

1900.

NEW ZEALAND.

AGENT-GENERAL'S VISIT TO PHILADELPHIA.

REPORT OF THE AGENT-GENERAL FOR NEW ZEALAND ON HIS OFFICIAL VISIT TO PHILADELPHIA TO ATTEND THE INTERNATIONAL COMMERCIAL CONGRESS.

Presented to both Houses of the General Assembly by Command of His Excellency.

The AGENT-GENERAL to the Right Hon. the PREMIER.

Westminster Chambers, 13, Victoria Street, London, S.W.,
28th November, 1899.

SIR,—

In accordance with instructions I attended the International Commercial Congress at Philadelphia in October last, leaving England for that purpose on the 23rd September. Owing to the crowded state of the American Atlantic steamers at that season, it was necessary to start more than a week sooner than would have otherwise been required. When, too, we arrived at New York, we were informed that the opening of the Exhibition had been unavoidably postponed until some days later than the date previously notified to us. As a matter of fact, it did not open till the 12th October. I had the pleasure of travelling with Lieut.-General Sir Andrew Clarke, Agent-General for Victoria; Sir Horace Tozer, Agent-General for Queensland, and the Hon. Dr. J. A. Cockburn, Agent-General for South Australia: all acting as official delegates for their respective colonies at the Congress. The Agent-General for Western Australia, whose passage had been taken, was unavoidably detained at the last moment by important Government business, and New South Wales was represented by Colonel Bell, the United States Consul in Sydney, whom we met on arriving at Philadelphia.

I stayed in Philadelphia a fortnight, and during that time the kindness and hospitality shown us by the municipality, by various institutions and bodies of citizens, and by private persons could not have been exceeded. In this way I was enabled to visit Washington, Atlantic City, and also the great workshops of the Pennsylvania railway system at Altuna, at the foot of the Alleghanies. I may here observe that while in Philadelphia I took the opportunity of visiting the Baldwin Locomotive Works, and was very courteously shown over them by one of the managers.

While at Washington, and also at Philadelphia, I made it my business to inquire into the prospects of the Panama and Nicaragua Canals. Thanks mainly to the courtesy of one of the officers of the Isthmian Canal Commission at Washington, I was enabled to gain interesting and valuable information. This I have supplemented since my return to London by documents placed at my disposal by the Board of Trade here, and I have also succeeded in getting other papers from Paris relating specially to the French company now at work at Panama. A document, however, which will be necessary to make the collection anything like complete will not be available for about another month. At the end of that time I propose to make a separate report to the Government upon the subject. It is possible also that I may have to write to you confidentially upon the same matter.

On leaving Philadelphia I travelled with Sir Andrew Clarke and Dr. Cockburn to Canada by way of Boston, at which city we were the guests of the Massachusetts Reform Club, an important non-political body of social students and investigators. These we addressed on the institutions of our respective colonies. In Canada we visited Montreal, Quebec, and Ottawa. At Quebec we were entertained by the local Board of Trade—a body more analogous to one of our chambers of commerce than to the Government department called Board of Trade in England. I delivered an address upon the possibilities of extended trade and intercourse between New Zealand and Canada, with special reference to the Pacific cable. In Ottawa a deputation waited upon us from the Board of Trade of the City of Toronto, asking us to visit them and be their guests at a banquet. I greatly regret that time did not allow me to do this, as Toronto is perhaps the most progressive city in the Dominion. The deputation which met us in Ottawa was in itself large and representative, and I was able to make them a short address upon the same topics as I had spoken on in Quebec. Previously to this I had met in Philadelphia the Canadian commercial delegates to the exhibition there, and had had very interesting conversations with them upon the future trade relations of the Dominion and New Zealand. I am convinced that the producers and manufacturers of Canada are anxious to establish and improve trade relations with our colony. They look to see these naturally grow as one of the results of the laying of the Pacific cable and of improved steam communication across the Pacific. I feel sure that if at any time the Government should see fit

to make any overtures to Canada with the object of fulfilling these aspirations the Canadians would meet us half-way with readiness and cordiality. Canada is already a prosperous country, with a population of fully five millions and a half. She is ceasing to be a mere producer of raw material, and is becoming a manufacturing country in a substantial way. It seems to be the universal opinion that her very large deposits of iron will be worked in the near future to an extent hitherto undreamed of, and that this will have a marked effect in developing their manufactures. Already these are further advanced than we in New Zealand are given to suppose. For instance, I was surprised to learn that Canadian piece-goods manufactured in Quebec are being sold as far afield as Zanzibar, in East Africa, where they successfully compete with English and United States exports.

