

Your Committee find,—

1. That the quality of the frozen meat exported from New Zealand is not excelled by that exported from any other country; that the quantity is annually increasing; but that the Argentine is producing an article which in quality and quantity is challenging our premier position. A statement was made that we were not sustaining that consistent high standard of quality of former years, but this allegation was not generally supported.

2. That the price realised for New Zealand frozen lamb and mutton has advanced, and continues the highest given in the British markets.

3. That the prices for mutton ruling in London for the twelve months ending 30th June, 1903, averaged 4·01d. per lb. for sheep, an increase of 0·63d. over the preceding year. The prices for December, 1901, compared with September, 1903, are: Canterbury mutton, 3½d. per lb.; Dunedin and Southland mutton, 3d. per lb.; for Wellington Meat Export Company's, 3d. per lb.; North Island, 2¾d. per lb. (*vide* Commissioner's report of December, 1901). Present prices (September): North Island, 4d. to 4½d.; Southland and Dunedin, 4½d. to 4¾d.; Canterbury, 48 lb. to 72 lb., 4½d. to 4¾d.

The actual results in detail, and totals for 1901 and 1902, are as follow:—

Average market prices 1901: Mutton—Canterbury, 4·041d.; Wellington and North Island, 3·441d. First lamb, 4·972d.; seconds, 4·661d. For 1902: Mutton—Canterbury, 4·056d.; Wellington and North Island, 3·764d. First lamb, 5·089d.; seconds, 4·804d. It is very satisfactory to note that the prices just quoted for 1902 are the highest for the past eight years, and that the average prices for this year—1903—to date are considerably higher than 1902.

4. The extent of our trade with the United Kingdom compared with that of the Argentine is shown by the following figures, representing the number of sheep and lambs exported:—

					New Zealand.	Argentine.
1900	...	...	...	...	3,154,799	2,331,588
1901	...	...	...	...	3,234,622	2,632,716
1902	...	...	...	...	3,667,101	2,827,439
1903 (Sept. 24)	nine months	...	...	...	3,980,000	2,328,000

5. That the number of sheep in New Zealand at the date of the last statistics was 19,002,049, compared with 20,342,727 in the previous year, showing a decrease of 1,340,678, equalling almost exactly the increase of frozen meat exported for the year, *plus* 44,868 live sheep exported, totalling 1,331,742.

6. That our shipping facilities are ample to meet the requirements of the trade, and that the general conditions connected with the transit of the meat to the Home-country are satisfactory. There is room, however, in the opinion of your Committee, for an improvement in the method of collecting cargoes at the different ports. The present practice is for one steamer to follow another belonging to a different shipping company to pick up small lots at each port. It should be possible, and your Committee would commend it to the consideration of the shipping companies, to arrange that one vessel at a time should take the whole of the output then available at any particular port.

7. As a rule, the present system of grading meets the requirements of the trade, and, though other systems were suggested, your Committee cannot recommend the alterations proposed.

8. The witnesses generally consider that the branding of frozen meat would be regarded with disfavour by purchasers, and is not calculated to promote the development of the trade.

9. That, through the adoption of improved methods, and by means of careful attention to the cargo on board the vessels, the meat now arrives in London in good condition and almost entirely free from damage. The effect of checking wrongful claims for damage has also been beneficial. For years, however, no general reduction has been made in insurance rates, although claims for damage are now infinitesimal compared with those which formerly obtained. In view of the evidence given in this connection, your Committee consider the rates of insurance ought to be substantially reduced.

10. That the system of assessing claims for damage or alleged inferiority of quality is bad.

11. That considerable difference of opinion existed as to whether an attempt could be successfully made to regulate the shipment of meat from this colony so as to secure a more even supply in the Home markets; but evidence was given to the effect that meat, like any other crop, should be disposed of as soon as possible, when it is in its prime and best condition, and when in most cases it would be found that the market for its consumption was most favourable. Nearly all the witnesses agreed that frozen meat depreciated when stored, but that if storage was inevitable it ought to be in this colony, and not in London or at any of the Home ports. No change in present methods was considered possible unless the whole output of the colony was controlled by some authority or combination working under regulations providing consideration being given to those whose meat was held back in the general interests.

12. That the evidence given was that certain companies sold nineteen-twentieths of their meat before it left the colony, and that prices to farmers were maintained at maximum rates by the active competition which existed between the representatives of English buyers resident in this colony and New Zealand buyers in securing supplies. It was stated that sudden large increases in price have proved detrimental to the trade, one firm alone having on such an occurrence lost over a thousand customers through New Zealand meat rising to 5d. per pound. The reason given was that when our meat advanced above a certain rate the price reached a point above the purchasing-power of the great bulk of their customers, who were constrained to purchase the lower-priced Argentine meat instead.

13. The Produce Commissioner submitted for the consideration of the Committee the following scheme:—