35 H.—34A.

(d.) Opening retail shops for the sale of New Zealand produce in various populous centres of the United Kingdom. The brilliant success achieved by a retail establishment in Manchester, opened thirteen years ago with the prominent signboard, "New Zealand Produce," is proof that the public are ready to purchase New Zealand goods as such. The talk of popular prejudice against frozen meat, butter, &c., emanates mostly from people whose interest it is to keep the public in ignorance of the country of origin. These interested people are not, as a rule, the retailers. One large importing firm, which has retail shops all over the country, shows prominent signboards, "New Zealand and Colonial Mutton and Lamb." In Glasgow I found a retail dealer announcing "New Zealand mutton, guaranteed by the Government, cooked ready for eating, 8d. per pound"; and even in small provincial towns I found New Zealand meat retailed under its proper description. A shop in Camden Town, London, displays a gigantic signboard, with the legend, "English and Scotch Meat for the Epicure; New Zealand and American Meat for the Thrifty." These instances, however, are the exceptions; I mention them to support my contention that there is no prejudice against our produce, and that if it were better advertised it would meet with more extensive sale. In such cases as I have mentioned there is, however, no assurance that dealers really sell New Zealand meat when they announce that they do so, and there is a suspicion that unscrupulous people, especially in remote places, still sell inferior meat as New Zealand, and thus injure the reputation of our product. To enable the public to see and judge as to the quality of New Zealand meat, butter, cheese, &c., the most effective means would be the opening of Government retail shops. This should be done with the object of advertising by demonstration, and not with the idea of competing with private retailers, whose goodwill it is desirable to retain, since the object aimed at should simply be to establish the reputation of New Zealand products and create such a public demand for them as would compel retailers to sell them under their proper designation. The retail shop in Manchester to which I referred has been carrying on a profitable trade for thirteen years; but the owners now sell all kinds of meat, though mainly frozen and chilled. Their price-list announces "prime selected New Zealand mutton" at from  $2\frac{1}{2}$ d. to 8d. per pound. When selling New Zealand produce only, an annual profit of 25 per cent. was made by the original owner of this shop, who established an excellent business connection with people of the middle and upper classes. The shop is still among the neatest and cleanest in Manchester. All over Great Britain I found the colonial and foreign meat shops to be the tidiest of butchers' establishments, and this attention to cleanliness and attractiveness has had much to do with the popularity of frozen meat. Shops of this kind, devoted to the sale of New Zealand meat and dairy-produce, if opened in various part of the United Kingdom, would at once increase the demand for our products and would be practically self-supporting. They would not be started with any idea of permanent Government ownership and control, but rather with the intention of selling out, within five years at most, to some local dealer, who would undertake to maintain the name and character of the shops as emporiums for New Zealand products. The meat trade in Ireland, and in some parts of Scotland, is carried on under conditions that are almost disgusting, and in such places the opening of neat, well-conducted shops for the sale of New Zealand produce would lead to almost instantaneous success. If the Government had no more than half a dozen smart and reliable salesmen to manage these shops, a great and useful work would be achieved, for, as one set of shops were sold to local people, the salesmen could be instructed to open others in different towns. These shops should be all under the supervision and control of the Produce Commissioner, whose duty it would be to see that they were properly conducted. I am satisfied that, by making a start with several establishments of this kind in the manufacturing towns of Lancashire, Yorkshire, and the Midlands, as well as in Glasgow and neighbouring towns, a vast impetus would be given to the export of our meat and other products to the west-coast ports of Great Britain. If it be objected that it is outside the functions of the Government to engage in retail trading, even if only for the purpose of advertisement, an alternative plan would be for the State to subsidise retailers in different towns to honestly sell and effectively advertise New Zealand products. After a year or two of such assistance the dealers would find it to their advantage to continue advertising New Zealand produce without subsidy. Failing the adoption of either of these methods, retail shops might well be opened by the meat companies and dairy associations in connection with the agencies which I have suggested they should establish.

(e.) Branding of meat: All the meat-dealers to whom I spoke declared themselves opposed to

the branding of New Zealand meat. This in itself seems suspicious, especially when they could give no other reason for their opinion than that "it would do no good." The absence of brands enables retailers to sell New Zealand meat as Welsh or Scotch, and to pass off Argentine mutton and lamb as New Zealand, both of these fraudulent practices resulting in injury to the reputation of New Zealand meat and loss to the exporters. An indelible brand placed, prior to export, on the principal joints of the meat, in addition to the tags of the different freezing companies, would enable the superiority of New Zealand mutton and lamb to be recognised by the consumer, and the result would be a considerable advance in prices. Branding I consider a necessary preliminary to any system of advertising or opening of retail shops by the Government or the exporting companies. The real reason for the opposition of British merchants to the branding of imported meat was disclosed in statements made at a meeting of the National Federation of Meat-traders' Associations, held in London on the 30th April, 1903. Mr. William Cooper, L.C.C., Chairman of the Meat Section of the London Chamber of Commerce, said, "If New Zealand meat were branded it would result in the sale of a great deal more, and consequently less British produce. In the interest of agriculture alone, therefore, he objected to meat-marking legislation." Other speakers supported meat-branding, but all alleged that large quantities of New Zealand mutton and lamb were sold as Home produce. In view of the activity of Argentine competition, and the improvement constantly being made in the quality of Argentine meat, I think it urgently necessary that New Zealand meat should be branded, so as to maintain its reputation and protect the producers by securing to them the full market value of the article.