | | | | Rent, light, &c... .. | 62 | 0 | 7 |
| | | | | Postage | 50 | 0 | 0 |
| | | | | Furniture, typewriters, telephones, carpets, shelves, travelling-expenses, stamp duty (£70), and other incidental expenses .. | 165 | 0 | 0 |
| | | | | Net profit | 985 | 0 | 2 |
| | <u>£2,778</u> | <u>11</u> | <u>0</u> | | <u>£2,778</u> | <u>11</u> | <u>0</u> |

The net profit (£985 0s. 2d.) therefore shows an increase of £41 0s. 2d. on last year's working.

ADVERTISING.

The amount expended in advertising during the year for the promotion of immigration to New Zealand was £834 2s. 9d., covering advertisements in newspapers, magazines, show catalogues, &c., the weekly distribution of news items, principally in reference to farming in New Zealand, the preparation and issue of pamphlets, maps, lantern-slides, and show-cards. The amount recovered in connection with advertising was £505, leaving a net cost of advertising on account of immigration at £329 2s. 9d.

The stock of lantern-slides for lending purposes has been increased by 1,500, and now covers a good range of agricultural, industrial, scenic, and other subjects.

An additional pamphlet containing comprehensive information respecting farming in New Zealand has been prepared, and is now in course of printing.

CORRESPONDENCE.

The inward correspondence, especially in connection with inquiries from persons desirous of proceeding to New Zealand, has increased very much, the total number of letters received by the Immigration, Shipping, and Advertising Departments amounting to 34,070. This has also, of course, entailed a very considerable increase in outward correspondence.

STAFF.

The conduct of the staff has been entirely satisfactory.

The High Commissioner.

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

PRODUCE DEPARTMENT: REPORT FOR YEAR ENDING 31st MARCH, 1912.

SIR,—

Westminster Chambers, 13 Victoria Street, London S.W., 6th May, 1912.

I beg to submit herewith a report on the work done by the Produce Department during the past twelve months.

Throughout the year there has been a gradual enlargement in the number and variety of matters requiring attention. Not only has constant touch been maintained with the many markets on which the produce of the Dominion has been handled in order to gauge accurately their condition, but careful watch has been necessary in order to be in a position to give reliable quotations as to the value of the numerous lines in which producers in New Zealand are interested. The cables despatched each week to Wellington have dealt with such varied lines as mutton, lamb, beef, butter, cheese, hemp, wool, wheat, oats, beans, peas, cocksfoot, hops, kauri-gum, poultry, eggs, bacon, hams, &c. These cables have given full information concerning the lines enumerated, and, as far as could be done, they have been prepared in a manner which made it possible, by reading each succeeding cable with that preceding, to obtain a connected, continuous report of the several markets concerned.

General correspondence with firms in all parts of the United Kingdom has shown a decided growth, while an increasing number of inquiries of one sort or another have been received from foreign countries, including France, Germany, Belgium, Italy, the Netherlands, the United States, Japan, the Argentine, &c. In many instances these traders have desired to open up business with New Zealand houses as agents, or to extend their connection with the Dominion; and where it was not possible to place them in direct touch with suitable firms, their requirements have been notified to the Department in Wellington for registration and attention. A large amount of correspondence with Government Departments, Chambers of Commerce, &c., have also taken place during the year; and in several instances inquiries have been received direct from New Zealand merchants and others, and the desired information furnished accordingly.

As indicated last year, the increase in the general work necessitated my requesting further clerical assistance, which was duly granted, and my former assistant has been promoted to the vacancy caused by the transference of Mr. R. H. Hooper to Wellington. With the present staff, therefore, it has been found possible to cope adequately with all phases of the work, which I am pleased to be able to state is now quite up to date in every respect.

As in previous years, cabled advices of shipments of produce from the Dominion to this country were received from the Agriculture and Commerce Department at Wellington, and it has been my practice to send out regular weekly statements of these to merchants and the trades interested. This speeding-up and regularizing of the issue of the statements and the Statistical Products Export leaflets has doubtless proved of advantage to all concerned, and I am glad to note that the Department has responded to the request for prompt, steady cables, as they are undoubtedly looked for each week by those interested.

The distribution of the *New Zealand Farmer* has also been continued by the Government, and copies are regularly sent to libraries and reading-rooms in farming and agricultural districts all over the Kingdom.

The three pamphlets dealing with New Zealand meat have been brought up to date, and reset with new photographs; several thousands were distributed during the year, chiefly to butchers and small salesmen in various parts. Recently some interesting details of experiments with frozen meat have appeared in the Press, and these have been carefully noted for inclusion in future issues of the "Hospital" booklet.

During the year I have attended as often as possible at the meetings of the Association Internationale du Froid, and in December last went over to Paris for the purpose. My membership of the Cold-storage Association and the Incorporated Society of Meat Importers has also been maintained. I am thus able to keep in close contact with their work, and to get first-hand information of anything of interest. I also attended the annual meeting of the National Sheep-breeders' Conference, held at Norwich in June last, as the New Zealand representative. The meeting, unfortunately, from the point of view of attendance, was not a success, although the paper read by Mr. John Cook on "Supplies of Mutton and Wool to the United Kingdom from Outside Sources" was an excellent one. Copies of the proceedings and paper have been duly forwarded to the Dominion. Mention should be made of the fact that much regret was expressed when it was learned that the Hon. T. Mackenzie found it impossible to attend the Conference and read a paper, as had been hoped.

I have also found it possible in my spare time to deliver several lectures on New Zealand in different centres, and am pleased to state that the results have been encouraging. I have taken a plentiful supply of lantern-slides with me to illustrate my remarks, and considerable interest has been aroused, which should be of benefit to the Dominion. One recently arranged at the request of the Victoria League was given by me at Poulton, Gloucestershire. The audience consisted chiefly of farmers and farm labourers, and the "hall" hired for the purpose was the large barn of a local farmer! From this you will readily understand that the right classes of people are being reached.

So much for the general work undertaken during the period, and I will now review the principal features in connection with the produce trade of the Dominion during the twelvemonth.

GENERAL CONDITIONS.

The year 1911 has proved in many ways to have been a remarkable one in the history of the United Kingdom, and on looking back the soundness of the general trade must be noted with satisfaction. Several events have occurred which might have been expected to have seriously interfered with the course of business, but, on the whole, their effects have not, fortunately, been

such as to cause great fluctuations in the price of commodities. First of all, reference may be made to the unusually hot, dry summer experienced here, in common with the rest of Europe. Not for very many years has such a continued spell of tropical weather been known, and serious droughts occurred in most countries. Apart from natural causes, there have been many other disturbing factors. The year witnessed the varied Coronation festivities. These were followed a month or two later by great strikes in the transport and allied trades, culminating in a railway strike which threatened to paralyse the country's trade, and for a time placed London in the state of a besieged city. Then there were bank failures of some importance, followed in the late autumn by political complications of a serious nature in connection with the Moroccan dispute between France and Germany. But in spite of all there has been no violent depression, and, on looking at the records of the year's prices, there is satisfactory evidence that the twelve-month has been a prosperous one, and that trade has proceeded on sound, healthy lines.

FROZEN MEAT.

Taking all things into consideration, there is no doubt that the frozen-meat trade has had its share in the general prosperity. Although the majority of the prices realized were rather below those of the previous year, at any rate, so far as the mutton and lamb are concerned, they should, on the whole, have proved remunerative.

Mutton.

On examining the table of prices for mutton, as quoted in the weekly produce cablegrams sent regularly by me to the Dominion, one cannot fail to notice how unusually small the fluctuations have been from week to week during the greater part of the year. At the close of the last official year trade was slow and dragging. Values were low—3½d. per pound for Canterbury, and 3¼d. for North Island respectively. Although Canterbury muttons were scarce, there were plentiful stocks of North Island mutton in store, and everywhere sales were being pushed, so that by the middle of May values had receded to 3½d. and 2¾d. respectively, the lowest point reached during 1911. Plate mutton was at this time selling at from 2¾d. to 2½d. per pound.

These prices, however, had the effect of stimulating consumption, and the belief, then becoming general, that future shipments from the Dominion would be light caused a distinctly better tone in the market. Holders became firm in their demands, and, a fair business passing, prices moved upward about ¼d. per pound for all descriptions. By the middle of June quotations had advanced to 4d. for Canterbury muttons, which were very scarce, and 3½d. for North Islands, the demand being chiefly for carcasses of light weight, heavies being somewhat difficult to sell. The Coronation holiday requirements helped the inquiry a little, but a dull, inactive trade succeeded. Extremely hot weather was experienced in July, and stocks proved amply sufficient for the slow demand. On the 1st August the trouble in connection with the dockers employed by the Port of London Authority came to a head, and several thousands of the men struck work, this causing delay in the discharge of meat, &c., at the docks. During the succeeding week fresh bands of dockers, stevedores, lightermen, and others joined the strikers, and, as can be imagined, the trade of the port was considerably interfered with. Later on the railway-men, carmen, and other allied workers all came out. It was found almost impossible to unload the many cargoes of frozen and chilled meat, dairy-produce, &c. Business in the meat-market was almost entirely restricted, and indeed most of the London warehouses, cold-stores, &c., were unable to make deliveries. In these circumstances sellers demanded extreme prices, and no reliable quotations could be cabled to Wellington. On the 26th August, however, I was able to cable that the strike had terminated, that work had been resumed, and that the markets were again normal.

In September stocks of mutton were brought to a more moderate compass, and prices were steady. During the next two months trade continued slow at the high rates. Medium- and heavy-weight carcasses were scarce and in demand at the beginning of November, and commanded as much money as light-weights. Demand was small, but stocks were light, and this helped the position. River Plate sheep, however, were selling on Smithfield at from 3½d. down to 3¼d. per pound, and this no doubt had its effect on the New Zealand trade.

The dull demand continued through December, supplies being quite sufficient for all requirements, though quotations were maintained at 4¾d. for Canterbury and 4d. for North Island, the new year opening with values at 4½d. and 4¼d. respectively. By the middle of January Canterbury muttons had been completely cleared, and the moderate arrivals of North Islands were selling at about 4½d. to 4¼d. per pound for best sheep. The competition of Plate mutton was again felt during February, the selling-price averaging about 3½d. per pound, and 4d. was the average quotation for North Island during the month.

It was at the beginning of March that the great strike of the colliers all over Great Britain commenced, and, as may be imagined, this had a very depressing effect on the trade of the country. Many industries have had to entirely suspend operations owing to inability to obtain the necessary fuel for carrying on their works, and a good deal of unemployment has been occasioned thereby. The purchasing-power of a large section of the population consequently suffered, and this has had a bad effect on all trades connected with the food-supply. During March the demand for New Zealand mutton was dull and lifeless, and the margin between it and South American had to be reduced to bring about a satisfactory output, the official year closing with prices at 4¾d. for Canterbury and 3¾d. for North Island sheep, light-weight Plate fetching up to 3½d. and heavies 3½d. to 3¼d. per pound.

At the time of writing a settlement of the strike has been effected, with the aid of Parliament, and it is hoped that business will soon resume its normal course, though doubtless it will take some time to recover from the paralyzing effects of what is undoubtedly the biggest dispute ever known in this or any other country.

Lamb.

