APPENDIX B.

SIR,-

Cape Town, 31st March, 1904.

In accordance with your cabled instructions to proceed to England via Argentine, and to report fully on the prospects of New Zealand trade with South Africa, I have now the honour to hand you herewith my report referring to South African trade.

The Hon. Sir J. G. Ward, K.C.M.G., Minister of Industries and Commerce, Wellington. I have, &c., J. A. KINSELLA.

PROSPECTS.

In my opinion the prospects for a large and lasting trade between New Zealand and Africa are almost assured, particularly in agricultural and dairy products. In fact, I would almost stake my reputation on the fact that an enormous trade could be done for many years to come if New Zealand people go about supplying this great Republic in a proper and businesslike manner. When I say a businesslike manner, I mean that we must endeavour to give the purchaser in Africa. exactly what he can sell, and the article must be exactly what will suit the consumer or handler, whether meat, butter, cheese, timber, or any other product, so far as meat and dairy-produce is concerned; if we are not alive to the fact that it is important for us to lay our meat, butter, and cheese down on the African markets in Al condition we shall shortly find ourselves out of the swim so far as quality and price are concerned.

I shall deal with each article of importance under separate headings—that is, the products which I think it will pay our colony to give most attention to. Before doing so, I should like to give my reasons for prophesying that Africa will for many years be compelled to import large quantities of agricultural products.

In the first place, one has only to look to statistics, and to watch from a practical point of view the large quantities of meat, butter, cheese, and condensed milk which are imported yearly from various countries into Africa. It is only necessary to visit the Imperial Cold-storage and Supply Company's premises at Cape Town and Durban a few times to become acquainted with the enormous cargoes of meat and dairy-produce which pass through these places only, not saying anything of the various other cold-storages which also do a large business.

So long as disease in stock continues in the various colonies of the African Republic, particularly in the Transvaal and the Orange River Colony, I am of the opinion that it will be some

few years before they will be able to grow enough live-stock to supply local demands.

For the above reasons I am satisfied that New Zealand should be able to get a good look-in with her beef, mutton, tongues, kidneys, rabbits, butter, cheese, &c.

The latest small shipments of New Zealand beef seem to be giving almost entire satisfaction in Africa. I have made inquiries in Cape. Town, Durban, and up-country at Johannesburg, Pretoria, Krugersdorp, &c., and although Argentine beef is largely used, they seem to prefer our nice small plump quarters to the enormous fat quarters from the Argentine; and if we could supply customers promptly and in quantities to suit demands, there is no reason to doubt but that we, as a British producing colony, should get a large share of the trade against the Argentine, at a shade better prices than we can secure in the Old Country.

In catering for the African trade, so far as meat is concerned, we should aim to send only the finest quality, for the reason that it is a new market and other countries are endeavouring to lay down in Africa just exactly the kind of meat and produce the people ask for. The above being so, I say it behoves the producers and shippers in New Zealand to take example from other countries.

We must send the proper weight of beef, and, above all, careful attention should be given to the dressing of it, both in the killing process, and also in the covering which protects the meat from the rough handling it receives in Africa, particularly when it is remembered that a large quantity of the beef and mutton has to travel hundreds of miles up country to Johannesburg, Pretoria, Krugersdorp, Potchestrome, Standerton, &c., in the Transvaal, as well as the quantities that go to other States in Africa. This meat is conveyed in cars that cannot be termed the best in the world, and the handling is done by what can be rightly termed the very dirtiest class of labour. I have seen labour of all kinds in many parts of the world, and I am of the opinion that the dirty, oily, half-naked, strong-smelling Kaffir is the most undesirable man on earth to be allowed to handle the fresh or frozen food eaten by white men.

MUTTON.

I have seen a good deal of New Zealand mutton sold in competition with Argentine in different parts of Africa, and the earlier shipments were found to be rather heavy and too fat. However, the latter shipments arriving seem to suit the public better.

From my own practical experience of eating Argentine and New Zealand mutton and lamb, I have become convinced that we must send nice, medium-sized, plump sheep, not too fat, and, above all, have them well dressed and properly covered in cotton scrim and canvas, and every attention should be paid to landing the shipments according to contract, at least as near as possible.

BEEF Tongues.

New Zealand tongues which I have examined in Africa are not what they should be; the tongues when opened up are found to be out of shape, long, flabby, and discoloured. the samples which I saw were also packed in rough, untidy cases, much too long for the tongues. On the other hand the Argentine tongues are packed in neat, nicely dressed, and branded cases. The tongues also have the appearance of being chilled while in the natural form, after which they

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