

1902.

NEW ZEALAND.

NEW ZEALAND PRODUCE:

LETTER FROM AGENT-GENERAL REPORTING STEPS TAKEN TO BRING NEW ZEALAND PRODUCE UNDER NOTICE OF IMPERIAL AUTHORITIES.

Laid on the Table of the House by Leave.

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

Westminster Chambers, 13, Victoria Street, London, S.W.,

21st August, 1902.

SIR,—

I have the honour to furnish you with a brief report as regards the steps taken by me in respect to bringing New Zealand produce under the notice of the Imperial Government, with the object principally of obtaining orders from the War Office for supplies of the same to be sent to South Africa for the use of the troops engaged in the operations of the recent war in that country.

I venture to think that the Government would wish to have this report not so much for their own information (inasmuch as despatches which I have addressed to you on the subject have kept you fully acquainted with what has been done) as for that of the producers of the colony, who will no doubt feel satisfaction that, so far as lay in my power, their interests have not been neglected; and for this purpose a short report is obviously the most convenient mode, as it can hardly be expected that the large correspondence on the subject between this office and the Imperial offices, consisting of over four hundred letters, can be published.

I need scarcely point out that the official representatives of the colony in this country do not occupy the position of commercial firms, and cannot therefore approach the War Office or other Imperial Departments with direct offers of produce at specified prices, to be shipped at stated periods, so that in that respect they are at a disadvantage. They can only press upon the notice of the Imperial Government the description of produce which New Zealand can supply, and direct attention to its quality as being equal, if not superior, to that to be procured from other countries. And this I have not failed to do, while at the same time I have secured orders for an appreciable quantity of New Zealand produce.

Previous to the commencement of the war in 1899, I addressed a letter to the Colonial Office directing attention to the fact that New Zealand was the best market for procuring forage-supplies, such as oats, chaff, hay, &c., both as regards quality and economy in cost, giving detailed information as to the quantities that were available; and in the same letter I added that the Government of the colony were prepared to co-operate with the Imperial authorities in securing supplies, and would be glad through the Department of Agriculture at Wellington to arrange for the proper inspection of any such produce before it was shipped.

Oats.

The War Office forthwith availed itself of this offer, and accordingly I was able to advise you by cablegram of an order for 20,000 quarters of New Zealand oats, and to state that I had agreed, subject to your approval, that my Government shall arrange for the inspection of the same before shipment, and otherwise co-operate in the proper execution of the order. Thereupon I was glad to receive your cablegram approving of the steps I had taken, and stating that arrangements for inspection would be made. There is no doubt that the fact that the War Office could rely upon the Government in the colony to see that any produce ordered therefrom was shipped in proper order and condition was a direct inducement to its obtaining supplies from New Zealand. The quantity of oats ordered with respect to which the Government was asked through this office to arrange inspection has amounted to 163,000 tons, and in addition to this there were orders for 1,550 tons of oaten hay and sheaves. In addition to these I have obtained from the War Office orders for over 60,000 tons of oats to be placed in the colony by the Government itself, and of this amount over 40,000 tons were shipped to South Africa, on account of which I have collected from the War Office the sum of £387,102.

And I may note that one of the difficulties which have arisen in obtaining orders to be placed by the Government in the colony is the mode and time of payment. The War Office, as regards orders placed direct with the trade, require the produce to be delivered in South Africa before payment, whereas in the case of the orders given for execution by the Government it was expedient that payment be made f.o.b. in New Zealand. The War Office on my representations consented to pay on my certifying to the effect that the produce had been shipped, but, later on, delivery in

South Africa before payment has been required. I feel bound to say that in this and other respects the War Office have always shown a disposition to meet the wishes of the Government as expressed through myself, but it must be remembered that the War Office, like our own Departments, are subject to the control of the Imperial Audit and Treasury, and are not therefore entirely free to act. And here, too, I may advert to the fact that the War Office have been to a great extent dependent on the military authorities in South Africa as to the quantities of stores required and the time at which it is necessary that they should arrive, so that it often happens that requisitions for stores are received requiring such prompt despatch that the only course open was to at once place orders with the large wholesale houses who were able to ship what was required with the least delay.

