

Toronto, 14th February, 1907.

T. E. Donne, Esq., Industries and Commerce Department, Wellington.

SIR,—

Toronto is the second largest city in Canada, it containing over three hundred thousand people. It is a large commercial and industrial centre, there being over \$7,000,000 manufacturing capital invested, and the total assessment for last year was nearly \$170,000,000.

It proved a great assistance having letters of introduction to various associations and clubs. I have had the pleasure of addressing these gatherings on several occasions, the members giving me a hearty reception and doing all in their power to make my visit to Toronto a success. Through these clubs I was able to meet the principal wool and flax importers and other gentlemen who appeared to be anxious to get information about our country in order to commence trade with her.

The wool-samples have given great satisfaction, the experts having declared that the variety and quality was exactly suitable for the Canadian market. Several of the importers said they would now only import New Zealand wool, one firm alone expecting to import at least 60,000 pounds' worth during 1907.

Several of the cordage-manufacturers examined the samples of flax, and they state that they have neither seen nor handled such a high quality of New Zealand flax as the "superior grade." The grades which they find most suitable for their requirements are the "good fair" and "fair." I asked if they could recommend or advise the Government experts in any way as to how the fibre may be improved for this country, but they stated they were highly satisfied and could offer no suggestions. They said that, providing the shippers deliver the flax according to the grades, of which I have samples, the buyers would have no cause to complain.

I have had several inquiries about the kauri-gum, and gave the names of exporters so that they could open up correspondence direct.

As regards the tinned goods, this city is too far inland and too great a beef and fruit centre to be particularly interested in them. However, I have given away samples of our goods, and the report is that they are the best that people have tried. As previously written you, a trade might be developed between our country and the most westerly part of Canada in this line.

Concerning statistics, I find it will be a difficult matter to get figures of the goods exported to and from New Zealand by Canada.

The exporters of the eastern part of this country forward their goods by New York, and the wool and flax merchants have their agents in London buying their requirements.

There is a great wave of prosperity passing over Canada at the present time, it having commenced about eight years ago, and from the present outlook it is likely to continue for some time yet. Emigrants are pouring into the country from Britain and filling up the North-west, a place very cold in winter but suitable for agricultural pursuits. Within the last year big discoveries of minerals have been made in this province. There appears to be a large deposit of silver and copper, and although there is a boom at present there can be no doubt as to the wealth of these resources.

In conclusion, I would say that I am convinced a large volume of trade can and will be done direct with Canada, especially when the importers realise the value of saving time by using subsidised steamers. There is an inclination on the part of the wool-buyers to combine and to try and arrange to bring their wool direct, but it may take some little time to make arrangements.

The following are extracts from a number of letters received by the Trade Commissioner from commercial firms in Canada:—

Winnipeg, Canada, 4th December, 1906.

I note it is your intention to ascertain if it would be profitable to establish a line of refrigerating steamers between New Zealand and Canada, and wish to know what the prospects are for doing business in Central Canada.

For your private information I might state that I am now importing large quantities of goods from various countries, which class of goods I understand are produced in New Zealand, and can be profitably sold in Central Canada providing you had proper shipping facilities.

Some of the goods I am importing from different countries are as follows: Butter, eggs, lambs, tallow, jam, and honey.

Canada is not producing anywhere near sufficient mutton and lamb to supply the home consumption, and we have been forced to seek new fields for our supply. Australia has seen fit to bid for this business, and in the last two months one firm in Australia has sold us approximately 25,000 carcasses of frozen mutton. We can handle from 25,000 to 50,000 more carcasses of mutton for immediate shipment; but, owing to the limited refrigerating-space on steamers from Australia, they are only able to carry between 3,000 and 4,000 carcasses at a trip, which means that it will take the steamship company running from Australia until the 1st April to deliver the 25,000 carcasses already purchased.

When I say we can handle 25,000 carcasses more of frozen meat providing we had the refrigerating-space, that means for consumption in the immediate vicinity of Winnipeg; but I have no doubt I could place 100,000 carcasses for distribution in Eastern Canada. As a matter of fact, I am prepared at any minute to make a contract for 100,000 carcasses of frozen lambs and mutton for immediate shipment.

Canned Mutton.—This article is also used to a great extent in Canada, and our canning factory in Canada cannot secure sufficient mutton for canning purposes to supply the demand. I could place at least 20,000 to 25,000 cases a year.

Tallow and Soap-grease.—I am always importing this article from other countries, and can handle from 250,000 to 500,000 lb. a month. As a matter of fact, I have imported considerably more than the above amount per month during the last year.