At the commencement of the twelvemonth the new season's lamb from the Dominion was selling at good prices. There were, however, large supplies of Australian in store, which affected New Zealand imports adversely. Heavy shipments from the Dominion during March and April also caused buyers to operate carefully, and quotations gradually declined until, a month later, they reached the lowest level of the year—viz., 4½d. for Canterbury and 4d. for other brands. By this time, however, Australian stocks were reduced to a more moderate compass, and the knowledge that the May and June shipments from the Dominion were likely to be lighter caused a better tone in the market. In spite of the large supplies of New Zealand on hand a good business was done, and prices continued to improve till towards the end of June, 5¼d. was being obtained for best Canterbury, and 5d. for other brands of New Zealand lamb. The Coronation holidays did not increase the output, as had been expected, and for a month or so afterwards demand was slow and inactive. Prices fell away about ¼d. all round, the inquiry being principally for light- and medium-weight carcasses. The smaller arrivals, however, exercised a good influence, and, as no stocks were accumulating, an increase in the demand caused prices to again take an upward tendency. Despite the warm weather, however, the output was not so satisfactory as might have been wished, and just at this time came the labour troubles already referred to, with the result that the market was completely disorganized for a time. During September the weather remained exceptionally fine, and the demand continued good at the rates then ruling, becoming less brisk towards the end of the month. As only moderate supplies were on hand, however, values were maintained at about 5¼d. for Canterburys (which were rather scarce) and 5½d. for other brands. Heavy marketings of Home-killed and Dutch lamb about this time naturally affected the sale of the New Zealand article. Inquiries gradually became less in consequence of the low prices of fresh mutton, and by the middle of November quotations for Canterbury were reduced to 5d. per pound, and for other brands to 4½d. per pound. By the middle of December most of the old season's lamb (New Zealand) was pretty well cleared, and the year closed with values at 5¾d. and 4¾d. respectively for Canterbury and other brands. The first of this season's New Zealand lamb—a shipment of about nine thousand carcasses from the North Island—arrived early in January, and for these about 5½d. per pound was averaged, buyers not being too keen, in view of the attraction of the lower-priced Australian supplies. A rather poor demand continued until about the middle of February, when New Zealand was fetching from 4¾d. to 5¾d., according to description and quality. There was practically no request for the few old season's which were still in store. Towards the end of the month the inquiry became more brisk, especially for prime Canterbury, and by the middle of March the market had a firm tone, and sales were quite satisfactory at about 5½d. to 5¾d. for best Canterbury and 5d. to 5¼d. for North Island, according to quality. The occurrence of the coal strike somewhat upset business at this time, but the official year closed with the demand quite active. Seeing that arrivals have been in moderate compass, and that shipments from New Zealand are smaller than those for the same period last year, while reports of an unfavourable season in the Dominion are in circulation, there has been no difficulty in maintaining values. The average quotations for the last week of the twelvemonth can be set down at 5¾d. for Canterbury and 5¾d. for other brands.

I append figures of the average prices of mutton and lamb for the twelve-monthly period, as quoted by cable weekly to Wellington: Canterbury mutton, 4d. per pound; North Island mutton, 3½d. per pound. Canterbury lamb, 5d. per pound; other brands lamb, 4½d. per pound.

I also subjoin a table setting forth the total importations of mutton and lamb into the United Kingdom, giving for comparison statistics for the official years 1910 and 1911, which will doubtless prove of much interest:—

| From | Official Year. | Mutton (Carcases). | Lamb (Carcases). | Total Increase or Decrease in Carcases of Mutton and Lamb. |
|------------------------------|--------------------|------------------------|------------------------|---|
| New Zealand | 1910-11 1911-12 | 1,994,792 1,880,117 | 3,432,308 3,312,576 | |
| Decrease | .. | 114,675 | 119,732 | 234,407 |
| Australia | 1910-11 1911-12 | 2,816,114 1,734,024 | 1,751,005 1,335,496 | |
| Decrease | .. | 1,082,090 | 415,509 | 1,497,599 |
| South America.. .. . | 1910-11 1911-12 | 3,051,861 3,102,150 | 636,288 1,156,263 | 1,732,006 |
| Increase | .. | 50,289 | 519,975 | 570,264 |
| Total decrease (carcases) .. | .. | .. | .. | 1,161,732 |

From the table it will be seen that during the official year now ended considerably over a million less carcasses of mutton and lamb were imported into this country as compared with the corresponding period a twelvemonth ago. The most notable figures are those showing that Australia sent 38 per cent. less mutton and 24 per cent. lamb, and that South American consignments increased no less than 82 per cent. The New Zealand arrivals were only about 3½ per cent. lower.

For the January-March quarter of 1912 very large decreases in imports, as compared with the same period of 1911, have been recorded from Australia (mutton and lamb) and New Zealand (lamb), while South American (mutton and lamb) and New Zealand (mutton) arrivals have greatly increased. As a result, the net decrease in the quarter's imports accounts for no less than 439,757 carcasses of the above-mentioned total decrease.

Beef.

Once again I regret to have to note that the trade in New Zealand beef has proved a small and decreasing one. Although Australian shipments have shown very little increase, and the frozen supplies of River Plate beef have only been augmented to the extent of about 11 per cent., the figures which I give below will indicate that there has been a large extension in the Plate chilled-beef trade, supplies having increased by nearly 24 per cent. Indeed, during the major portion of the year there is no doubt whatever that marketings of chilled beef was excessive, and in consequence the trade in frozen has been slow and difficult. The average of the prices cabled to Wellington during the twelvemonth work out at 3½d. for hinds and 2½d. for fores.

The official year opened with the satisfactory quotations for New Zealand beef of 4½d. per pound for hinds and 3½d. for fores. Cold weather prevailing at that time doubtless helped the demand, although this was by no means brisk. Stocks of frozen beef were, however, fortunately not large, although sufficient to meet requirements, and prices became a little easier, slightly recovering early in May. The weather was becoming warmer, and, with increasing supplies of chilled beef, demand slackened. In the middle of the month a considerable proportion of the chilled supply arrived in unsatisfactory condition. This was reflected in the price, which fluctuated between 3½d. to 4½d. for hinds and 2d. to 2½d. for fores.

At the beginning of June as low as 3d. per pound was being accepted for chilled hinds and 2d. per pound for fores, while the official quotations were actually ½d. to ¼d. below those for New Zealand, which were then fetching 3½d. to 2½d. per pound for hinds and fores respectively, stocks being light. Australian and South American frozen beef was then plentiful, which did not improve matters, and the demand was so slow as to make trade extremely difficult. The cheapness of chilled beef continued to be the ruling factor, and despite reductions in the quotations of frozen beef there was very little business passing. The weather during July, too, continued exceptionally hot, and reports were current that, to move the very heavy chilled, offerings as low as 1½d. and 3d. per pound had actually been accepted for fores and hinds respectively to avoid condemnation. It will be appreciated that in view of these extremely low prices it would have been useless to reduce frozen rates in the hope of stimulating the output. At the beginning of August the dock strike already referred to occurred, and for a short time prices were practically nominal. During September some improvement was manifested in regard to lessened chilled-beef supplies, and rates all round were better, the average quotation for New Zealand hinds being about 3½d. per pound, and for fores 2½d. to 2½d. per pound, supplies of New Zealand beef being somewhat scarce.

With the limited output, stocks of frozen meat in store were increasing. Chilled was still being sold at ridiculously low prices: marketings during October were much in excess of requirements, and these conditions continued until November. An improvement in the inquiry became noticeable towards the end of that month. During December stocks of frozen beef generally were in more moderate compass, New Zealand being still in scanty supply. The year closed with values for New Zealand hinds at 3½d. to 3½d., and for fores about 1d. lower, and there was a distinct improvement in the trade in chilled.

January opened with lighter supplies of Plate chilled beef coming to hand, and values steadily advanced. By the middle of the month there were practically no supplies of New Zealand available, and the quotations were nominally 3½d. for hinds and 3d. for fores. February again saw plentiful supplies of chilled, but frozen beef from the Dominion was practically unobtainable, and indeed was not officially quoted until near the end of March, when the coal strike was in full swing. The official year ended with prices of South American chilled at about 5d. per pound for hinds and 3½d. for fores—a distinct improvement in the last three months, while the small quantity of new season's New Zealand hinds could be quoted at about 4d. to 4½d. per pound and fores at 3½d.

The following statistics will doubtless be interesting:—

IMPORTS OF FROZEN AND CHILLED BEEF INTO THE UNITED KINGDOM.

| From | Official Year. | Frozen (Quarters). | Chilled (Quarters). |
|-----------------------|----------------|--------------------|---------------------|
| New Zealand | 1910-11 | 313,708 | .. |
| | 1911-12 | 142,430 | 72 |
| | | Decrease 171,278 | Increase .. 72 |
| Australia | 1910-11 | 510,337 | 3,844 |
| | 1911-12 | 510,687 | 1,309 |
| | | Increase 350 | Decrease 2,535 |
| South America | 1910-11 | 1,429,433 | 1,749,749 |
| | 1911-12 | 1,584,974 | 2,168,017 |
| | | Increase 155,541 | 418,268 |

The first fact that will be noted from this table is the large increase in imports from the River Plate. When it is remembered that the principal cause of the market depression last year could be traced to the large shipments coming from South America the fact is the more striking, and the wonder is that prices have been as good as events have proved.

Australia has maintained her supply of frozen beef, but the chilled shipments (Linley process) show a comparatively large decrease. As regards New Zealand, arrivals during the current year have not amounted to half those of 1910–11, and in view of market conditions here there is no doubt that shippers in the Dominion have acted wisely in restricting their supplies, for it is difficult to see how the market could have dealt with much heavier arrivals.

An interesting feature in connection with the chilled trade is that the shipment of sixty-two hinds and ten forequarters made from New Zealand to London at the end of March. These seventy-two quarters were treated by a special process, in which it is understood that Messrs. Nelson Brothers (Limited) were interested, and came per s.s. "Muritai," which arrived about the 5th May. They landed in good order, buyers being well pleased with the condition of the meat, which met a good market, and found a ready sale at about 3½d. for fores and 4½d. for hinds—i.e., from ¾d. to 1½d. per pound above frozen quotations. I understand, however, that the experiments will not be continued, as the process is thought to be too costly to allow of the treatment of shipments on a commercial scale.

Arrivals of frozen beef from Venezuela came to hand fairly frequently during the year, the total importations having increased by about 50 per cent. compared with those for 1910–11. The earlier consignments sold at about 3½d. per pound for hinds and 2½d. for fores, but even at these rates did not meet a brisk demand, the quality not being so satisfactory as could have been wished. Later shipments were disposed of as low as 3d. for hinds and 2½d. for fore-quarters, and despite slight improvement the meat has still been found to be too plain in quality for the market here. Uruguayan arrivals have decreased slightly, and here again, though the quality has often been indifferent, on the whole it is considered that an improvement has been made.

Importation of Frozen Meat to Continental Countries.

The past year has been a very busy one in connection with endeavours to secure the modification, if not the removal, of oppressive and restrictive regulations in various Continental countries, so as to permit of the importation of frozen meat. A good deal of correspondence has taken place between this Department and the Colonial Office, &c., as well as direct with British Ministers resident abroad, on the subject, and every phase of the matter has been kept in sight. Early in the year the Foreign Secretary specially circularized H.M. Representatives in various European and foreign countries, requesting that prompt information of any developments should be sent to him. This circular has proved of much service, and items of interest have been duly brought to your notice through the Colonial Office. As reports giving full information have been regularly forwarded to the Prime Minister, I need only mention here the principal events of the twelvemonth.

France.—At the beginning of the year the Secretary and President of the British Chamber of Commerce, Paris, called on you with the view to your taking some forward step in approaching the French authorities on the subject of the removal of the restrictive sanitary regulations. The opportunity was a most favourable one, in view of the enhanced cost of living in the Republic, and the French Minister of Agriculture was accordingly communicated with, and the various arguments and facts in support of our request were put before him. Later on in the year you went specially over to Paris and interviewed the Minister personally, when he advised that the matter be dealt with through the usual diplomatic channels. Accordingly, the Colonial Office was communicated with, and it was learned through H.M. Ambassador at Paris that a Customs Commission had been constituted to go into the whole matter of the measures to be adopted to combat the continued rise in the cost of living, and that therefore your representations would be considered with the general question. The report of the Commissioners was duly issued, and a full summarized translation was sent to New Zealand. The proposals of some of the French Councillors of State, having for their object the downward revision of the tariff, the removal of the vexatious sanitary regulations, &c., were examined, but rejected. From our standpoint, therefore, we are in precisely the same position as before—i.e., the importation of meat to France is still subject to the prohibitive regulations.

However, with the view to ascertaining if it were possible to import into France on a commercial scale carcasses of meat with the organs in a natural state of adhesion, you suggested that a trial shipment be made from the Dominion, and accordingly placed the matter before the Government. Inquiries have been made through the British Chamber of Commerce as to the likelihood of any French importer assisting to carry out the experiment, and a firm at Marseilles expressed themselves as willing to do so. Full details were therefore sent to Wellington, and it is hoped that the shipment will shortly be made.