I should like to add that I have not contented myself in endeavouring to transact business by letter, or even through officers sent to have interviews with the officials of the Imperial Government. I have personally seen authorities and officials here whenever there seemed any slightest ground for hoping that a personal interview would be of use. I have also never hesitated to consult private persons whose advice, knowledge, or aid might be of service, and I have made full use of the newspapers.

And here, I think, I may take the opportunity of expressing my sense of the invariable courtesy with which I, as well as Mr. Kennaway and Mr. Cameron, have always been met in our interviews with the Director of Army Contracts and other officers of the War Department.

Cheese.

Early in 1901 I obtained from you offers to supply New Zealand cheese, and I endeavoured to procure an open order of that produce, but the War Office required samples before giving any order. I accordingly purchased in the London market parcels of New Zealand cheese fairly representing the quality obtainable from the colony, and submitted them to the War Office, with the result that a trial consignment of 5 tons was authorised, and this shipment was made by the s.s. "Indramayo" in June of last year. I continued to communicate with the War Office with reference to their ordering further supplies until I secured an order for 10 tons, and later on a further order for 15 tons. I trust, therefore, that now that the New Zealand cheese has been tried and found satisfactory the War Office will continue to obtain supplies of it for South Africa and other places.

Butter.

As regards other dairy-produce, I purchased a case of New Zealand butter and submitted it to the War Office, but it has not, so far as I am aware, led to any business.

Frozen Meat.

I have not failed from time to time to call the attention of the Imperial authorities to the superior quality of New Zealand meat.

As you are aware, the supply of meat for the Imperial Forces in South Africa was during the greater period of the war monopolized by a company that had cold-storage available for the receipt and distribution of the meat in that country, and who were at liberty to procure their supplies from any part of the world. When tenders were invited in November last for a new contract the time given was so short that it was almost impossible for New Zealand to compete. I communicated with the War Office respecting the matter, and was informed that the arrangements were under the control of the Director of Supplies in South Africa, and I informed you accordingly, and that cable offers would be entertained. You will remember that the contract was let to Messrs. Bergl, and on inquiry at the War Office I was informed that no stipulation had been made as to the source from which the meat was to be obtained. I thereupon had an interview with the Under-Secretary of State for War, and urged upon him to endeavour to make it a condition that New Zealand should have a fair share in supplying meat under the contract, and I furnished him with a memorandum showing the points of the case for New Zealand meat, which he undertook should be brought under the special notice of the Director of Army Supplies in South Africa, who was then in this country. Subsequently a statement was made in the House of Commons that an undertaking in writing had been given by the contractors to obtain the meat, so far as possible, from New Zealand and Australia in preference to the Argentine. As the price under the new contract was ample to meet the cost of meat of the best quality, the superiority of New Zealand meat should give it the advantage over meat from other countries, provided the War Office insists on its right to have the best quality supplied.

A deputation consisting of the Agents-General for the Australian States and myself waited on the Under-Secretary of State for War, and subsequently sent in a memorandum urging that special steps should be taken in order that Australian and New Zealand meat might be supplied under the new contract, and that reports should be made by the Imperial Government Inspectors, giving the country of origin of meat landed for the use of His Majesty's Forces in South Africa. Subsequently we received a communication from the War Office stating that it had been arranged that such reports shall be furnished monthly, both as regards quality and place of origin of the meat supplied, and should these reports show a divergence from the undertaking in respect to New Zealand and Australian meat an opportunity would be given to myself and the other Agents-General to report on the actual position in regard thereto. Moreover, the War Office gave an assurance that for future contracts the fullest possible time would be given to New Zealand and Australian firms to tender for the meat required.

