

Cardiff, and other British ports outside London. The first step to be taken is to make some arrangements by which shippers will have an opportunity of delivering produce without transshipment at Liverpool, Bristol, and elsewhere. A considerable portion of the time of an official from the London office could be profitably spent in the provincial markets educating merchants and consumers as to the superior quality of New Zealand produce. The progress of the colony is now so directly dependent on the success of the butter, cheese, and meat industries that the Government should lose no opportunity of promoting sales and opening up every available market, more especially in the United Kingdom. Some people may argue that such a course of procedure is unnecessary, as London and provincial merchants are quite alive to the quality and supplies of produce available in New Zealand, but such a contention would assuredly not be voiced by a disinterested person. My suggestion, if acted upon, would supplement the presumed existing knowledge and eliminate the element of chance. The issue is so important to the colony that no possible opportunity of extending the present markets and of exploiting new grounds should be allowed to slip." Was that report laid on the table of the House and circulated throughout the colony?—Yes.

171. Among whom circulated?—Among the Chambers of Commerce, farmers' clubs, and so on.

172. Were copies of the report sent to the Agent-General for distribution at Home?—Yes.

173. That is the second report issued urging the establishment of a direct service to the west-coast ports of the United Kingdom?—Yes.

174. Did any of the direct lines at any time suggest to the Department that they would divert their steamers to the west-coast ports after the publication of that report?—No.

175. Did any merchant in New Zealand, after the publication of that second report, make any suggestion that a direct service should be put on from the west-coast ports of Liverpool, Glasgow, Cardiff, or Bristol to New Zealand?—No.

176. Is it or is it not the fact that the butter rates—which Mr. Duthie has spoken of as being of considerable importance to the exporters from New Zealand to London, the butter having to be transhipped either by steamer or rail to Liverpool, Manchester, Cardiff, Bristol, or Glasgow—were considerably higher before this service was established to the west-coast ports of the United Kingdom?—Yes, very much, by the cost of transhipment and railage.

177. As a matter of fact, the establishment of this service has brought about a reduction in the rates of freight to the producer on butter for Liverpool, Glasgow, Cardiff, and Bristol?—Yes.

178. And the valuable opportunity of getting this service was free to every one to take up if they desired?—Yes.

179. Were either of the paragraphs I have read from the departmental reports of 1902 and 1903 suggested or inspired by the Minister in charge of the Department?—No. I know as a matter of fact they are absolutely my own.

180. Now, regarding butter freights: The statement is made that had the tender of the Shaw, Savill, and Albion Company been accepted it would have been more advantageous to the colony with regard to butter freights. Do you recollect any correspondence in 1903 between myself, as Minister of Industries and Commerce, and the manager of the New Zealand Shipping Company, Christchurch; the manager of the Shaw, Savill, and Albion Company, care of Messrs. Levin and Co., Wellington; and the Superintendent, Tyser and Co. (Limited), Napier, regarding the freights on butter?—Yes.

181. Did the following correspondence take place?—

16th September, 1903.

SIR,—

Freight on Butter to the United Kingdom.

I have the honour to bring under your notice the statement that the Victorian Minister for Agriculture has arranged with the White Star Line of steamers to carry butter from Melbourne to London and Liverpool at a freight of $\frac{1}{4}$ d. per pound.

It is a matter of great importance to this colony and the Government that Victoria should not have advantages over New Zealand either in the matter of freight on butter or in having an extra port of discharge (Liverpool).

Under these circumstances I shall be glad to know whether your company proposes to take any steps to establish a similar reduction in freight on butter from New Zealand to London, or on what lines you would be prepared to entertain proposals to secure such an end.

I am addressing a similar letter to this to the Shaw, Savill, and Albion Company, as I understand you co-operate with that company in this matter.

I have, &c.,

J. G. WARD,

Minister of Industries and Commerce.

The Manager, New Zealand Shipping Company, Christchurch.

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I have, &c.,

J. G. WARD,

Minister of Industries and Commerce.

The Manager, Shaw, Savill, and Albion Company (Limited),
Care of Messrs. Levin and Co., Wellington.