During the year an actual demonstration of refrigerated meats as sent from the Dominion was made in the working refrigerator in the New Zealand Pavilion at the Roubaix Exhibition, referred to elsewhere. A special French edition of our two pamphlets on frozen meat was prepared, and some thousands of copies circulated both in connection with the Exhibition and later through the Paris Chamber of Commerce and M. Flipo to various working-men's clubs, &c. These will no doubt have a very good effect in keeping before certain sections of French consumers the advantages likely to be derived from the free importation of New Zealand meat.

Germany.—As far as the general position is concerned, there have been no developments at all during the year. It is known, however, that the cost of living is high, and meat prices are expected to rise again in 1912. It would seem, therefore, to be only a matter of time when the authorities will have to consider measures for meeting the requirements of the masses in the way of food-supplies. The Hamburg Chamber of Commerce in their yearly report refer to the matter, and recommend that the desired alterations in the tariff and importation laws be taken in hand.

Considerable interest was aroused, both in this country and abroad, by a report that a consignment of Australian frozen meat, complying with the sanitary regulations in every respect, had been successfully imported into Germany early in January of this year. Careful inquiries were made, and it was ascertained that the parcel in question consisted of one hundred carcasses which had been forwarded by Messrs. W. Weddel and Co. (Limited) to their agents in Bremen. Half the meat went to Berlin and half to Chemnitz, and quality and condition were quite satisfactory from a consumer's point of view. Full details as ascertained were duly forwarded to the Government. At a later date a further shipment was made, but with the approach of warmer weather the business was dropped for the season, the demand for mutton in Germany not being very large. Inquiries were received at this office from Belgian and German firms who had seen the reports of these shipments, and the opportunity was taken of placing before them full details of the sanitary and slaughtering regulations in force in the Dominion, as well as information as to the quality, &c., of New Zealand meat.

Switzerland.—In last year's report I referred to the fact that permission had been granted for the importation, experimentally, of certain quantities of frozen meat into Switzerland. At the end of March last the matter was fully discussed by the Federal Council in connection with the inquiry as to the steps required to be taken to combat the increase in the cost of living. At that time the experimental consignments had been selling well, and, in the words of H.M. Chargé d'Affaires at Berne, "it looked as if frozen meat had come to stay." The Upper House, however, declined to reduce the duty as had been urged, but the importation was taken out of the experimental stage, and was permitted without restriction or special authorization.

Later on several alterations were made tending to facilitate the entry of imported meat, such, for instance, as permitting oversea consignments to go right through to their destinations without frontier inspection; and, still later, the duty was lowered from 25 francs to 10 francs per 100 kilos, as desired by the people. Since then the trade appears to have been conducted quite smoothly in every way, and it will be seen that a good step forward has been made during the year.

Austria.—There has been, unfortunately, a set-back in the importation of frozen meat into Austria during the official year now closed, the agrarian party in the National Parliament having rejected proposals for the unrestricted importation of oversea meat and cattle. H.B. Minister in Vienna reported in October last that some of the Argentine meat that had been imported under the temporary permission had not proved satisfactory to the people, and no doubt this fact helped the agrarians in their action. The desire of the working-classes for cheaper food is therefore still unsatisfied, and no further alteration in the Government's policy has been made, or seems likely for some time.

Spain.—The Board of Trade early in the present year issued a white-paper containing a translation of the new Customs tariff of Spain, which came into force at the beginning of 1912. From this it was noted that the duty on fresh or frozen meat had been reduced to 12 pesetas per 100 kilos, instead of 14 pesetas as formerly. In view of this special mention, and as, according to the information received from the British Minister last year, frozen meat was not allowed to enter Spain, a communication was sent to Madrid asking whether any revision of the regulations governing the importation had been made by the Government. The Secretary in charge of commercial matters at the Embassy in reply stated that he had had a conversation with the Director-General of Customs on the subject, and learnt that the question of permitting the importation of frozen meat was then under discussion by the Ministry of the Interior. No indication was given as to the probable result of the discussion, but he promised to forward full particulars of any decision come to.

Sweden.—In March, 1911, the Swedish Board of Trade made public its opinion on the proposals of the Expert Committee for the Control of Imported Meats, and full particulars were received from the British Minister at Stockholm. The Board considered that the provision requiring meat imported into Sweden to be accompanied by certain organs should not be approved, as this would render impossible the importation of frozen meat from transoceanic countries. No information has since come to hand as to whether this objection to the proposal of the Committee has been maintained, but doubtless you will hear in due course what has been done in the matter. From our point of view it is hoped that the Board of Trade will be able to carry through their objection, as a way will thus be opened for the introduction of New Zealand meat. The chief difficulty in that connection, however, would be the lack of steamship connections between the Dominion and Sweden.

Russia.—No change has occurred in the official attitude, and, according to the British Minister at St. Petersburg, no alterations in the tariff are likely to take place before the expiration of the Berlin Convention in July, 1914.

Last month the Government requested that inquiries be made regarding the prospects of opening up trade with Japan in New Zealand meats. The Japanese Consul-General in London was communicated with, and I also wrote to a friend of mine, a member of a firm of merchants having branches in Yokohama and Kobe. From the information supplied prospects would appear to be hopeful.

WOOL.

As indicated already, there have been many disquieting events in the industrial and political worlds during the past twelvemonth. Added to these factors, it has to be noted that supplies of wool have been quite up to average, a slight increase over 1910 figures being recorded, the total, however, not reaching the 1909 imports. Once again American support, if not entirely lacking, has been practically so through the greater part of the year, the United States taking only sixteen thousand to seventeen thousand bales during the twelvemonth. Manufacturers at home, how-

ever, have been generally busy all the year through. The preparations in connection with the Coronation, both in the United Kingdom and in India, proved of considerable benefit to the trade, and machinery has been pretty well occupied. On the Continent, too, trade has continued fairly satisfactory, though the political complications during August and September naturally disturbed the course of business both there and here. Taken all round, the decline that has been registered in quotations during 1911 has not been so great as might have been anticipated, and the fact that rates at the close were only 5 to 7½ per cent. lower than those ruling in January affords undoubted testimony to the general soundness of the trade, and wool-growers have cause for congratulation that after all things are not so bad. An interesting feature of the year is the continued improvement shown in South African wools, evidencing the care and attention that is being paid there to improve the type and breed of sheep.

Coming now to the sales themselves, it will be recalled that the catalogue for the second series, which terminated on the 1st April, was larger than had been the case at that time for some years past. Competition, however, was keen, and, the general position being sound, a decided advance over January rates was established, a good inquiry being noted for superior sorts.

Conditions of confidence ruled during May, and the third series opened with bright prospects, an increase on the March-April rates being obtained all round. As the sales progressed, however, this briskness was not maintained, the Continental demand being less active towards the middle of the second week, and American competition for the better wools being almost absent. Superior scoured and greasy merinos and coarse crossbreds were at the close selling at rates equal to those ruling at the end of the previous series. Other sorts, however, besides losing their initial advance, weakened to a little below March quotations. The carry-forward, too, was larger than was thought would be the case, and the total purchases for the States only amounted to about a thousand bales.

During June business in Yorkshire was interfered with by the strike amongst the wool-combers' operatives, and, although spinners were able to keep their machinery going, consumption was to a certain extent checked. The dispute, happily, was settled before the opening of the fourth series, though it had the effect of reducing the size of the early catalogues, and for a short time causing irregularity and lack of confidence amongst holders. A firm tone soon became apparent, however, there being good competition from Home and foreign buyers. Merinos were not plentiful, and the better sorts sold slightly firmer, others fully maintaining previous rates. Coarse crossbreds also fetched May prices, but medium and finer sorts weakened from 5 to 7½ per cent. Scoured wools sold rather irregularly all through.

During August came the labour troubles, while political complications in regard to the Franco-German-Moroccan crisis caused a deep feeling of uncertainty at Home and abroad. At the opening of the Australian sales, too, a distinct fall in prices of from 5 to 15 per cent. was noted, so that the fifth series of London sales opened in September under difficult conditions. However, there was no heavy drop in values, competition, to the relief of all, being brisk, and the tone of the market distinctly good. A large proportion of the lots put forward were of faulty and short descriptions, but owing to the carry-forward from July there were good offerings of crossbreds. Superior merinos finished up at practically last sales rates, but medium and inferior sorts were not sought after, and fell 5 to 7½ per cent. Coarse crossbreds in the grease were firm all through at about July rates, fine and medium qualities dropping from 5 to 10 per cent., while scoured and slipped sorts also declined. America was not very well represented at the sales, and about two thousand only were taken for the States.

During October the political horizon cleared, and, despite the usual "bear" movement in tops, the November-December series opened with good prospects. There was a large attendance of buyers, and, as wool was wanted in many districts, competition was animated, Home, Continental, and American buyers being well represented. New-clip merinos were in good supply, and rates hardened as the sales progressed, finishing up at from par to fully 5 per cent. dearer. Crossbreds were not abundant, but for the few better lots there was keen competition, and values rose by about 5 to 7½ per cent. American purchases amounted to four thousand bales, and nearly all the available quantity was sold, only ten thousand bales being held over.

The first series for 1912 opened on the 16th January with strong competition and a large attendance of buyers from all parts. Since the close of 1911 the signs of unrest in the industrial world had a somewhat depressing effect on confidence, and trade in the various consuming centres was rather less active, so that buyers generally acted with caution. As regards merinos, demand was keen for greasy descriptions, and these advanced about 5 per cent., all finer sorts maintaining last rates, while mediums and inferiors could be quoted at the close at from par to 5 per cent. cheaper. Crossbreds met good competition, Americans being especially interested in the finer grades. The new clip New Zealand wools comprised a good proportion of light-condition bright fleeces, and these sold very well at late rates, higher prices being paid for lots suitable for the States. Coarser descriptions all round, though firm at the opening, weakened slightly, and finished at about 5 per cent. cheaper. About seven thousand bales were taken during the series on American account, and, indeed, it is a good while since competition from this source has been so active.

Between the finish of the sales and the close of the official year the great disturbance amongst the miners in this country has so upset trade that the Importers Committee decided to postpone the opening of the second series until the 11th April. It is reported that advices from various centres indicate a slight falling-off in the consumption of wool amongst European manufacturers, but on the whole the future is not regarded with much misgiving. It is known that stocks in manufacturers' hands are in moderate compass, and it is not considered that supplies during the coming season will be in excess of requirements; so that, even should the American demand prove to be only equal to that of last year—and until the question of the tariff has been settled it is natural to expect that United States buyers will act with discrimination—the outlook for the continuance of prices on a reasonable level is certainly favourable.

HEMP.

The general conditions ruling in the hemp-market during the twelvemonth may be briefly summed up by saying that the market has mostly been "quiet but steady" at the reduced rates prevailing. While prices have been down to £18 5s. for fair grade, and £19 10s. for good fair, however, there has been almost an entire absence of anything in the nature of spurts, quotations generally keeping within remarkably narrow limits, and remaining for weeks at about the same level. For the first five months of the period under review quotations for fair current Manila hemp ruled from 10s. to 35s. per ton below those for New Zealand good fair, and for a good many weeks our fair hemp was fetching from 5s. to 10s. more than Manila. One fact that stands out prominently in reviewing the events of the year is that sellers in New Zealand have not, as a general rule, been at all keen to do business—indeed, on occasions offers from the Dominion have been practically impossible to obtain. There is no doubt that this firmness on the part of shippers has, in a great measure, helped to keep the market together. The total shipments from the Dominion to the United Kingdom for 1911 were 19,370 tons, as compared with 20,750 tons arriving in 1910.

At the beginning of April the market was very quiet, and little business was doing, hemp from the Dominion selling at £20 for good fair and £19 5s. for fair. Dull conditions continued with very little change in values until the end of May, when the Manila market firmed up owing to an improved American demand and an advance in sisal-hemp prices. This improvement was reflected on New Zealand values, which by the first week in June had reached £20 15s. for good fair and £19 15s. for fair, while Manila was fetching £20, on spot. Forward shipments all round were higher. By the beginning of July another 5s. advance had been gained on New Zealand hems, which just about managed to hold their own, the market being still on the quiet side. During the month the article was practically neglected, and accordingly the beginning of August saw a decline of about 10s. all round. Offers for forward shipments ranged nominally about £19 to £19 15s. for fair, and £20 15s. to £21 for good fair. Holidays and the labour troubles interfered with trade in general, and early in September, £19 10s. and £18 5s. were the average values of good fair and fair respectively, prices recovering 5s. the following week. Millers in the Dominion were not at all keen for forward business, preferring to stand out for higher prices, but in the middle of October some small business was done on the basis of £20 10s. to £20 15s. for good fair and £19 10s. to £19 15s. for fair, for shipment from November to January and December to February respectively, spot quotations being about 10s. to 15s. below these rates.