In their anxiety to learn of the industrial requirements of Australasia, and in their willingness to consider means for increasing trade between our part of the Empire and their own, the Canadians contrast in a marked way with the business-men of the United States.

The Congress at Philadelphia was the means of bringing together a considerable body of delegates from most countries in the world. Meetings were held almost daily, at which the commercial resources and problems of various lands and markets were discussed. Side by side with these meetings there was a large exhibition, or, as it is called in America, "exposition," chiefly of American manufactured articles.

The collection of these, though interesting and instructive, was not of the first order of importance. The same may be said of the debates. A great many addresses teeming with facts were delivered, and the delegates present must have learned much from them, and, perhaps, even more from discussions and conversations with each other. It is probable, however, that the delegates themselves profited more from these debates than did the American public. The attendance of Americans at the gatherings was seldom at all large, and the business-men of Philadelphia were usually conspicuous by their absence. Nor were the reports printed by the local papers of such a character as to convey to their readers a tittle of the useful information which might have been published. At a later stage, however, I understand that an official report of the proceedings will see light, in which the papers read will be produced verbatim. This, I believe, will have considerable circulation in the United States, and thus the purpose of the conveners of the Congress may be fulfilled. One of the meetings thus referred to was devoted to New Zealand. At this Messrs. Peter Barr and H. J. Todd, representing the New Zealand chambers of commerce, read papers upon the commercial position and transport facilities of the colony, and I delivered an address upon its resources, institutions, and industries. The valuable papers of Messrs. Barr and Todd will be embodied in due course in the official report. My own address was spoken from notes, and the efforts of the stenographer to reproduce what I said were so far from approximate correctness that I was obliged to ask that the address should be entirely omitted from the permanent report. I may here add that in my endeavours to represent the colony, and to diffuse information concerning it, I had the very best support and co-operation of Messrs. Barr and Todd, who were in every way worthy and public-spirited representatives of New Zealand.

As the result of inquiries into the working of forestry in the State of Pennsylvania, I shall forward to you certain papers which I trust will be of interest to the Department of Agriculture. The Forestry Commission of Pennsylvania has a high reputation for the successful and economic manner in which it does its work.

When speaking in the States upon the possibilities of increasing the trade between New Zealand and the States, I thought it wise on the whole to express my frank opinion that it was a matter which chiefly rested with the Americans themselves. I pointed out, without in any way presuming to criticize their tariff policy, that it nevertheless remained true that for reasons satisfactory to themselves the Americans had deliberately restricted within exceedingly narrow limits any market in the States for our raw products. In consequence we had been led to rely more and more upon the London market for the disposal of what we had to sell. Hence it followed that our main lines of shipping led to London, and, consequently, we bought in London, or in England, as much of our imports as we could conveniently purchase. As long, therefore, as the Americans thought it best to preserve their tariff I did not think it likely that we should buy American-manufactured articles, except in certain instances where it was necessary, or at least manifestly advantageous to do so. Where other things were equal, or nearly equal, we should continue to buy in England. I pointed out how steadily our buying capacity was increasing, how large our resources, and how hopeful our prospects were, and I asked them to consider whether it might not be in their interests in the future to take at least as much trouble to develop trade with Australasia as they were taking to develop it with the Latin races of South America.

The centre of the Commercial Congress at Philadelphia was the Commercial Museum of the city. This is described as being "a national institution devoted to the expansion of international commerce." It might be more accurately specified as being, in practice, an American institution the object of which is to secure for American exporters as large a share of the world's markets as possible. Its size and importance may be roughly estimated by the extent of the offices which it occupies. These contain about one hundred rooms, and cover in all a space of about 200,000 square feet. This, however, is not considered sufficient, and the Museum is to be shifted presently into larger and more permanent quarters, the cost of which is estimated at about £100,000 sterling. The Museum is maintained by the Municipality of Philadelphia, which gives it an annual grant of about £20,000 sterling. But it is in no way local in its operation, for amongst its clients are included business-men in all parts of the United States, and it also welcomes inquiries from business-men in all parts of the world. It is managed by a Board of Trustees, consisting of a number of leading citizens of the town, including one lady, and the following high officials: The Governor of Pennsylvania, the Mayor of Philadelphia, the President of Select Council, the President of the Board of Education, the Superintendent of Public Schools, the State

Superintendent of Public Instruction, the State Forestry Commissioner. It contains collections which are arranged under the following heads: Manufactured articles—(a) Arranged in lines of manufacture. Raw products—(a) Geographic arrangement of collections; (b) Monographic arrangement of collections.