I also requested Major Pilcher, the New Zealand Government Agent at the Cape, to report to me from time to time such particulars as would show from what countries meat supplied under the contract was obtained. In response to this request Major Pilcher has advised me that in March of this year three steamers had arrived all loaded with Argentine meat; but later on he informed me that five steamers with meat had arrived from Australia, while two were on their way from New Zealand.

In May last I obtained from the War Office and forwarded to you invitation to tender for a three-years supply of frozen meat required for His Majesty's troops stationed at Gibraltar.

Preserved Milk.

I have also brought under the notice of the War Office preserved milk prepared in New Zealand, and submitted samples, but as it was sweetened the War Office did not order any.

Hay.

As early as September, 1899, I called the attention of the War Office to the fact that New Zealand could supply hay of superior quality, but it was not until an offer was made through the Government to supply 100 tons as a trial shipment that the War Office decided to obtain a supply. This order was increased to 250 tons, but the War Office declined to give any further orders until the receipt of the report of the General Officer commanding at Cape Town as regards this trial shipment.

Tinned Meats.

I also brought under the notice of the War Office New Zealand tinned meats, and offers were invited for the supply of the same. The tenders sent in were, however, not accepted, except in the instance when 100,000 lb. of corned mutton were ordered.

The difficulty to which I have already referred—viz., the inability of the War Office to give sufficient time for the transmission of the tenders from the colony—existed in this as in other cases.

Horses.

Early in 1901 I placed myself in communication with the War Office as regards the obtaining of horses from New Zealand for the Imperial troops in South Africa, and I was informed that it was understood that, as a rule, the country was too valuable to run horses on it. I thereupon had an interview with the officer at the head of the Imperial Remounts Department, and obtained from him particulars as regards the horses required, and I cabled these particulars to the Government; and after further correspondence the War Office authorised the officer purchasing horses for the Imperial Government in Australia to proceed to New Zealand and purchase five hundred to one thousand horses, and I understand that under these instructions seven hundred horses were purchased and shipped to South Africa by the s.s. "Cornwall."

I also called the attention of the War Office to the fact that a large number of horses suitable for field artillery and for the Army Service Corps were obtainable in New Zealand at prices ranging from £25 to £30 per head f.o.b. New Zealand; but, in reply, I was informed that such horses were not required, as animals of that class were readily obtainable in the United Kingdom.

Coal.

Some time ago I was in communication with the India Office respecting supply of New Zealand steam coal, of which 5,000 tons were required for Bombay and 2,500 tons for Muscat, and an offer was obtained through you from the Blackball Company to supply the same, delivered at Wellington, as the company could not supply a steamer so as to give delivery at the ports named. On submitting, however, this offer to the India Office I was informed that the Government of India had decided to defer the purchase of coal for the present.

I am at present, under your instructions, in communication with the Admiralty as regards the coal purchased by that Imperial Department at Westport, in respect to the Government's offer to undertake, through the Department of Industries and Commerce, the work of inspecting the coal, checking weights, and facilitating the despatch of the steamers taking it to its destination.

In conclusion, I may say that, to obtain a fair share of Imperial Government orders, constant effort is necessary, and to succeed it is essential that the Imperial Departments be furnished periodically with accurate information as to the price, quality, &c., of the produce which it is in the power of the colony to supply.

I am aware that it is occasionally asserted in the colony that a commercial agent, or a man with commercial training, might have done more in obtaining the patronage of the Imperial Government than I have been able to do. Into the general question of appointing one or more commercial agents to act for New Zealand here I will not enter in this letter, but I should like to point out that certain writers in the colony seem to be under a misapprehension as to the position which a Government commercial agent would have taken up in reference to supplies for South Africa. They seem to imagine that such an officer could have acted exactly like the agent for a private firm. That, however, he could not have done. There has all along been the difference that, whereas a private agent can quote prices for specified quantities of produce and make firm offers, the Government agent is not in a position to do that. Until some means are devised—if they can be devised—for enabling a Government agent to do this, he will always be severely handicapped in comparison with the agent of a large private firm or syndicate.

I have, &c.,

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

W. P. REEVES.

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