November opened with demand extremely dull, but towards the middle of the month there was rather more inquiry, and a fair business was done, values being £20 for good fair and £19 to £19 5s. for fair. The difficulty of getting offers from shippers in the Dominion continued through December, and somewhat restricted business. There was a fair demand for parcels in dock or near at hand, and the tendency before Christmas was firmer, with prices at £19 10s. for good fair and £18 15s. to £19 for fair grade. At that time it was reported that the Mexican Government's valorization scheme in connection with sisal hemp had been successfully arranged, and on confirmation reaching this country both New Zealand and Manila hemp experienced a sharp advance of from £1 to £1 10s. per ton, a good business passing at about £21 5s. to £21 10s. for good fair and £20 15s. for fair on spot. The quotation for fair current was then about £21, and during January a further advance of about 10s. to 15s. per ton was noted both in manila and sisal values, New Zealand also appreciating, though the high prices somewhat restricted business in the latter. Towards the end of the month the market became rather less active all round, and quiet but steady conditions continued into February, quotations sagging about 5s. per ton. Offers from New Zealand were still difficult to obtain, and forward-shipment prices were slightly in advance of those on spot. The demand was chiefly on account of American and Canadian buyers, consumers in this country still holding back; and these conditions continued till about the middle of March. A slightly firmer tone was noticeable then, and quotations were fractionally higher, chiefly owing to the continued demand from America. According to one firm, nearly five thousand bales of New Zealand hemp were imported into New York since the beginning of January. The close of the official year witnesses demand again quiet, with very little business doing, and an inclination on the part of sellers in the Dominion to meet the market. It is interesting to note that the average prices for the year, as cabled to Wellington weekly, work out at slightly over £20 10s. for good fair, £19 for fair, and £20 5s. for manila.

Early in the year, as instructed by the Department, inquiries were made as to the likelihood of a demand for fine or superior hemp, if sent forward from the Dominion, at remunerative prices; but the general opinion amongst merchants and others here was that unless these grades could be obtained at relatively small advances over good-fair grade it would not pay millers to send to this market, as higher prices could invariably be secured locally under present conditions.

Inquiry was also made as to the future prospects of the manila-hemp industry, and, although opinions are very divided on the point, it is generally believed that as long as there is sufficient labour to carry it on the industry will thrive. As regards the effect of the present low prices on production, there was found to be an equally great divergence of opinion. Full information was embodied in a report and duly forwarded to the Government.

In November last a new form of contract for use in the manila trade was drawn up, containing new clauses governing the weight upon which hemp was to be invoiced and paid for. Copies of the new form were obtained and sent to Wellington, together with full explanation.

In the same month the leaflets containing particulars of the Government's offer of a bonus of £12,000 in connection with improvements in the dressing and preparation of New Zealand hemp were received, and copies are being circulated as widely as possible amongst those likely to be interested.

Early in 1912 details came to hand regarding the Mexican Government's agreement with the sisal-growers, generally referred to as a "valorization" scheme. This was instituted with the view to protecting growers in Mexico from the "bear" efforts of large buyers in New York, &c., prices having been depressed to a practically unpayable limit. Full particulars were duly advised the Department. The immediate effect of the inauguration of the arrangement was to raise prices all round, and from our point of view it is to be hoped that the scheme will meet with the success which planters and others look for.

I am pleased to be able to state that during the twelvemonth complaints in regard to the grading of our hemp and tow have been less frequent than usual. As regards tow, it was noted that shipments from the Dominion showed a marked decrease, and several inquiries were received as to the reason. As no particulars were available, the inquiry was referred to Wellington. I trust that the suggestion I then made for a larger space to be given to the remarks concerning tow in the *Journal of the Department of Agriculture* will meet with approval, as these notes are of the greatest use and interest in connection with the work at this end.

DAIRY-PRODUCE.

Butter.

The twelvemonth has been remarkable for the high prices ruling in the butter-market, and factories in the Dominion are to be congratulated on having had one of the best years ever experienced. As a matter of fact, not since the 1907-8 butter crisis have prices ruled so high, as will have been seen from the weekly cables. The average quotation for the twelvemonth works out at 120s. per hundredweight for finest New Zealand butter, which compares well with last year's figure of 109s. 9d. On the same basis, the average Danish quotation has been 128s. 6d. per hundredweight—a difference of 8s. 9d., as against 6s. 9d. last year. This figure, however, does not show the true difference, and can, I think, be accounted for by the following facts. For a much longer period than usual New Zealand butter was off the markets in this country—in fact, while there were only eight weeks in 1910-11 in which quotations were not included in the weekly cables, for fifteen weeks in succession during 1911-12 no prices could be given. This was from the end of July onwards, when the weather was exceptionally hot, and supplies of Home and Continental butter were short. During that time Danish quotations were very high, starting at 122s. at the end of July, quickly going to 126s., and from this time up to the beginning of November various figures up to 148s. per hundredweight were quoted. Thus, fourteen exceptionally high quotations are included in the figures from which the year's average was obtained, so that if these weeks are excluded and averages taken accordingly, it will be noted with satisfaction that the margin has been narrowed to about 5s. 9d. per hundredweight.

Coming to the matter of imports, on looking through the Board of Trade returns several features of interest will be noted. With the exception of the first quarter of 1911, imports of butter from all sources showed big decreases for each three-monthly period, and, although greater than the 1909 figures by some 240,000 cwt., the total imports for 1911 fell short of those of 1910 by 23,000 cwt. I give below statistics of the total imports into the United Kingdom for the last three years, taking each quarterly period up to the close of the official year:—

| Quarter ending— | 1909. Cwt. | 1910. Cwt. | 1911. Cwt. |
|----------------------|-----------------|-----------------|-----------------|
| 31st March | 1,133,638 | 1,090,744 | 1,261,495 |
| 30th June | 976,813 | 1,176,158 | 1,135,668 |
| 30th September | 1,048,231 | 1,023,951 | 980,839 |
| 31st December | 904,130 | 1,034,686 | 924,954 |
| | <hr/> 4,062,812 | <hr/> 4,325,539 | <hr/> 4,302,956 |
| | | | |
| Quarter ending— | 1910. Cwt. | 1911. Cwt. | 1912. Cwt. |
| 31st March | 1,090,744 | 1,261,495 | 1,147,674 |

From this it will be seen that the excess of importations for the March quarter of 1911, as compared with the same period of 1910, of 170,000 cwt. was more than counterbalanced by regular decreases for the remainder of the year, and, as a matter of fact, for the last nine months of 1911 imports were considerably over 193,000 cwt. less than for those of the corresponding period of 1910.

As regards the countries whence these imports are derived, Denmark sent 19,000 cwt. less than in 1910, and 57,000 cwt. less than in 1909. There was a large increase in the imports for the March quarter of 1911 as against those for 1910, while the remaining quarters all show decreases. Imports from France did not reach half the 1910 figures, and those from the Netherlands showed a decline of over 30 per cent. Argentine, too, sent little more than a third of the 1910 totals. Russia (Siberia) and Sweden marked increases for the year.

It will be of interest to note that in 1911 23,316 cwt. of butter was received from the United States of America, from where only 756 cwt. in 1910 and 693 cwt. in 1909 came to hand. Of course, the greater part of this product is the so-called "renovated" butter. Canadian imports have also increased enormously, the totals for the past three years being 61,936 cwt. for 1911, 16,805 cwt. for 1910, and 22,522 cwt. for 1909. As regards Australia, imports from all States show a large increase on the 1910 figures, amounting in total to over 35 per cent.; and it must be remembered that there was an increase in 1910 of 65 per cent. over the 1909 imports, so that the extent of the development in the Commonwealth is easily seen. From the statistics it is apparent that in New South Wales and Queensland the new season has opened much later than usual.

From New Zealand, imports for 1911 were 276,446 cwt., as compared with 362,674 cwt. in 1910. Imports for the first quarter of 1911 were practically identical with those of the same period of the previous year. Of the difference—86,228 cwt.—over 46,000 cwt. is accounted for in the last four months of the New Zealand butter season 1910–11. Again, in 1910 there were arrivals from the Dominion each month, totalling to 4,034 cwt. during the “off” season; but in the present year there were no imports during August, September, and October. The November, 1911, figures were greater than those of 1910 by 9,000-odd hundredweights, but the remainder of the above-noted decrease occurred in December, when imports fell short of those of December the previous year by over 44,700 cwt. For the first quarter of 1912 the New Zealand imports have amounted to 197,297 cwt.—an increase of 18,600 cwt. on the previous year’s total for the same period.

In regard to the state of the markets during the period under review, I need not do more than briefly indicate the course of events, as the produce cables sent to Wellington have given a full and complete account each week.

At the commencement of the official year New Zealand butter was fetching 108s. on the London market for choicest quality, Danish being quoted at 118s. The weather at this time was bitterly cold—a lower temperature being recorded in London during the first week in April than had been noted for forty years, and this, no doubt, aided the market somewhat. New Zealand and Australian butters were in short supply, and met a good demand, choicest being scarce and firm. Towards the end of the month the temperature became warmer, and by the middle of May the weather had improved greatly, summerlike conditions prevailing all over the United Kingdom. This proved of much assistance to the pastures here, and supplies of pure grass butter were more and more replacing the colonial article. A point of interest here is that Australian arrivals and shipments were exceptionally large for the time of the year. The fine weather continued right through to the middle of June, by which time there was very little New Zealand butter on the market, and at the time of the Coronation the quotation was 108s. for choicest. A break occurred in the weather towards the end of June, but not enough to have any marked effect, and conditions again became tropical. By the middle of July the milk-supplies at Home and on the Continent were greatly affected, and showed a marked shrinkage. The worst feature was that, in addition to there being an entire absence of rain, the temperature was extremely high; and these conditions—existing practically in every one of the butter-producing countries of Europe—caused the drought to be the worst experienced for over fifty years. August saw the strike amongst the transport workers, and prices at the end of the month were higher than they had been for thirty years, due partly to the labour disturbances and partly to the drought. In Denmark the pastures were burnt up, and the receipts of butter were reported to be weekly getting less. In this country the production had fallen off about 20 per cent., and it was not until the middle of September that the drought broke and beneficial rains were experienced generally. By the end of the month conditions had become more normal, but prices reflected the effect of the extraordinary season, and were the highest ever recorded, in the case of Australian, since the inception of the trade. Supplies on the market were short, and indeed the same state of affairs existed in all Continental markets. In the cable of the 7th October I reported that the price of Danish butter had reached 148s. per hundredweight—a quotation that had not been equalled during October since the year 1884. The first new season’s butter arrived from New Zealand at the beginning of November, and, as has been indicated, the market conditions were very favourable. The quality was found to be excellent, and gave every satisfaction to buyers, and the first quotation was 130s. per hundredweight, 5s. lower than the current Danish price. Home supplies were rapidly falling off, and by the middle of December another 1s. was obtained for our choicest butter. The high price, however, affected business somewhat, and there was a slight drop at Christmas-time, buyers holding back expecting prices to go lower. This expectation, however, was not realized just then, as immediately afterwards a brisk demand set in and prices advanced. Arrivals were steadily cleared, and by the middle of January prices had gone to 135s. for New Zealand and 139s. for Danish, with Australian correspondingly high. These rates caused a great deal of comment in the provision trade, and it was alleged by some, who evidently hoped to “bear” the market, that merchants at this end were manipulating the supplies. As a result, demand sagged a little, and prices declined, but the inherent strength of the position manifested itself, and it was evident that there were no accumulated stocks in store here. Early in February it became apparent that, owing to the drought being experienced in some of the Australian States, butter was scarce and high-priced there, and this also had its effect on the London market, choicest making within 2s. to 3s. of New Zealand, which at the end of the month was selling at 132s. per hundredweight. Trade at the beginning of March was less active, owing to the shadow of the threatened coal strike, and on this being declared prices went down to about 127s. for New Zealand and 136s. for Danish. Buyers continued to act with caution, the demand being only of a hand-to-mouth description, and the official year closed with a slow, dragging trade, and quotations at 125s., 121s., and 132s. for choicest New Zealand, Australian, and Danish butter respectively. The strike has disorganized business to a large extent, but at the time of writing has been happily settled, and it remains to be seen as to what the ultimate effect of the dispute will be.