In addition to these, there are very interesting collections designed to show what goods are saleable in each country by grouping together the main articles of consumption in such countries. For instance, in one case you would see the articles of dress most commonly used in a country like Brazil, in South America. In another, the tools and cutlery in daily use in the Argentine or Peru. In that way the American exporter is able to learn from ocular evidence what the peculiarities of the markets in such countries are.

I believe the number of samples of foreign merchandise in the collection alone is about seventy-five thousand. I made inquiries with regard to one or two New Zealand raw products which command a market in the United States. Their exhibit of our native flax and the dressed fibre thereof was neither complete nor attractive, and I have arranged to send more representative samples. In the same way their specimens of kauri-gum were neither large nor numerous enough to appeal properly to the eye, and I am therefore arranging to have their place taken by better examples.

Even more interesting than the Commercial Museum is the Commercial Library, which is placed in a large and well-lighted room, and seems to be made full use of. The number of books, magazines, pamphlets, and papers relating to the trade and products of the world there brought together is, at first sight, astonishing. Connecting with this is, perhaps, the most useful feature of the whole Museum, the bureau of information. This is the channel through which the knowledge collected in the Museum is distributed throughout the States. A staff of clerks is employed in reading the books and pamphlets which are brought into the Exhibition, and in indexing them up, or making extracts from them. In addition to this, a large correspondence is maintained with Consuls, Boards of Trade, and advisory agents in different places. By means of a system of card indexes it is rendered easy to get at the information relating to each trade and each country, and even to learn the names of the principal firms throughout the world. Thus an inquirer who desires particulars about suitable agencies or trading or manufacturing firms in any one of the five continents is fairly certain to get them without delay. That, however, is not all. The information bureau has a very large circle of business subscribers. These pay to it an annual subscription of about £10. In return for this they have not only the right of having all inquiries they make at the bureau promptly and fully answered, but the bureau, without waiting for inquiries, sends them at once any information relating to their lines of business which its reading staff and corresponding staff may light upon in the course of their investigations. It is obvious that not even a very large and wealthy private firm can afford or hope to have access to such an immense number of sources of information as the bureau and its clerks have at their disposal, and it is easy to see that if properly carried out its work must be of widespread value. I understand that trustworthy information as regards the general credit and position of foreign firms is supplied, in confidence, to the Museum's subscribers. The rule made by the bureau in supplying information is, I believe, to answer the first question asked them by any correspondent gratis, but to intimate that if further information is wanted a fee will have to be paid. This, however, is only in the case of information supplied by writing. Any one in Philadelphia who has a *bonâ fide* question to ask about business, and who will personally go to the bureau, will be told anything the officers know, without charge or payment of any kind.

The bureau furnishes to its subscribers cards, on which are printed the names of all prominent firms in their trade in any foreign town with which the subscribers may wish to begin business. The bureau, however, does not wait for firms to apply to become subscribers, but canvasses amongst the business-men of the States in various ways, amongst others by sending cards to them upon which the following questions are printed: Are you prepared to do an export trade? If so, in what particular line or lines of goods? Are you manufacturing any articles specially for export? Are you now interested in exporting to any particular countries? How long and to what extent have you been engaged in export trade? In what countries have you attempted to secure export trade without success? What were the reasons you were unable to secure export trade? Do you issue any catalogues or other printed matter in foreign languages?

While in Philadelphia I visited what is called the Bureau of Publicity of the National Association of Manufacturers of the United States. In many respects this association discharges the functions which in New Zealand are attended to by chambers of commerce. It watches the legislation of Congress in the interests of trade and also endeavours to promote fresh legislation. It has recently, for instance, actively bestirred itself to procure the passing of an Act to secure the establishment of a special department of trade and commerce. Outside parliamentary work it bestirs itself in such matters as the freight charges on the American railways, and has been working lately in the endeavour to have these made uniform. But the main object of this association, like that of the Commercial Museum, is to foster and increase the foreign trade of the States. To this end it not only publishes and disseminates amongst its subscribers every sort of leaflet and information printed and written relating to the condition of trade, and the credit of traders in foreign countries and cities, but will go so far as to send committees or commissioners of investigation to visit foreign countries and report upon the possibilities of increasing trade there. I was particularly struck with the excellence of the card and index system of their bureau and the speed with which information could be got relating to any branch of commerce, and to any spot in the civilised or uncivilised world.

With this report I have the honour to transmit a considerable number of documents relating to the Commercial Museum and to the National Association of Manufacturers aforesaid. This, I trust, will be of interest and service to the Department of Trade and Commerce.

