

that if large quantities of New Zealand's best output are to be utilised by the illegitimate trader, it is only a matter of time before New Zealand butter will lose its individuality on the markets of Great Britain, and the reputation and standing achieved after years of care and thought will have been lost. Then, when keener competition comes from the productions of Siberia, Canada, the Argentine, &c., and come it surely will, New Zealand will be less able to successfully compete than if its individuality had been maintained. By exporting large quantities of saltless butter the New Zealand producer is undoubtedly playing into the hands of the butter blender and "faker."

Representations have been made to the Imperial Government with a view to securing legislation to prevent blending and "faking" of New Zealand butter. The Select Committee set up by the Home Government to inquire into the question, I regret to find, while recommending the suppression of the "faker," considered that the practice of blending butter was a legitimate industry.

I am pleased to note that a further reduction has been made in butter freights.

The weekly cables from the High Commissioner prove of great service to producers and shippers, and it has been found necessary, owing to frequent requests, to enlarge these considerably. Every week particulars are cabled dealing with the mutton, lamb, beef, butter, cheese, hemp, and cocksfoot markets, and fortnightly the current quotations are cabled of kauri-gum, New Zealand wheat, oats, beans, and peas. Particulars of each wool-sale are also cabled, together with the condition of the respective markets. The contents of these cables are immediately published throughout the colony.

From this end, as soon as the shipping companies have completed the correct totals of a ship's cargo, the principal particulars are cabled to the High Commissioner, and a copy of the full manifest is also forwarded by the first opportunity. The figures forwarded by the Department are then published in British trade papers—which gives considerable prominence to New Zealand produce.

The British Board of Trade Intelligence Branch is in regular communication with the Department. Inquiries regarding opening of trade between the Mother-country and New Zealand are frequent, and the best information obtainable is forwarded to those seeking it.

During the year Mr. R. J. Jaffray was deputed by the Board of Trade to visit Australia and New Zealand, and on his arrival here was afforded every assistance desired, by the Department.

A matter that is receiving the attention of the Department is that of navy and army contracts. Forms of tenders regularly reach me inviting tenders from New Zealand shippers, but it is unfortunate that insufficient time is allowed to submit offers from here. Representations to this effect were made to the High Commissioner in 1904, 1905, and twice this year, who in turn passed them on to the authorities. Up to the present no improvement has been manifested, and I am again urging the claims of New Zealand with the Admiralty and War Office.

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