Cheese.

The year has been a very profitable one in the cheese trade, and there have been only six weeks during the period when quotations for New Zealand finest cheese have been below 60s. per hundredweight. This compares well with the previous official year, as exactly the opposite was then the case: there were only about eight or nine weeks when quotations rose above 60s. White and coloured cheese have met practically the same demand, and prices, when they varied at all, have not shown more than 6d. or 1s. difference. The average price for the official year, as

noted in the weekly produce cablegrams, works out at 66s. per hundredweight all round—*i.e.*, about 8s. above the previous year's figure. As regards supplies, with the exception of May, July, and September the imports from New Zealand each month have shown a falling-off, and for the year there has been a shrinkage of about 56,000 cwt. Canadian imports, too, show a decrease for the year of over 123,000 cwt., the greatest difference being noticed in the first and last quarters of 1911, the September figures showing an increase of 23,000 cwt. A remarkable development has taken place in imports from the United States, as will be seen from the figures given below. Imports for the first quarter of 1911 amounted to twelve times those for the corresponding period of 1910, for the June quarter over nine times as much, and considerable increases were also noticed for the remaining quarters. The total imports from all sources declined about 108,000 cwt., and for the first quarter of 1912 the figures are about level with those for the quarter ending the 31st March, 1911.

Coming now to the market conditions ruling, it may be said that for the greater part of the official year a distinctly firm tone has been prevalent. At the commencement New Zealand white and coloured cheese was fetching 61s. per hundredweight. There was a good demand, and the small supplies of good-quality Canadian cheese on hand were commanding full rates. Towards the end of the month, however, a quieter tone was noted, and a few sellers rather forced sales to clear. Stocks, however, were small, but during May supplies of American cheese were heavy, and sold at low rates—from 56s. to 58s.—while Canadian new season's cheese was being offered at 60s. per hundredweight. The quality of the New Zealand arrivals at this time, too, was not quite up to the mark, and all these facts combined to weaken prices. The "bear" movement on Canadian prices also, in view of the opening of the new season, did not help to improve matters, and the consequence was a lack of confidence at the beginning of June, when prices touched their lowest for the year—*viz.*, 56s. 6d. for New Zealand finest cheese. Supplies were small, however, and the new Canadian was not so mature as might have been wished, so that the inquiry improved a little, and prices took an upward turn. From this time onward the effect of the weather on the pastures at Home began to be felt in the way of a short supply of milk, and the Home make of cheese fell off. The improvement in values continued, and during July New Zealand white was fetching 60s. and coloured 61s. The quality of the Canadian was still not sufficiently good to enable it to entirely displace the New Zealand article. However, each week saw an improvement in the arrivals from Canada, and the exceptionally hot weather was favourable to consumption. By the end of the month New Zealand was in very small supply, the restricted demand being sufficient to clear shipments as they came to hand. From all sources reports began to appear that the make would be short on account of the drought, and this caused rates to firm up. In Canada also prices were rising, and by the middle of September (at the close of the season) the quotation for finest New Zealand was 69s. per hundredweight, and, although perhaps on the quiet side, the market was strong. No doubt the knowledge of the shortage in the Home make and the firmness of Canadian had a good effect on the sale of outputs in the Dominion. Quiet, firm conditions continued right through October, and consequently when the first shipment of new season's make came to hand from the Dominion it met a good market, and sold at about 68s.—*i.e.*, 10s. higher than at the corresponding period of 1910. The cheese arrived in good order, but was not quite so ripe in condition as might have been desired. From this time onward prices had an upward tendency. The position was very sound, as supplies of Canadian cheese were very much smaller than usual, and stocks on both sides were in very moderate compass, the Home make being also on a very reduced scale. At the close of the year the current quotations for New Zealand finest was 70s. 6d. per hundredweight. Imports from Canada for December only amounted to 82,751 cwt., as compared with 133,449 cwt. the previous year, while the total imports for the month showed a decrease of over 72,000 cwt. compared with the 1910 figures.

The beginning of 1912 opened with an active demand at advancing rates, and a rise of 3s. per hundredweight was recorded during January, arrivals from the Dominion clearing steadily as landed. The uncertainty of the position in regard to the miners' dispute began to manifest itself in February, and as the demand was only moderate slightly lower prices were accepted by sellers, although, as compared with similar rates of 1910 mid-February quotations for New Zealand finest cheese, were from 12s. to 15s. higher than in 1911. By the beginning of March stocks of Canadian were getting into small compass, and the shortage in English cheese also helped to throw the demand on to New Zealand, which was going straight into consumption on arrival. The occurrence of the strike upset deliveries for a time, and retailers found themselves short of stock, so that the month finished with prices at about 74s. 6d. for white and 74s. for coloured. The arrival of three boats from the Dominion with 45,000 cwt. on the same day caused a temporary slackening of the demand during the closing week, with a slight decrease in values.

EXHIBITIONS.

Roubaix Exhibition.

At the time of my last report negotiations were in progress with the French Government with the view of their permitting New Zealand meat to be sent over for display at the International Exposition du Nord de la France without it being necessary to conform to their restrictive sanitary regulations. After a great deal of correspondence this permission was obtained. With the new exhibits received from the Dominion, especially the excellent collection of wool, and a selection of those remaining from the various White City exhibitions, a comprehensive display was made in the pavilion which had been set apart for the use of New Zealand. The despatch of the meat from London caused no little anxiety, owing to the lack of refrigerated transport. By the use of special insulated packing, however, and by employing the quicker route across the

Channel, the difficulty was overcome, and the meat arrived at Roubaix in a perfectly sound, hard condition, having only been out of store for twenty-four hours.

The Exhibition opened on the 30th April, but, as is so usual, everything was very much behind, and it was not until the end of May that the various pavilions were complete.

A pamphlet dealing with New Zealand wools was prepared from matter supplied by the Department at Wellington, and special French editions of the meat pamphlets and the general booklet "New Zealand," compiled at this end, were placed in the pavilion for distribution amongst visitors.

During the season some thousands of people inspected our exhibits. The addresses of those who signed the visitors' book showed that many came from Belgium, Germany, Italy, &c., as well as from all parts of France. The exhibits of frozen meat and wool were especially commended. The former was made the more striking by a chart outside the chamber, showing the current wholesale prices of beef, mutton, and lamb in London, and the equivalent French quotation. Several notices appeared in the Press appreciative of the general excellence of the New Zealand display. The fact of the meat being in a perfect state of preservation, although killed in the Dominion several months previously, attracted the widest attention, and came in for very favourable comment.

It was hoped that the Right Honourable the Prime Minister would be able to pay a visit to Roubaix for the purpose of officially "inaugurating" the New Zealand Pavilion, when a luncheon, at which New Zealand meats, fruits, &c., could have been used, would have been given. It was, however, found impossible for this arrangement to be carried out, and the proposal had to be abandoned in the hope that, at the close of the Exhibition, a dinner would be arranged, at which the French Ministers of Agriculture, Customs, &c., would be present. However, owing to unforeseen events, these gentlemen were prevented from accepting your invitation, and consequently steps were taken for cutting up the meat and presenting portions to prominent public men, journalists, and others interested in the question of the importation of meat, while the rougher cuts and small goods were given to hospitals and charitable institutions.

A request was received from the Tourcoing Chamber of Commerce for the samples of wool belonging to the Government to be presented to them for display in their museum, and, permission being obtained, the complete exhibit, together with samples of hemp, rope, &c., was transferred as desired.

Although the French Government have not considered that the time is ripe for the free admission of our meat into the Republic, there is no doubt that the practical demonstration of the working refrigerator at Roubaix helped to bring home to the French public the benefits likely to be gained from the use of frozen viands.

Festival of Empire.

This Exhibition, which, owing to the regretted death of His late Majesty King Edward VII, had to be postponed from the previous year, was held at the Crystal Palace from May to October, 1911. The arrangements previously contemplated were extended considerably in view of the Coronation, and therefore, on the matter being placed before them, the Government decided to take a special pavilion for the housing of the New Zealand exhibits. This decision proved to be a wise one in the circumstances, as most of the large halls were given over to trade exhibits, or were vacant, so that a much better advertisement was obtained by the Dominion in having a separate building. A complete range of exhibits was got together, both from the Dominion and at this end, special attention being paid to the Tourists and Immigration Sections, and a tasteful display was made.

From the point of view of advertisement, I am satisfied that the New Zealand pavilion, and the various exhibits shown therein, received their full complement of attention from visitors, many thousands of them passing through the doors every week; but, although this was the case, the hopeful anticipations of the promoters were not fully realized.

The general excellence of the New Zealand exhibits was favourably commented upon by the jurors, and forty-one diplomas were awarded. A full list of these was duly sent to Wellington.

The court was divided into four sections: "Sport and Tourist," "Refrigeration," "Timbers and Minerals," and "Wool, Grain, and General Exhibits."

A visit to the court was paid by the Right Honourable the Prime Minister, who was pleased to express his high appreciation of the manner in which the exhibits had been displayed, and with the general appearance of the section.

As usual, a large quantity of literature, dealing with all matters affecting New Zealand and its productions, was prepared and distributed at the pavilion.

Small Exhibitions.

During the year a large number of small exhibitions, shows, &c., in all parts of the United Kingdom have been brought under your notice by their promoters. As most of the available exhibits were required for use at the Crystal Palace and in France, it has only been possible to send specimens to a few of these minor affairs. Such displays, however, serve to keep New Zealand well before the rural populations, and a good advertisement is secured by the Dominion at practically no expense other than carriage on the exhibits. A complete range of wool-samples has been presented to the Glasgow and West of Scotland Technical College for their Textile Museum, while, at the request of Dr. Chapple, M.P., a full collection of specimens of hemp, timber, grain, &c., is being prepared for presentation to Dr. McCubbin's Kilsyth Academy, Glasgow.

FRAUDULENT MEAT-SALES.

As mentioned in my last report, a case was brought under your notice which looked likely to result in a conviction being obtained by the Government against a firm of shipping butchers in Liverpool for substituting Australian for New Zealand mutton in the fulfilment of a contract for the supply of meat to an American steamship company. Proceedings were taken, and evidence was given on our behalf that Burnside Freezing Company's tags had been applied to the carcasses. An order was obtained from the Magistrate for the examination of books of the cold-store where the meat had been stored, for the purpose of tracing the carcasses, and after a good deal of trouble practically the whole of them were traced. The defence, however, stated that the entries in their books did not refer to these special sheep, and finally the Magistrate decided that no *prima facie* case had been made out, and dismissed the charge. It is significant, however, to note that he disallowed defendant's costs. I am glad to state that apparently the action had some good effect, as I learned later that the contractor had given strict orders to his storekeepers that in future all carcasses were to retain their original tags and bags. This case is another instance of the insuperable difficulties experienced in bringing fraudulent traders to book.

GRAIN.

Wheat.

The wheat-market during the year has been generally quiet, with prices on a reasonable level, and for the most part firm. Sellers in the Dominion have been firm in their demands, and consequently business at this end, especially for forward shipment, has been rather restricted. During the first half of the period supplies were small, and, although demand was not brisk, prices were fairly steady. Early in March, long-berried wheat was fetching about 33s. per 496 lb. ex granary, with short-berried about 1s. lower, and only about 6d. or 1s. variation occurred during the succeeding two months.

The wheat-harvest in this country was one of the earliest on record, commencing about the middle of July and finishing practically before the end of August. The crop, as might have been expected, was of excellent quality and in fine condition, while the yield was also a good one. As Home supplies began to be marketed, the New Zealand offerings were more or less neglected, and prices fell away. European crops turned out light, but those in Argentina and Australia were well-conditioned and above the average. Business in new-crop New Zealand wheat was slow at about 35s. 6d. for long-berried and 34s. for short-berried. In February, with decreasing stocks in this country, and comparatively small shipments afloat, spot parcels met a better demand, and a small business was done at 37s. 6d. and 37s. for New Zealand long- and short-berried wheat respectively. The official year closed with the market firm, owing to reduced supplies, and with quotations at about 38s. 6d. and 37s. 6d.

