Westminster Chambers, 13 Victoria Street, London, S.W., 28th November, 1907.

Memorandum for the High Commissioner.

Distribution of New Zealand Mutton.

FOR some considerable time it has been growing more customary in New Zealand to depend to a greater extent on the development of the lamb trade than on the mutton trade in this country. Competition in frozen lamb has not been so keenly felt as in mutton. Australia has not, so far, produced lambs sufficient either in quantity or quality to affect New Zealand greatly, while it appears to be accepted by growers in the Dominion that River Plate will never be a dangerous rival, the capabilities of that enormous and rich pastoral country being regarded as specially suitable for beef and mutton exportation. Besides, the trade in frozen lamb specially appeals to the retail trader in other commodities than meat. The grocer, whether doing a large or small trade, finds frozen lamb an easy line to handle. He can sell it in quarters, for the shop-assistant who attends to the bacon or egg counter can easily cut a carcase in four, and customers' orders can be sent out with the ordinary goods in the delivery-cart. So a considerable addition is made to the shop turnover, without any noticeable increase in expenses, while the profit, even selling at a price below that charged by the ordinary butcher, is satisfactory. Consequently, the New Zealand lamb trade has been showing a steady and satisfactory expansion.

With the trade in New Zealand mutton, however, such satisfaction cannot be expressed. It is true that values during the past three years have been more satisfactory than they previously were, but there has not been that growth in distribution in the retail trade that could be desired. Steadiness, rather than increase, has been the feature of the trade. Although the margin in price between New Zealand and River Plate mutton has been greater of late than it was some time ago, it is fully recognised that the value of the former is largely governed by the market price of the latter. From present indications it would appear that this unsatisfactory state of affairs is not likely soon to be improved; but, on the other hand, rather to be intensified. For a considerable time the large American meat companies that have developed an immense and extended trade in chilled beef have been increasing their supply to their regular customers in New Zealand mutton, and so have helped in its distribution. The States chilled beef has now a deservedly high repute. For many years it has been the desire, I know, of some of these keen traders to have New Zealand mutton associated and retailed with their chilled beef, and with this object their agents have made purchases of the mutton on behalf of their clients. It has been rumoured on more than one occasion that North American meat companies have endeavoured to get a footing in New Zealand, in order to secure regular supplies; but it would appear that they have been unsuccessful in their efforts. That they have been determined to secure mutton supplies, however, is now evident, for recently Messrs. Swift, one of the strongest and most energetic of these companies, have acquired the La Plata Freezing-works in Argentine, and have commenced the importation of River Plate mutton on their own account for the supply of their retail customers. This firm has now distributing-depots in all the chief centres of the country, and if the example set is followed by the other North American meat companies it is apparent that such competition in the mutton trade will be established as must reflect detrimentally on the New Zealand trade. At the present moment it is reported that two other companies are following Swift's example, and have purchased interests in Argentine freezing-works

H. C. CAMERON,
Produce Commissioner.

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