A.—5. 14

Almost throughout the province the country is unsuitable for sheep, as is evidenced by the fact that at present it only carries some fifty thousand. Bush and scrub of one kind and another are in the

way of any immediate increase on this very inconsiderable number.

The above short sketch will give some idea of the most prominent of British Columbia's resources. That they have been effectively operated upon can be seen by noting the relations between the amount of its exports and the number of its population. There are under a hundred thousand people in the province, and its exports in 1893 amounted to nearly £700,000. Besides this a large quantity of produce passes over the railways to the eastern centres, which is not here taken into account. It now remains to be pointed out in what directions there is a likelihood of trade being feasible between this part of Canada and New Zealand. It may be said that the chief portion of any exchange business that may arise with the Dominion will be centred here. It may look strange when it is remembered that the eastern provinces are such large producers of prime cheeses and butter that British Columbia should draw a good portion of her supply of these articles from outside sources. Vancouver imports large quantities of butter from the United States, but since the commencement of the Sydney steamship service consignments have been sent from Australia. The quality, however, is not giving satisfaction, being too inferior for a market where there is a prosperous community. I saw in one or two stores samples that were quite unfit for ordinary table use, being rancid and of unpleasant appearance.

The trade of the port in this article is equal to about \$20,000 per month, a fair portion of which might, if a good class were sent, be obtained by New Zealand. The price runs from 26 cents to 30 cents per pound duty paid—said duty being 4 cents per pound—and 20 per cent. on the packages. It is in respect of these tariff charges that difficulties would arise in opening up a trade, for they seem to be sufficiently high to shut out much chance of successful results. At present the supply comes by rail from the United States and eastern Canada, at rates of freight that, although costly, would still leave the market open to the American producer, unless a differential rate of duty in favour of the colonial product were levied. In regard to this aspect of the trade question, I had a long conversation with the Hon. Mr. Foster, and other leading members of the Government, with a view to bring about some modification of the charge of this and other kindred productions. Both the Finance and Trade Ministers promised to give the whole subject of reciprocal tariff arrangements consideration, and they have, I believe, already made some suggestions to some of the Australian Governments in the direction of mutual concessions. The chief difficulty in the way is, no doubt, the tendency to foster local production, which in this case seems to simply result in placing

a heavy and permanent tax upon the great bulk of the community of western Canada.

The remarks that have been above made in regard to butter equally apply to cheese. Here again the imported article is largely used, the United States sharing with the eastern provinces the bulk of the British Columbian trade. Prices rule about 13 cents to 14 cents per pound duty paid, this charge being 3 cents, and 20 per cent. on packages as in the case of butter. Should any arrangement be made for differential duties, as was so strongly advocated at the Conference, and the duties on dairy products receive consideration in favour of these colonies, I feel certain that in course of

time a fairly good outlet could be found in British Columbia.

It is in frozen mutton, however, that an immediate and certain trade would arise once steam communication was established. For some time the demand would not be large; but it would be a growing one, for the population is increasing rapidly, and our quality would command the market. As will have been gathered, the country is not adapted for sheep, there being only some fifty thousand in the whole of the province. Consequently it has to obtain supplies of mutton from other places, principally Oregon. The inferior quality of the mutton at Vancouver was a subject of general remark by all the Australian passengers whilst I was there. And this opinion was held with regard to that of all other places on the route east, until nearing Ottawa, where, indeed, there is not to be had anything like the class of meat that we are accustomed to in New Zealand. On the voyage up we took some seven or eight hundred carcases from Sydney, which were disposed of at once, and more could have found a market. They were not very good in appearance, being small, skinny, and ill-fed. Nevertheless, the agent who had them in hand informed me they were much superior to the Oregon consignments, and were selling at 13 cents to 14 cents per pound. The duty is high, being 35 per cent. on dead, and 20 per cent. on live, meat. I was informed by Mr. Bowell, the Minister of Trade, that it was in contemplation to adjust these rates so that they should be in better proportion, for at present they are in favour of live imports. There is a cold store in Vancouver capable of holding some thousand or twelve hundred sheep. It was put up as an experiment by a gentleman who purposes entering into the trade on a large scale if supplies from New Zealand become available. He informed me that the consumption is fast increasing upon the production of the province, and that, consequently, failing shipments from these colonies, the trade must go to Oregon. From two to three thousand per month could find easy outlet between, say, December and July; after that rather less would at present suffice. The New South Wales mutton was costing, all told, about 8 cents per pound, so that it was leaving a large margin of profit to the shipper. Frozen rabbits would also find a market there, and, to a small extent, poultry and eggs, if sent during the winter months, for at that period the prices for these are high. Potatoes and other vegetables that would carry in a sound condition would likewise then meet with a demand. In fact, several of such perishable commodities could, by reason of the alternation of the seasons, be exchanged on either side. As the boats would not take more than three weeks each way, there should not be any great difficulty in delivering such in good condition.

There is but little chance for an outlet here for wool, or any of our woollen goods, there being no manufacturers of this description on the west coast. I took up several samples from some of the New Zealand mills; but the quality and price were not in keeping with the class of trade that is done. Coarse, heavy goods are the most required, such as are suitable for rough country work. A very large trade is done in blankets with the Northern Territories, principally by the Hudson's Bay