

chester, especially with reference to trade between that city, New Zealand, and Australia. That trade, it was pointed out, is still practically controlled in London, so far as the shipping department is concerned, and many Manchester exporters continue to send goods to New Zealand through London, thus incurring needless expense. I have pointed out in this report that the same practice largely prevails with regard to imports of New Zealand produce. In 1898 the Australian Merchants' Association was formed in Manchester; but, owing to some defect in its constitution or management, it did practically nothing. On the 18th July last a fresh start was made, and at a meeting held in the Town Hall, under the presidency of the Lord Mayor, the Manchester Association of Importers and Exporters was formed, on the lines of the Australian Merchants' Association of London. Referring to this movement, Mr. John K. Bythell, chairman of the Ship Canal Company, speaking at the forty-fourth half-yearly meeting of shareholders on the 8th August last, said he was hopeful that it would result in an increase of traffic at the port. The primary object was to develop oversea trade with the colonies and foreign countries, and this object ought to command the support of all Lancashire manufacturers, as well as of the merchants in Manchester. Mr. Bythell further said that "if the merchants and others engaged in any particular export trade would act together they would undoubtedly find that shipowners would be not only willing to meet them and discuss matters, but to do what is just and reasonable. They would show every desire to act with the shippers in maintaining their trade." It is my conviction that New Zealand exporters, by adopting the principle of combination, could do much towards securing more satisfactory steam services, freights, and bills of lading. It may be contended that the Chambers of Commerce in the different centres can make representations on these matters; but reflection will show that resolutions of these Chambers, addressed to people at a distance, cannot have the same weight as those of a special organization every one of whose members has direct business relations with the shipping companies. A New Zealand Exporters' and Importers' Association, with branches in the chief centres, and affiliated with British societies like those of London and Manchester, and with others such as the Bristol Provision Trade Association, could do a great deal not only in the way of securing better terms from the shipowners, but also in the direction of extending trade by exchanging information and receiving advice as to the state of the markets.

2. Government Action.

So much has been undertaken and successfully accomplished by the Government of New Zealand in the way of developing production and trade that the people become prone to place too much reliance upon State action in such matters. There are, however, various things that the Government can do much better than the private individual or any combination of individuals, and in the suggestions to be offered under this head I shall not advocate any extension of State functions, but simply the application of those already sanctioned and proved by experience. The means by which the Government might aid in the development of the west-coast trade and our export trade in general include the following:—

(a.) Subsidising the steamboat service to Bristol, Liverpool, Manchester, and Glasgow, and imposing conditions for its improvement in various ways. There is nothing but praise to be given to the initiators of the west-coast service, which has proved of immense advantage to the producers and merchants of New Zealand, as well as to the manufacturers and importers of Great Britain. The service has improved continuously as trade has expanded, and the shipowners must, ere long, in their own interests, take steps to still further improve it, so as to remedy the grievances arising from irregularity of sailings, &c. For rapid improvement, however, some external stimulus is required, and the best means is undoubtedly a Government subsidy. Under an agreement between the State and the shipowners stipulations could be made as to sailing-dates, the time consumed on the voyage, the date and conditions of bills of lading, the delivery of cargo direct at the port of consignment, and other matters of moment to traders. The conditions would include provision for a run of forty-two to forty-six days from the last New Zealand port to Bristol, the steamers to sail once a fortnight during the butter-export season and perhaps less frequently for the remainder of the year. It might also be advisable to stipulate for Liverpool (and Manchester) being, alternately with Bristol, the first port of call in Britain. The geographical position of Glasgow makes it difficult to establish a speedy direct service with that port; the extent of its trade at present does not warrant its being made alternately the first port of call; but, with the acceleration of the service that is suggested and a time-table date for the arrival of steamers, most of the objections now urged by Glasgow merchants would be met.

(b.) Reorganizing and strengthening the Produce Branch of the High Commissioner's Department. This branch is inadequately manned, as, owing to the frequency of exhibitions, conferences, &c., the time of one official is almost constantly employed in connection with these, and Mr. Cameron, with all his energy and enthusiasm, is unable to give the necessary attention to some departments of the work. There should be at least two additional assistants provided for him. It would also be advisable to have the High Commissioner's office removed to a position in closer proximity to the docks, the meat-market, and the principal importing establishments in London.

(c.) Systematic advertising of New Zealand's products. So little is done by exporters and traders in this direction that the great bulk of New Zealand meat, butter, cheese, &c., is sold simply on its merits; and, as the consumer does not as a rule make any inquiry as to the country of origin, New Zealand is deprived of that credit to which the high quality of her produce entitles her. The reputation of our goods is, of course, well established among the importers and wholesale dealers; but, in order to make their merits known to the general public, some system of advertising is necessary.