Oats.

Taking the year through, New Zealand oats have been in small supply, and have met a very good inquiry. Prices at the beginning of March were 19s. 6d. for sparrowbills and 17s. for Danish, and after a temporary fall towards the beginning of April, owing to a reduced demand, rates gradually firmed up, till in the middle of December 23s. 6d. and 19s. 6d. were the current quotations. January saw the market firm, with a good demand for all descriptions, owing to short supplies, and by the end of February New Zealand stocks were practically exhausted. The year closed with a small supply then in store being offered at about 26s. 6d. for sparrowbills, but this price was more or less nominal, no business being reported, though the market was firm and steady.

Peas.

The market for peas has ruled very quiet during the year, supplies being plentiful and the demand dull. Prices have shown a continuous decline, commencing at 44s. per 504 lb. for New Zealand partridge peas, and gradually falling to 39s. during June and July, when the market was overstocked and depressed. Some little improvement took place towards the end of the year, and in November business in the new crop for shipment in March and April was reported at 38s. 6d. c.i.f. Since the beginning of 1912 about 39s. ex store has been the quotation. Supplies, however, have generally exceeded the demand, and at the close of the twelve-month the nominal quotation was 38s., with a tendency in favour of buyers.

Beans.

For the first six months of the official year the market for beans ruled decidedly on the quiet side. Holders were firm, and only a small business was done. New Zealand beans were in limited supply, however, and quotations varied between 35s. and 34s. per 504 lb. on spot, according to demand. Supplies during August were very scarce, so that during the following month prices firmed up, and demand for the small quantities offering was good. In the middle of December 36s. per quarter was the quotation, with a firm market. By the beginning of February New Zealand stocks were practically exhausted, the value being nominally 37s. 6d. per 504 lb. ex store. The last cabled quotations for the period gave 38s. as the nominal value, there being a good inquiry.

Linseed.

Early in the year the Department of Agriculture informed you that the cultivation of linseed was extending in certain districts in the Dominion, and requested information regarding the market for it here. I accordingly made inquiry and reported fully as to prices, conditions, and future prospects. Some years ago shipments of New Zealand linseed were handled in London,

and the quality was then favourably reported on. For the most part of the twelvemonth prices of linseed have been firm, but recently, towards the close of the official year, they have dropped 3s. to 4d. all round, the nominal value of New Zealand seed being about 70s. per 416 lb. ex store.

HOPS.

The year 1912 has opened with good trade in hops, and with prices steadily advancing. The exceptional summer experienced last year, while restricting the yield of the English crop, had a very beneficial effect on the quality. There has therefore been a keen demand amongst brewers to secure parcels, and stocks in growers' hands have been reduced to a very small compass. At the close of the official year English hops were selling at £13 per hundredweight, Californian fetching about £12, or about 60 per cent. above the rates ruling twelve months previously. There is every prospect of good business at high prices should New Zealand growers decide to make shipments to the English market during the present season. Particulars of prices and prospects of the hop-market have been cabled to Wellington, and the position has been notified by reports forwarded by you.

HONEY.

As requested by the Prime Minister, the Port of London Authority were approached with a view to a reduction in the port charges on honey coming from the Dominion. In their reply the Authority stated that no New Zealand honey had been warehoused at their docks for some time past, and requested particulars of shipments and the charges paid thereon. Full particulars of the services rendered by the Authority for the various charges they collect were supplied, and the apparent difference in favour of Australian honey was explained when it was learned that when packed and handled in the same manner New Zealand honey is charged under the same section and at the same rates as that from the Commonwealth.

During the year I made further extensive inquiries regarding the marketing of honey in this country, the methods of sale, the relative qualities and uses, &c., and a full report was forwarded to the Government.

In August a case containing forty-two 2 lb. packets of honey was received by you from an apiarist in the Dominion for test and report. The honey was made up in blocks, carefully wrapped in parchment paper, and enclosed in cardboard boxes. The packets were distributed amongst wholesale houses, grocers, &c., for testing. While the quality was found to be excellent, the general opinion was that the packing was useless for the English market. Full particulars were supplied to the sender as well as to the Government at Wellington. Owing to the favourable season, prices for English honey last year were very low, large quantities having been sold retail at 6d. to 7d. per pound.

OTHER LINES.

Eggs, Poultry, Bacon, &c.

As requested by the Department at Wellington, quotations have been regularly supplied for market prices, &c., for eggs, poultry, bacon, and hams. As regards eggs, prices all round gradually increased from the beginning of April, till at the end of the year quotations were very high, especially for new-laid, which commanded highest rates. The cold weather in February caused another jump in prices, supplies from the Continent decreasing. At the end of the twelvemonth, however, the market had again gone back to normal, and quotations were firm at prices much about the same as those of last year.

Bacon has been generally quiet, but the market has been steady. Rates showed a decline for the first six months of the official year, but they afterwards took an upward turn. Consumption has recently been on a satisfactory scale, and prices at the end of the official year were very little below those of twelve months before. Hams have also been in quiet demand, and steady rates have prevailed all round.

Poultry has not changed much in price during the year. Supplies have, as a rule, been fully equal to the demand, and sometimes in excess of requirements.

Apples.

During May last year a shipment of apples was received from the Dominion per s.s. "Rimutaka." Unfortunately, these did not land in a satisfactory condition, the temperatures at which they had been carried evidently being too low. This resulted in a large proportion of the fruit being frozen, and consequently the prices realized on the market here were low and unsatisfactory. Under the circumstances the test could not be considered as affording a fair indication of the prospects of the apple-export trade from the Dominion.

Opportunity was taken of the annual summer show of the Royal Horticultural Society to make a display of New Zealand apples at Olympia early in July. Although the quantity shown was not large, the quality of the fruit and the varieties exhibited made a very attractive display, which was favourably commented upon by the judges and by the numerous visitors to the Exhibition. The exhibit secured the "Knightian" Medal, which was the highest award that could be gained by a show of apples alone—a highly gratifying result.

I have, &c.,

H. C. CAMERON,

Produce Commissioner.

The Hon. Sir William Hall-Jones, K.C.M.G.

MEAT-INSPECTION: REPORT FOR YEAR ENDING 31st MARCH, 1912.

Terminus Chambers, 6 Holborn Viaduct, London E.C., 7th May, 1912.

Memorandum for the Director, Live-stock and meat Division, Department of Agriculture, Commerce, and Tourists.

I BEG herewith to submit to you a report on the duties carried out by me during the year ended the 31st March, 1912.

As in previous years, my work has been mostly in connection with the inspection of New Zealand meat in this country, and has entailed attendance at the London and provincial markets, at discharge of steamers at London and west-coast ports; in addition, I have examined all live-stock exported from London to New Zealand, and have attended to various other matters regarding which instructions have been received from yourself or the High Commissioner.

As before, I do not purpose treating at great length many of the subjects dealt with, as I have from time to time reported to you on the various matters of interest as they have arisen.

I have, when in London, attended daily at the Smithfield Market, and through the continued courtesy of Mr. Young, M.R.C.V.S., and his staff I have been able to keep trace of any condemnations of our meat which have taken place. I have also visited the London docks frequently, noting points of interest relating to discharge and the condition of our meat on arrival; here I have obtained great assistance from the Port Inspectors, who have as their duties the inspection of our meat on its discharge. I have also, at intervals, visited the various west-coast ports when ships from New Zealand have been discharging there. On most detail matters arising out of these duties I have already advised you.

I am pleased to say that, compared with the importations, the proportion of condemnations has been exceedingly small, and such condemnations as have taken place have almost invariably been due to unforeseen circumstances—in very few instances was it necessary to attach blame to the Inspector in New Zealand.

Several instances of "ship's damage" have been noted and reported upon to you, and in such cases the attention of the shipping company has been drawn to the circumstance, with a request that care be taken to prevent a recurrence.

The following are a few of the subjects upon which reports have been sent you from time to time, a *résumé* of which may be of interest:—

BONE-TAINT IN BEEF.

Although I had occasion to report to you last autumn on considerable condemnations, I am pleased to say that, on the whole, bone-taint is appearing now with much less frequency than in previous years. This is specially noticeable in connection with one of the North Island freezing-works, where it was no unusual thing to find 10 to 20 per cent. of hind-quarters affected. During the last twelve months such improvement has taken place that only an isolated quarter is found to have bone-taint.

It is to be hoped that every endeavour will be made to maintain the existing satisfactory conditions, as the knowledge that a certain brand of beef is likely to prove tainted detracts from its value and quick sale.

BONELESS BEEF.

During the period under consideration only a moderate quantity of boneless beef has been sent here from New Zealand. The consignments which have come directly under my notice have been between four and five thousand packages (boxes or bags), and of these, 92 have been rejected and 214 passed only after having been thawed out for further examination than could be made in the frozen state. The condemnations, also the holding-over for further examination, have been due to the fact that the packing has not complied with the Foreign Meat Regulations.

I am pleased to say that most of the regular senders of this class of meat seem to be trying to meet the requirements at this end; their meat is of fair quality, neatly boned and cut in identifiable pieces, well bagged and frozen separately, and in other ways conforming to the regulations and acceptable to the authorities here. Against this, however, you have received reports from me from time to time as to shipments which have been the exact opposite of the above, and it is to be regretted that all packers do not try to meet the requirements. Some of the meat has arrived either frozen in almost solid blocks or so distorted that recognition was impossible—hence either condemnation or thawing-out for identification and examination. Again, in some instances, where the actual packing has been acceptable, the beef itself has been of the lowest grade—either bull or cow with hardly a trace of fat visible—and one could only conclude that the meat had come from animals in a state of extreme poverty.

While it is not to be expected that beef approaching "prime" in quality will be boned and boxed, I strongly recommend that more weeding-out be done, and that certain packers (whose names I have indicated in previous reports) raise considerably the standard of quality for this class of export.

BONING QUALITY BEEF.

As mentioned in my annual report of two years ago, the stringent conditions imposed on the importation of boneless beef led to a trade being developed in quarters of cow and bull beef of a very poor quality, these being intended for chopping purposes and to take the place of the prohibited boneless meat. In that report I pointed out that the reputation of New Zealand as a meat-exporting country was being endangered by this class of beef being sent to the markets here, and I now beg to repeat that warning with marked emphasis.

It is understood, of course, that there is a market for a second-class beef, but at the same time I am of opinion that the standard for the class of meat under consideration should be con-

siderably raised. Some of the boning meat is of fair quality, and is acceptable alike to the buyers and the inspecting authorities; on the other hand, some of the consignments consist of quarters of very poor quality, showing an almost entire absence of fat, and must have been derived from animals in very poor condition. It is in beef of this quality that danger lies; it is sold forward at a comparatively low price without adequate description, gives dissatisfaction to the purchaser, and also prejudices him against placing further orders for New Zealand meat.

I would again advise that powers be given to our Inspectors (at least, at those works where such an action is considered necessary) to grade to a minimum standard, and to reject for export such beef as, although not actually unfit for human consumption, at the time of slaughter is of such a poor quality that it would not stand the freezing and subsequent thawing at this end.

CONDEMNATION OF SHEEP-KIDNEYS

I would like in this report to draw attention to the large percentage of sheep and lamb kidneys which have been condemned here on account of their being found to be decomposed on arrival, although I have already reported on the various condemnations as they have taken place. In a few cases the condemnations have equalled 100 per cent., and in many cases from 25 to 50 per cent. of the consignments. I have kept a record of the more important condemnations, and from this I note that for the year ending the 31st March, 1912, no less than 18,569 dozen have been condemned, representing, at a low estimate, a loss of £500.

From the appearance of the condemned kidneys I am of opinion that such condemnations are preventable. The kidneys were bright in colour and dry, the paper surrounding them and the boxes in which they were packed were also dry, thus indicating that there had been no softening after the initial freezing, and leading one to the conclusion that decomposition had been allowed to set in prior to packing, or, at least, freezing, at the works of origin. I would recommend that exporters who have suffered condemnation should pack the kidneys in cooled boxes as soon as possible after slaughter of the animal, and reduce the temperature at once. This, I consider, would remedy matters, as I am forced to the conclusion that the kidneys have been allowed to remain at too high a temperature for too long a period after their removal from the carcass.

