

So far as pig-products are concerned—in which New Zealand is interested as a potential exporter and by reason of the bearing of these products on the meat-market generally—finality has not been reached. At the moment the whole situation is being surveyed by a Commission specially set up for the purpose in the United Kingdom. But we are assured that a substantial reduction will be made in imports of foreign bacon supplies and that the dominions will acquire an increasing share in the United Kingdom market.

Mutton and lamb are the meat-products in which New Zealand is most directly interested at the moment; and, as shown by the figures already quoted, recent increases in the supply on the United Kingdom market have exceeded the capacity of the market to absorb them. The competitors of the British dominions are mainly the South American republics. Their mutton and lamb exports to the United Kingdom, while substantial in volume, do not constitute a large proportion of their total meat exports; they are interested mainly in chilled beef, and in this line our southern dominions are unable to compete.

By the Agreement made at Ottawa, His Majesty's Government in the United Kingdom agree to reduce the imports of foreign mutton and lamb by the following percentages, as compared with the total for the twelve months ended 30th June, 1932:—

For quarter ending—

- 31st March, 1933, by 10 per cent.
- 30th June, 1933, by 15 per cent.
- 30th September, 1933, by 20 per cent.
- 31st December, 1933, by 25 per cent.
- 31st March, 1934, by 30 per cent.
- 30th June, 1934, by 35 per cent.

and thereafter at not less than 35 per cent. for the period of the Ottawa Agreement—*i.e.*, for five years in all.

Foreign frozen beef is to be subject to the same percentage reductions as those just mentioned. Chilled-beef imports from foreign sources are to be regulated so that no increase beyond the quantity for the year ended 30th June, 1932, will be permitted.

An alternative method of expressing the agreement in relation to the imports of foreign meat is given as follows:—

STATEMENT SHOWING THE MAXIMUM QUANTITIES OF FOREIGN MEAT TO BE ALLOWED TO BE IMPORTED INTO THE UNITED KINGDOM DURING EACH QUARTER OF THE PERIOD 1ST JANUARY, 1933, TO 30TH JUNE, 1934, EXPRESSED AS PERCENTAGES OF THE QUANTITIES IMPORTED IN THE CORRESPONDING QUARTERS OF THE TWELVE MONTHS ENDED 30TH JUNE, 1932.

	1933.				1934.	
	Jan.— March.	April— June.	July— Sept.	Oct.— Dec.	Jan.— March.	April— June.
	Per Cent.	Per Cent.	Per cent.	Per Cent.	Per Cent.	Per Cent.
Frozen mutton and lamb	90	85	80	75	70	65
Frozen beef (carcasses and boned beef)	90	85	80	75	70	65
Chilled beef	100	100	100	100	100	100

No reduction is to be imposed on any exports from New Zealand. We have, however, agreed as set out in my letter to Mr. Baldwin, to give early in each export season a reliable estimate of exports, by weight, of mutton and lamb. In consultation with the representatives of the New Zealand Meat Producers' Board, we have given an estimate for the season which is just commencing. The purpose is to assist in orderly marketing of supplies in the United Kingdom. It is manifestly fair as between one dominion and another that substantially similar conditions should apply to all, and the Ottawa Agreements satisfy this requirement. We are not to exceed the estimate given.