I cannot avoid expressing the opinion that a somewhat similar institution to the Philadelphia Commercial Museum, if established in London, with branches in other parts of the Empire, might be of immense service in promoting British and colonial trade. At the present time a certain amount of the kind of work done at the Museum in Philadelphia is done by the Imperial Institute at South Kensington. As far as the collection of industrial exhibits and the work of the Institute's Chemistry Department are concerned, the services of the Institute are undoubted. But outside these branches the Institute does little, or else does it very imperfectly. The business of disseminating commercial information, so far as the English Government is concerned, has been left to the Board of Trade, and though I do not wish to belittle the work done there, I do not think the system compares either in promptitude or practical value with that of the Philadelphia Museum and the Association of American Manufacturers. I cannot help thinking that if the Imperial Institute were taken over by a commission representing the chief portions of the Empire, and were reorganized, the work it does now might be carried on, and that intrusted to the Board of Trade might also be made a part of the business of the institution. In this way all that is now done in London might be better done, and a great deal that is not done now could be taken in hand. The collections at the Imperial Institute are of considerable value, and it is a mistake to ignore this, as certain critics of the Institute seem disposed to do. But it should be remembered that in a properly organized commercial museum the collections are amongst the least important features. The most valuable are, I venture to think, the information which it gathers together and the dissemination of this and of helpful suggestions. For this an energetic staff and a vigilant board of supervision, well equipped with commercial knowledge, would be necessary. Given these things, it is reasonable to believe that, were the Imperial Institute reorganized and extended into a commercial museum for the Empire, it might start on a career of activity and utility which would be in marked contrast to its past existence. I may add that, generally speaking, the views I am now expressing represent those of the Australasian delegates at Philadelphia. At a meeting of these gentlemen, at which Sir Andrew Clarke, Agent-General for Victoria, took the chair, the following resolution, proposed by myself, and seconded by Mr. Moxham, of Sydney, was carried unanimously: "That it would be highly beneficial to the trade of the Empire if a central commercial museum and bureau of information on lines somewhat similar to those of Philadelphia were established in London." This was forwarded to the Colonial Office. Mr. Chamberlain replied thanking us for it, and since the return of the Agents-General to England Sir Robert Herbert, who is now acting as permanent head of the Colonial Office, has asked us to meet him and discuss the matter.

Before closing this report I should like to add that whilst in the United States I made certain inquiries with regard to complaints which have been made to me by passengers from New Zealand to England *via* San Francisco. These complaints relate not to the comfort and accommodation provided on board the steamers on the Pacific or Atlantic, but to the extra charges which many passengers find it necessary to pay in order to secure comfort for themselves and their families when journeying on the railways between San Francisco and New York. The complaints made are, in effect, that after booking through to London, and paying what they understood to be the railway-fare from San Francisco to New York, the passengers found that they must either suffer no small discomfort in the trains or must pay extra for better sleeping accommodation and other conveniences. Not only is this the case, but the manner in which the extra charges are often made through middlemen results in inexperienced passengers paying more than they need. So far as I was able to ascertain, there seems to be at least some ground for the grumbling that exists, and I would suggest that the Government should exert itself to insure better arrangements, and to protect New Zealand passengers from what some of them speak of as extortion. I shall be happy, if authorised to do so, to endeavour to deal with the matter from this end. I am disposed, however, to think that the Government might do so more effectually from Wellington, with the aid of our agent at San Francisco, and that possibly the Union Steam Ship Company, if it continues to be interested in the San Francisco trade, will co-operate. It is obvious that there is every reason for protecting passengers by the shortest route between New Zealand and England from any sort of irritation.

The Right Hon. the Premier, Wellington, New Zealand.

I have, &c.,
W. P. REEVES.

The AGENT-GENERAL to the Right Hon. the PREMIER.

SIR,—

9th March, 1900.

I beg to transmit herewith a copy of the official proceedings of the International Commercial Congress held at Philadelphia in October last, and which, in accordance with your instructions, I attended as one of the delegates representing New Zealand.

I very much regret to find, on receiving this publication, that an extremely incorrect version of the address I delivered at the afternoon session of the Congress on the 16th October has, contrary to my express directions, been included in these proceedings.

I was furnished with a proof of the report of my remarks just as I was leaving Philadelphia, and had no time to make such an entire revision of it as would have amounted to almost rewriting the whole. I therefore requested that the report of my remarks should not be published at all, and I am at present quite unable to understand why my request has been thus disregarded.

The Right Hon. the Premier, Wellington.

I have, &c.,
W. P. REEVES.

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