IMPORTATION OF MEAT INTO FOREIGN COUNTRIES.

Since last year, when I sent you a full report on this subject, there have not been many developments, notwithstanding the fact that the matter is one which has received considerable attention. The following are the main alterations which have occurred:—

Austria-Hungary.

As mentioned in my last report, several trial shipments of Argentine meat were sent to Austria-Hungary, and it was at one time anticipated that a regular trade might be developed. Special permission had to be obtained from the Government in the case of each individual importation, and, owing to agrarian agitation, this permission has not been granted since the middle of last year, notwithstanding the fact that meat in Austria-Hungary is dear and that its importation is greatly desired by the lower classes.

Denmark.

In December, 1911, a new law came into force which would make it possible, under certain conditions, to import meat into Denmark. This law authorizes the Minister of Agriculture to order meat to be submitted for examination in the event of the export regulations of the producing country not giving, in his opinion, "a satisfactory guarantee as regards the sanitary condition of the same." I cannot do better than give the following quotations from a despatch sent by His Majesty's Minister at Copenhagen to the Secretary of State for Foreign Affairs in July of last year:—

"Such, then, being the regulations either actually in force or shortly to be put into complete operation, I venture to think that they afford a basis whereon His Majesty's Government would be justified in proposing to the Danish Government that animal food products, either from the United Kingdom or from His Majesty's Dominions or colonies, should be admitted into Denmark, subject to their undergoing, if required, the sanitary examination referred to above. I would further venture to suggest that, before making a formal application in this sense to the Danish Government, it would be desirable to obtain, and eventually to append to such application, specimens of the regulations in force and of the sanitary certificates, &c., which would accompany the animal products when prepared for exportation, in order that the Danish Minister of Agriculture might satisfy himself in advance whether such regulations, certificates, &c., were in fact, sufficient or otherwise to meet the legal enactments. As regards the general question as to how far it would be worth while to export animal products into Denmark, which is itself an agricultural country, opinions appear to differ. On the one hand, I have heard it stated that there is little demand in Denmark for large carcasses of beef, nor much demand for mutton, the principal forms of meat in use being veal, pork, bacon, lamb, and, among the poorest classes, horse-flesh. Moreover, it is asserted that to send meat to a meat-producing country would be to court failure. On the other hand, I have been assured that, although Denmark is, of course, a meat-producing country, yet she exports her whole production of first-quality meat, with the result that, whereas the farmer is thereby tolerably sure of getting a good price for his stock, the townsman is obliged to content himself with second-quality meat and pay a dear price for that. The townsman might therefore be assumed to be likely to welcome the importation of foreign first-quality meat if the latter could be sold at a reasonable rate and be approved by the local authority as sound and recommendable."

I have not heard of any importations of frozen meat being made into Denmark, and doubt if they would prove a financial success, as the retail price is somewhat low, being quoted at 6d. to 7d. per pound.

Switzerland.

Conditions regarding the importation of frozen meat into this country have much improved, and, as a consequence, imports have been fairly numerous, and some of the consignments have included New Zealand meat.

When I reported last year, importations were being allowed experimentally, special permission having to be obtained in each instance from the Federal Department of Agriculture. Early in last year the experimental restrictions were abolished, and frozen meat was recognized as an ordinary import; it had then to pay an import duty of 25 francs per 100 kilos., which on the 1st January of the present year was reduced to 10 francs per 100 kilos.

Although the imports are still small, Switzerland has given a good lead to the other Continental countries, the more remarkable when it is remembered that until two years ago the importation of frozen meat into Switzerland was absolutely forbidden.

France.

I regret to have to report that the prospects as to the importation of frozen meat into this country have not improved, notwithstanding the various representations that have been made. Arising out of the International Congress on Refrigeration, it was suggested that a meeting be held in Paris to consider the subject of an international standard of meat-inspection, and attempts have been made to have this meeting officially recognized by the French Government. Owing, however, to the death of the chief organizer, M. Loverdo, this has meantime failed, and the meeting postponed to some later date.

I consider, however, that every attempt should still be made to obtain entry into this country, as, from all available information, a good trade should ensue.

France has recently made slight concessions as to the import of certain joints and sundries, and also now waives the right to examine meat in transit to other countries, but still remains closed to our lamb and mutton as usually exported.

DISCHARGE OF MEAT.

I am pleased to say that some slight improvement in the handling of meat at the London docks has taken place during the last twelve months, due mainly to the introduction of mechanical aid.

The New Zealand Shipping Company in the discharge of meat used to raise the carcasses to deck-level by means of an elevator from the hold, and then slide them down to the quay by means of "chutes," this latter being undoubtedly the cause of a certain amount of damage. They have now in use, however, a fairly complete system of carriers, which much reduces the risk of damage. The elevator from the hold is still in use, but the carcasses, instead of being sent from the deck to the quay by a chute, are now carried down on an inclined carrier and are then transferred to horizontal carriers, which take them close to the van or barge into which they are to be loaded. These carriers consist of endless canvas belts, and are protected from the weather by means of canvas covers. These horizontal carriers are also fed by means of side chutes from the portholes and with carcasses sent overside by sling. While this system may not be ideal, it is a decided improvement, and is calculated to reduce chafing, broken shanks, &c., and also lessens the time during which the carcasses are exposed to the air.

The Tyser line, which until recently discharged wholly by means of slings, a few months ago commenced to use an elevator, which conveys the carcasses from the hold, over the deck, and down to the quay. This, again, is a step in the right direction, and I have no doubt it will be extended in time.

I have nothing to report regarding the discharge of meat at the west-coast ports, no alterations having taken place since I last reported.

EXPORT OF LIVE-STOCK.

During the year ended 31st March, 1912, I have examined the undernoted live-stock prior to shipment from London to New Zealand: Twenty-seven cattle, ninety-seven sheep, twenty-six horses, thirty-nine dogs. I have also examined the following prior to shipment to Australia: Three cattle, thirteen horses, twenty-one dogs. The fees for the examination of the above have been handed by me, as received, to the High Commissioner.

ALEXANDER CRABB, M.R.C.V.S.

REPORT OF THE INSPECTOR OF NEW ZEALAND DAIRY-PRODUCE, LONDON, SEASON 1911-12.

Terminus Chambers, 6 Holborn Viaduct, London E.C., 10th May, 1912.

SIR,—

GENERAL.

Pursuant with instructions received, I left Wellington on the 1st September, 1911, by the t.s. "Manuka," connecting with the s.s. "Mooltan" at Sydney, arriving at Tilbury Docks on Saturday afternoon, 21st October, 1911, and reporting myself at the High Commissioner's Office on the following Monday morning. On arrival I found that office accommodation had been arranged, and early steps were taken to get the necessary office requisites. There was some delay due to the redecorating of the offices, during which time I shared the office occupied by the Veterinary Officer. However, as soon as the offices were ready I moved into the room allotted to me, being room No. 29, 6 Holborn Viaduct E.C.

The only matter of interest to the Division that came under my notice during the voyage Home was the fact that there is a market in Colombo, Ceylon, for loaf Cheddar cheese, the price offering being about 9½d. per pound wholesale at Colombo. The present supplies appear to come from New South Wales. Packages, twelve cheese in a case of three divisions.

I arrived Home in time to see the first of the season's (1911-12) output arrive in the "Ruapehu." No time has been lost in making myself known to the trade here, and at time of writing I am still increasing my acquaintance with those interested in the handling of New Zealand dairy-produce.

Since my arrival, all steamers arriving from New Zealand and carrying dairy-produce have been attended by me, and the condition of the produce, packages, and methods of discharging noted. Visits have also been paid to the following distributing centres: Leith (1), Glasgow (2), Liverpool (1), Manchester (1), Bristol (4), Cardiff (1), and also the docks at Avonmouth and Glasgow. (The figures in brackets indicate the number of visits paid.) At the various places mentioned merchants were interviewed, dairy-produce inspected, and the local requirements discussed and noted. Samples of butter have been taken for analysis where complaints have been made of excessive moisture-content, and I have also witnessed the check-weighing of our dairy-produce on numerous occasions. Information has also been obtained by me as to the methods of manufacture, marketing, ruling prices, &c., of Caerphilly cheese, and such by-products as casein, milk-sugar, and powdered milk.

Official weekly reports have been sent forward to the Director of Dairy-produce. Copies of these reports have been supplied to the High Commissioner and the Secretary, Department of Agriculture.

CREAMERY BUTTER.

Flavour: Generally speaking, there is not a great deal to be said about the flavour of our various brands of creamery butters, as the majority are of very fair flavour, ranging to choice, giving satisfaction in this respect.

Fishiness: The regrettable erratic prevalence of fishiness in our butters calls for earnest endeavour to get at the root of the evil. This trouble makes its appearance quite unexpectedly in brands that have been giving every satisfaction and have been looked upon as being reliable as to quality, when suddenly "fishiness" appears and causes embarrassment in business circles at this end, and very frequently causes financial loss and certainly dissatisfaction to all parties interested.

Foreign flavours: In a few instances I have found rather objectionable flavour in some of our butters, one in particular that I can only describe as a "soda" flavour. This is probably due to the excessive use of a neutralizing agent in the cream before pasteurizing. In cases where a neutralizing agent is necessary great care should be exercised to prevent the flavour of the butter suffering thereby.

Colour: Our makers should be absolutely sure that their butter is perfectly straight in colour before packing. Butters that are "streaky" or "marbled" in colour are not wanted at Home, and I have known of instances where clients have returned New Zealand creamery to the agents or firms from which it was purchased owing to this defect. The only destination for such butters is the blending establishment.

Salting: Irregularity in salting is rather too prevalent. Every attention should be paid to the salting of the butter to see that it is regular, as the British public are rather particular in their tastes in this respect.

Moisture-content: I regret to have to report that some of our brands have been found on analysis here to contain over the limit. Too much importance cannot be made of this matter, and producers are earnestly advised to take every possible precaution to see that no butter is sent away from their creameries containing over the legal percentage of moisture allowed by law. I would recommend that 14 per cent. be the limit aimed at. This will allow of a fairly safe margin to allow for the moisture irregularities during the churning and working of the butter. If our producers are to retain the confidence of the trade here, our butter must be above suspicion in the respect of excessive moisture-content. Persistence in a continuation of this evil can only result in serious financial loss to our producers. Our producers should require no second warning, as it is of vital importance to our dairying industry that the people who deal in our dairy-produce should feel and know that the article in question is above suspicion.

Packages: Our butter-boxes are satisfactory, but I notice that the use of two pieces of timber in any particular side of a box has the tendency to weaken the package considerably.

Use of the word "Danish": I have seen quite a quantity of our creamery butters with an advertisement inside the lid of the package indicating that the contents are manufactured from pasteurized cream on the Danish principle, &c. I recommend that the use of the word "Danish" be discontinued as early as possible.

Weights: Since my arrival here I have seen several instances of short net weight in our butter-packages. Creamery-managers should see to it that their scales are in good order, and that proper care is exercised in the weighing of the butter. Sufficient allowance should be made for shrinkage so that the butter in our 56 lb. packages should turn the scale at 56 lb. net when stripped for check weighing in the warehouses at this end.

"Whey" butter: As there is now every indication of a considerable output of "whey" butter from our Dominion, I would strongly recommend that an amendment be made in the Dairy Act and Regulations making it compulsory to brand it as "whey" butter, or words to that effect. Owing to the objectionable flavour of this class of butter, I am of the opinion that it would not be advisable to continue exporting "whey" butter from the Dominion under our "creamery" brand, as it will lower the high standard of quality of the latter butters on the Home market. The result would be that we should probably have to accept lower prices for our butters than would otherwise be the case if the "whey" butter were placed in a class by itself and branded accordingly.

Use of the term "superfine": If it should be decided upon to use the term "superfine" for our higher grades of creamery butter, I would recommend that this class should apply only to those butters scoring 93 points and over.

