

American rivalry, and continued German efforts, British merchants and manufacturers dominate the New Zealand market; and the fact that in the last four years they have maintained their share whilst increasing their actual amount, suggests that there are not many criticisms to be made upon their business methods. Actually very few hostile criticisms were received, and these were as a rule of a quite general character. In this connection it is desirable to point out that British trade with New Zealand is carried on largely by New Zealand firms with buying agents in the United Kingdom, British export houses with their own retail distributing centres in the Dominion, and agents there of British houses, and in all three of these cases it is to be expected that they will be fully cognisant of the nature and needs of the market with which they have to deal. Such criticisms as were made related very largely to the unwillingness of the British manufacturers to adapt their goods to the particular conditions and desires of New Zealand, and this was generally ascribed to the fact that to them the New Zealand market was of comparatively small importance in relation to the total amount of their trade. Thus, it was alleged in some instances that, even if patterns are sent to makers, they will not be guided by them in many cases, but will continue to substitute their own. It was also asserted that "foreign manufacturers are more on the alert to bring out novel and attractive lines, and to produce anything thus demanded, altering shapes and sizes to suit various markets if there is any possibility of securing orders by so doing: they will, further, wrap, box, and pack to meet customers' requirements." In another communication received it is stated that "the British manufacturer, making for many parts of the world, is not prepared in many cases to take the trouble to study the special requirements of what he looks upon as a small market like New Zealand. The foreigner, on the other hand, goes into every detail, first of all being informed by his consul of much that is of great assistance to him, afterwards sending out pioneers to study the habits of the people in the special goods which are being purchased, and is further prepared to take orders for small quantities in order to get a footing. The British maker, although he may send out his agent, binds him down with regard to quantity in a way that frequently makes it almost impossible to do business. The foreigner, further, is quite prepared to meet his customer with regard to the get-up of the goods, and we have known cases where he has gone to an infinite amount of trouble to give what was required, although probably there is absolutely no profit on the first transaction." One other criticism frequently made is that the British manufacturer does not always pay sufficient attention to the fact that in a new country in such a stage of development as New Zealand the demand is very often for cheap goods, and that attractiveness is also a factor of considerable importance in determining the purchase, with the result that either he offers goods which, because of their quality, are too high in price for the market, or that the cheap goods, if he makes them at all, are unattractive in appearance. The foreign manufacturer, it is constantly asserted, is, on the other hand, much more willing to produce an article which does not represent such good workmanship, and is not so lasting, but which is cheap and looks well, and in many cases he thereby gets trade. The good quality of the British manufacturer is therefore in some cases an actual obstacle to the expansion of the trade in his products. There are a few cases, however, in which this consideration of cheapness does not come into account, the determining factor being quality; but they are very few, and almost the only instances which can be adduced are tools, some woollen goods, such as dress materials and underwear, electrical machinery and appliances, some hardware, ribbons and muslins, and fancy goods.

TRADE REPRESENTATION.

The conditions under which the import trade of New Zealand is carried on render the question of official commercial representation in that country perhaps of less importance than in some other British possessions, but it must nevertheless be taken into account. There is extensive consular representation of foreign countries in the Dominion, and there is evidence in the cases of Germany, the United States, and Belgium that the consular service is being actively used in the promotion of trade. Several instances were given in which exporters from the United Kingdom had been approached by foreign manufacturers, who offered goods which they had been informed were suitable to New Zealand conditions or were likely to be taken up in that country, and explained that information as to the goods and the names of the British exporting firms had been obtained from consuls in New Zealand. The recent appointment of trade correspondents by the Board of Trade will, it is hoped and believed, be of considerable value in giving to British manufacturers who may not hitherto have had any share in the New Zealand trade an acquaintance with the wants of that country and the opportunities offered by its markets.

FREIGHTS.

There remains for notice the question of freights. It has already been pointed out that there are no regular continental lines to New Zealand, but that goods go either through London or through Australian ports. The lines sailing from the United Kingdom constitute a "ring," but there are very few complaints as to its action; most of the firms from whom communications were received considered the combination a great advantage, inasmuch as it tended to keep rates steady and uniform for all trades, and the present conditions are held to be much preferable to the old system when freights fluctuated like the prices of commodities, and thereby greatly increased the difficulty of conducting business.* Such complaints as were made related rather to the fact that in some cases goods are carried from Hamburg to New Zealand, *via* London and with transshipment at the latter port, at lower rates than from London itself. Thus it was stated by one firm that printing machinery was shipped at the end of last year from Hamburg to Dunedin, with

* This matter has been a subject of inquiry by the Royal Commission on Shipping Rings, which has not yet reported.