

Several efforts have been made for the establishment of a steamship service between New Zealand, Norfolk Island, New Caledonia, and the New Hebrides, but up to the present a service for a reasonable subsidy has not been obtainable.

At Chicago the British Consul has undertaken an agency of the Industries and Commerce Department, in conjunction with the agency of the Department of Tourist and Health Resorts, and samples of New Zealand products and manufactures, &c., have been sent there for exhibition.

In consequence of the several representations made to the British War Office, extending from 1904, mentioned in the last report, the High Commissioner has succeeded in obtaining an extension of the time permitted for tendering for War Office supplies, and sufficient time is now given to exporters in the colony to tender should they so desire. I append a report received from the High Commissioner outlining a recent interview with the War Office authorities regarding the supply of colonial meats for army consumption.

MEETING AT THE WAR OFFICE IN REGARD TO ARMY CONTRACTS.

"The Hon. W. P. Reeves, High Commissioner for New Zealand, and Mr. Coghlan, Agent-General for New South Wales, accompanied by Mr. Gilruth, Chief Veterinarian of the New Zealand Government, interviewed Sir Edward Ward and General Clayton in reference to the newly issued tender-forms for the supply of meat to Gibraltar, in which the previous condition that all such meat should be British or colonial has been deleted.

"The High Commissioner pointed out that, although, owing to the fact that New Zealand steamers did not come *via* Suez, it did not immediately concern the Colony of New Zealand—seeing the latter was not likely to be a direct supplier to Gibraltar—the removal of the present condition was a point which he extremely regretted to see, as this previous stipulation by the War Office had been of considerable value to Australasia generally.

"Mr. Coghlan developed the subject at some length.

"The short notice occasionally given by the War Office when tenders were required was also the subject of discussion by both Mr. Reeves and Mr. Coghlan, they pointing out that there was no time for the contract-forms to reach the respective colonies before the date fixed for tenders being received.

"As regards both these points there was considerable discussion. So far as the meat-supply for Gibraltar being drawn from any source, either colonial or foreign, it was pointed out that this was a matter for the Secretary of State, and that he had already directed that such tenders were to be open. At the same time, the officials expressed their decided opinion that in choosing meat-supply, provided prices were equal, the colonies would have distinctly the preference. It was some little time before this was officially admitted, the first contention being that it was necessary in time of war, when the Suez Canal might be closed, that the meat-supply for such a place as Gibraltar should be received from any part whenever it was available. Although, naturally, the question of preference in contracts was not a subject for the decision of these officials, they expressed their pleasure in being able to inform Mr. Reeves and Mr. Coghlan that in future contracts frozen beef would also require to be tendered for, and as this was supplied almost solely by Australia and New Zealand it would mean that they would supply meat three days a week for the army instead of one as at present. At the present time only one day a week is a "mutton" day.

"In reference to the short time given for tendering, the officials stated that this had only occurred in two instances, and in both these cases it was a matter of urgency and could not have been avoided. In future every consideration will be given, and every endeavour will be made to give as long a time as possible in order that specifications may have time to reach the colonies. Sir Edward expressed the opinion, however, that all colonial meat companies should have direct agents in London. It was pointed out that a number had these at present, as they were well aware, and it was suggested by Mr. Reeves that no doubt the Government Agents-General could act as agents for some of the smaller companies and so facilitate business.

"The question of samples being submitted and examined by the War Office was also discussed, and the High Commissioner and Agent-General both expressed their willingness to keep and store samples of meat belonging to the different companies, so that they can be submitted whenever required. This proposition was favourably received, as the War Office preferred to be able to examine samples which had been held for some considerable time rather than very fresh ones. The representatives of both colonial Governments assured the War Office that their Governments were only too anxious, through their Departments and through their London representatives, to assist in every way the development of business between the meat companies in the colonies and the War Office.

"The High Commissioner took occasion to impress upon the War Office the complete system of inspection in force in New Zealand for all meat, whether for local consumption or export. He was assured that this weighed very greatly with the War Office, and that at the present time they were having, through their own officials, a complete investigation of the conditions under which meat is being killed for export to London, and also the system of inspection in vogue in all parts of the world.

"One grievance against Australia entertained by the War Office was as follows: Last year a contract for 1,000,000 lb. of tinned beef for the China Station was given to a Queensland firm at the price at which it had tendered, but on receipt of the acceptance of the tender the War Office was advised by cable that the company could not then carry out its offer. The result was that the War Office were considerably put about.

"Mr. Coghlan assured the officials, however, that had the contract been settled in any way through the intermediary or in conjunction with the Queensland Government, he was satisfied that the offer would have been adhered to, and that the War Office would not have been put to any inconvenience."