Comparison with other butters: Since my arrival in England I have had many opportunities of comparing our creamery butters with those of other countries whose butters have also to be carried long distances, and, generally speaking, I find that the quality of our butter is superior to our competitors': I refer to Australian, Siberian, Argentine, and Canadian produce. The Irish butters that I have seen up to the present are not to be compared with ours for quality, but no doubt the quality of Irish will improve as their season advances. Our higher grades compare very favourably with Danish, Swedish, and Finnish. One is very much struck with the lack of colour in many Continental butters, some being almost dead-white in colour, due no doubt to fodder feeding and pasteurization, further aggravated by excessive working. Some butters I have seen are very salvy in appearance, and the texture was, in my opinion, destroyed.

Internal appearance of butter-packages: After comparison I may state unreservedly that it is my opinion that our butter-packages are neater and more attractive in internal appearance than any others that I have seen up to the present time: this refers to 56 lb. packages and kegs from overseas.

Use of rubber stamp: When any of our producers export from our Dominion butter "unsalted," "unsalted without preservative," I recommend that rubber stamps be used accordingly—as "U.S.," or "Unsalted," or "U.S.W.P.," or "Unsalted Without Preservative," to be plainly stamped on both ends of each package. This would facilitate the sorting-out at the docks or warehouses at this end.

FACTORY CHEESE.

Flavour: The-irregularity in the flavour of our cheese is a matter that requires to be remedied. I have seen numerous brands of our cheese that have been sound and regular in flavour, but too often we find a quantity of our cheese of strong and objectionable flavour. "Off" and rancid flavours have not been much in evidence. In some lines one could examine perhaps four or five vats, and these would perhaps be of very fair flavour; whereas the next one would be of unclean flavour. This irregularity in flavour causes financial loss to the producer.

Body: Generally speaking, the body of our cheese is fairly uniform and gives satisfaction, but I have seen brands of cheese at Home that have been stiff, harsh, and mealy; these do not suit market requirements here, nor is it desirable to see cheese carrying too much acid to such an extent as to cut the colour and destroy the texture of the cheese. Only on a few occasions have I noticed what could really be termed weak-bodied cheese, but those that I saw were very disappointing in quality. In a few instances I have seen cheese that were tough or rubbery when rubbing up between the fingers and thumb. I also have to record a considerable amount of pastiness in our cheese, probably due to imperfect cooking of the curd in the whey, which again may be accentuated by overripe milk, causing fast-working vats. What is wanted here is a mealy cheese of silky texture, but which must have good body in it. To obtain such a class of cheese it is essential that our makers should be supplied with a good sound normal milk in the first instance. It is no good makers running in as much acid as their cheese will stand in the hopes of covering defects, because age will tell, and although a cheese may show a considerable amount of acid and is firm in body without showing serious defects prior to shipment, I have very frequently found such a class of cheese to be pasty and mealy at this end, breaking short, and of harsh texture. These are disappointing results, which are probably due to a considerable extent to abnormal conditions existing in the raw material on arrival at the factory. Discussing this matter with a representative of a house in Glasgow, he said, "Now, you people have ruined your cheese with your acid." At the same time, a sweet cheese is not by any means desired.

Make: The make in a considerable quantity of our cheese is satisfactory, and some of our makers are doing good work, but one would like to see our season's make much more uniform in this respect. Speaking generally, the bulk of our cheese is too open in make, which detracts from its financial value. The chief fault appears to me to be artificial openness, and, although fermentation openings of various types have been observed from time to time, the percentage has been low and only seen occasionally. Looseness is also noticeable at times. This appears to be due to free fat, which has prevented the curd-cubes from knitting together. This fault does not seem to disappear with age.

The representatives of our cheese-factories and their makers would do well to follow the advice of our Instructors and Graders in regard to the building of their cheese; failure to put their best efforts into their work can only result in financial loss to the producer.

One does not require to be long here to find out the reason why it is that our cheese does not fetch as much as it might do if the quality was of a higher standard: we lack uniformity.

Cracked rinds: Care is required to prevent the cracking of the rinds of our cheese, as this peculiarity is not regarded with favour by the trade here.

Bandages: I have to report that quantity of our cheese have arrived here with the bandages split vertically. This will cause considerable financial loss to the company concerned. I would recommend that no cheese with split bandages be allowed to be sent away from the Dominion, but that they should be retained for local consumption.

Finish of cheese: With regard to the finish of our cheese, I would like to draw attention to care being required in the dressing of the cheese. Exception has sometimes been made to the large "lip," more especially when the bandage has not been drawn up, and the result being a rather unsatisfactory finish. Canadian and English Cheddars do not show this "lip." I understand that followers are used with every hoop in England, but I do not know if this also applies to Canada. If we could do away with this "lip" it would be to our advantage.

Size of cheese: The irregular size of our cheese is very noticeable here, and I would recommend that those companies who are using the smaller-sized hoops should give their attention to the using of the 80 lb. hoops as opportunity offers. Not only is there a likelihood of obtaining better prices for the larger-sized cheese, but it will be found more economical in the cost of production. I believe that Cheddar cheese made in the 80 lb. hoop is the most profitable size for our producers to make. There is a certain limited market for "medium"—these are similar in size and shape to the "Dunlops"; also for "loaf" cheese, sometimes termed "truckles" here. I do not think it advisable that these sizes should be made for export unless on the advice of the agents or by orders of the buyers.

Caerphilly cheese: From information received I believe that the making of a certain quantity of this class of cheese by some of our smaller cheese-factories would be found to be very profitable. To fit in with market requirements here, the season would necessarily be short. Caerphilly cheese could be made in New Zealand between the months of September to, say, the first week in January. Prices for Caerphilly cheese generally rule, on an average, 7s. 6d. per hundred-weight higher than the current prices offering for the Cheddar variety during the period mentioned.

Packing cheese too green: Care should be taken to see that cheese is not packed too green. Sufficient time should be allowed for the cheese to remain on the shelves until the rapid shrinkage that naturally takes place during the early stages of the curing process ceases. No cheese should, in my opinion, be removed from the shelves for the purpose of packing until the tops and bottoms of the cheese is fairly firm and dry.

Irregular shrinkage: The packing of green cheese is responsible for a good deal of the irregular shrinkage that is complained of by the trade here. I am of the opinion that the packing of the cheese should not take place until at least three weeks after making; after this period the shrinkage in weight would, under normal conditions, be covered by the 2½-per-cent. allowance recognized by the trade. Packing of the cheese should not take place until the latest possible moment before railing to cool-store.

It is reasonable to suppose that cheese removed from the shelves and weighed when only a few days old, and then held for some days in a packing-room awaiting transport, will show a very considerable shrinkage. Allowing for fortnightly shipments, those cheese packed a week or ten days earlier in individual shipments would show greater shrinkage in weight than those packed just prior to shipment. In factories where packing is carried out daily it is particularly necessary that the cheese should be of reasonable age before removal from the shelves. High temperatures is also a factor to be considered in dealing with the matter of irregular shrinkages.

Marking weights and numbers on cheese-cases: During the season several instances have come under my notice where cases have been wrongly numbered. In some instances each end of a case was marked with a different number, and, again, the marked weights on the ends of the same case did not agree. Particular attention should be given to see that the shipping specifications agree with the numbers and marked weights of the cases. I have seen several specifications the weights of which did not correspond with the marked weights on the cases. These irregularities cause very considerable annoyance and trouble to those concerned, and every effort should be made to guard against such errors in future by those responsible for the weighing, packing, and marking of the cheese-cases.

Temperatures: If cheese is submitted to high summer temperatures, any abnormal conditions that have existed after manufacture would be further aggravated, so much so that probably in many cases the character and monetary value of the article has suffered considerably in consequence. I am of the opinion that it would pay our producers handsomely to erect up-to-date cool curing-rooms at their respective cheese-factories, and take such steps as will prevent any deterioration of their produce, due to high temperatures, between their curing-rooms and the cool-chamber of the Home steamers. The saving in shrinkage and the production of a higher-grade article would return them good interest on the money spent for such a purpose. I wish to make it clear that I believe that it is as necessary to hold the cheese at normal cool temperatures after packing as it is while in the curing-room. If cheese is submitted to high temperatures for ten or fourteen days after packing the benefit to be derived from cool curing-rooms is lessened to a very considerable degree. I have seen a considerable quantity of our cheese that was shipped from New Zealand during the midsummer season that had suffered very considerably for the want of sufficient protection from the evils of high temperatures. In some instances the battens were saturated with butter-fat, and the cheese were sealed to the centre-board owing to the exudation of fat from the cheese.

Cheese-cases.

The type of cheese-case used by our producers is, I believe, satisfactory, providing the cheese is properly packed therein. Frequently during the present season I have seen cheese that have been damaged by the crowns adhering to the centre-boards, and often to such an extent as to cause financial loss. This could be prevented by having the centre-board securely nailed to the battens with a type of nail that will not draw out of the timber readily. I recommend that a barbed nail be used, as the ordinary nails used in the making of the cases draw or spring out of the centre-board too readily when the case is being handled. It is also important that the cheese should have free play in the case. There should be at least $\frac{1}{2}$ in. to 1 in. of air-space in each end of the cheese-case after the centre-board has been nailed to the battens. To do this it will be necessary to do the nailing when the case is lying on the ground, as if done when the case is standing up the top cheese will be pressing hard on the lower one. If this is done the advantage to be derived from the fixing of the centre-board will be very much lessened, as only one cheese will benefit thereby. If scale boards are used, and the centre-boards of the cases nailed as suggested, our cheese will open out in a much better condition than they do at present.

Tight-fitting cases: At the present time some of our producers are sending forward their cheese in tightly fitting cases, the cheese being too large for the cases. This is also a matter that should receive attention, as when cheese are packed in this manner they take on the shape of the case, and this reduces the market value to a certain degree, owing to the cheese being so unshapely.

The use of scale boards: The use of scale boards in the packing of our cheese could be used with advantage. The use of these would prevent the tearing-away of the crowns of the cheese if the cheese had been subjected to any abnormal conditions, such as condensation of moisture in cool-chambers, sweating, or heating. I would recommend that these be used.

Centre-boards: Centre-boards of cheese-cases should be at least 1 in. in thickness, as the cheese does not carry so well when a thin dividing-board is used.

Otago and Southland cheese-cases: Considerable improvement could be made in the turnout of our cheese-cases from Otago and Southland. If our producers could be persuaded to form a co-operative box company, similar to the Eltham institution, I believe a case of uniform size and style, with impressed brands, could perhaps be obtained at a lower rate than is possible under present conditions. Not only is this to be considered, but the appearance of their produce at this end would be greatly enhanced by such a movement.

The system of stencilling has nothing to commend it when used in marking the packages of our dairy-produce. I recommend the "impress" brand, with the use of rubber stamps for the purpose of numbering, dating, and otherwise marking the packages. I do not think that the Taranaki system can be improved upon in this respect.

THANKS.

The thanks of the Department are due to the representatives of the firm dealing in New Zealand dairy-produce in the United Kingdom for the hearty welcome and generous assistance extended to me since my arrival. Through such hearty co-operation on their part, and their desire to assist in improving the quality of our dairy-produce, my work here has been of a very pleasant and, I hope, profitable nature.

CONCLUSION.

After reviewing my observations of a few months at Home and speaking broadly, I believe that we are working along sound lines. All the defects commented upon are due to preventable causes. If the commendable inspection of dairy farms is persevered in it will bring about the necessary improvement of the raw material to enable producers to place a high-grade article of dairy-produce before the consumer here, the production of which will ensure satisfactory returns for capital and labour by those responsible for the manufacture. Paying attention to details, and by removing existing defects, we shall not have much to fear from our competitors in the open markets.

A very considerable quantity of our unsalted creamery butters has been sent to the Continent of Europe during the present season, but it is not possible to obtain reliable information as to the actual quantity.

From observations made by me since my arrival here I believe that in the near future the Department will have to consider the question of stamping with a guarantee stamp all packages of our U.S.W.P. butters intended for despatch to the Continent of Europe. This virtually will mean that the New Zealand Government will guarantee the butter in such packages to be free from boric acid or preservatives.

I have, &c.,

W. WRIGHT,
Inspector of Dairy-produce.

The Director of Dairy-produce Division,
Department of Agriculture, Commerce, and Tourists, Wellington.

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