

A POSSIBLE NEW MARKET FOR OUR CERTIFIED GRASS AND CLOVER SEEDS

IN SOUTH AMERICA,

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The writer wishes to apologise for the absence of definite figures, statistical data, and definite up-to-date facts on the subject, but if the paper brings forth a discussion, or an interest in the following matter some useful object has been achieved,

With the decline in price for our primary products, the raising of certified seeds of grasses, and clovers, as a side line is becoming more popular each year amongst farmers, and as these products are maintaining a fairly uniform price on the market and also return to the farmer a fair remuneration for his work of production, seed raising may be expected to increase steadily, so long as there is a demand at a profitable price to producers.

With an increase in production, prices are probably going to fall as the local demand becomes satisfied, consequently, the establishment of markets abroad is essential to the well being of the industry if prices are to be maintained about their present level,

Australia is certainly importing an appreciable amount of our certified seeds but it is problematical if this trade can be further expanded to any great extent, as Australia has many workers engaged on breeding up strains of grasses and clovers to suit the varied conditions of their country, and some of the New Zealand seed is doubtlessly being used as stock seed for reproduction to supply their own requirements,

England, on whom we rely practically for the sale of all our produce, appears to be a poorer market still for our seed as the English workers have bred up their own strains and these appear to be giving satisfaction to the farming community of Great Britain. It appears, also to be an exceedingly difficult matter to sell direct to the English farmer. As explained by Mr. Vernon of the Canterbury Seed Co., at the last Conference in Christchurch, continual knocking at the doors of the Tooley Street merchants, who control the seed trade, may let us get some of our produce marketed, but these merchants have their own seed supplies and seed raising farms, and they are naturally going to push the sale of their own produce first; thus the possibility of establishing a hold on the English Market appears remote,

What we require is a market in a country where the raising of grass and clover seed is not carried out, where grazing is the main occupation, and where it is realised that the present pasture is depreciating and resowing of pasture plants is becoming necessary, **Truly** at first sight this appears to be unattainable object or a dream, yet in parts of South America, particularly Southern Patagonia, these conditions are present and this is a potential market which is open for the New Zealand seed trade to explore and capture. We have proved to our own satisfaction the value of our certified grasses and clovers, Their most important characteristics are persistency and productiveness, and this is what is required on the Patagonian Pampas. If it was possible to convince or demonstrate the value of our seed to the Companies carrying on the large sheep and cattle Estancias in Patagonia we could hold the market against all comers, as our **cocksfoot, ryegrass** and white clover is equal if not superior to any yet produced in the world. It appears, therefore to be a matter of demonstrating our wares to obtain a market. In **Patagonia** it is being realised that the pastures are declining and five years ago the surface sowing of Danish cocksfoot was being made in an effort to maintain the sward. The greatest drawback to pasture maintenance there is the lack of clovers, there being no bees to fertilise the flowers, consequently

clover cannot reproduce itself by seed. Here a good type of white clover or Montgomery Red clover would be of wonderful value,,

In contrast with Australia and more particularly with Great Britain, where the majority of farmers are comparatively small land holders who have their own known strains of grasses and clovers, we have in Patagonia, wealthy companies controlling large areas of land where no grass seed production is carried out. The Directors controlling these companies are hard headed business men who will spend money to improve their holdings provided a return can be shown. This is seen in the prices paid for stock imported from Europe and by the number of stud sheep imported from New Zealand. One thing which encourages this, is that the Chilean law only, allows a firm or company to make a certain percentage of profit, and all profit above this figure has to be returned to the employees, consequently money is freely spent in keeping the farm buildings up-to-date with good quarters for men, good shearing sheds, yards, double fencing on boundaries and importation of good stock. Even then (five years ago) a bonus was paid to all employees of one of the big companies of a quarter of a year's salary, that the writer is aware of. The present exchange is also in favour of the Chilean Patagonian as all their produce is shipped direct to London and sold. During the good years, exchange was 40 pesos to the £, and now is about 175 to 200 to the £, i.e. for what they received 40 pesos for before the slump, they now receive 85 to 100 pesos allowing a 50% drop in prices. Incidentally, wages have been increased 50%. The point wished to be-made is that money is spent in improvement, otherwise some of it must be returned to the employees. Money spent in good grass seed would be a profitable investment and at the same time improve the holdings, and with the present exchange in favour of the Patagonian producer, money is reasonably plentiful. To bring home to the firms operating in Chilean Patagonia and Terra Del Fuego the value of our seeds, a trial shipment would require to be landed at Punta Arenas, or as it is now called Magellan (in the Magellan Straits), as this is the only port of importance for Southern Patagonia, and in Magellan are the business offices of the grazing companies,

The Port of Bahia Blanca further up the Atlantic Coast in the Argentine is the centre of a considerable amount of arable farming in conjunction with grazing and wheat growing, and large quantities of grass and clover seed are annually sown down,

In Buenos Aires there is more intensive farming over an extensive area, and although the writer does not know what work has been carried on in respect to selection and production of improved strains of grasses or clovers in this area, there are still large companies operating who annually sow down large areas in pasture and a bid for these markets with our certified seeds should be worthy of consideration and within our reach if we can demonstrate the value of the said seeds,

New Zealand lies between the latitudes of approximately 34 to 47 degrees and from Buenos Aires to Terra Del Fuego embraces the latitudes 34 to 57 degrees and in this area can be obtained climatic conditions very similar to that found in any part of New Zealand, thus suggesting that on the coastal areas at least, our seeds would have favourable conditions for demonstrating their value and proving themselves,

The Argentine exchange at par is 47 pence to the peso and at present is $36\frac{1}{2}$ pence to the peso.

The South American ports are on the shipping route for cargo vessels from New Zealand to Great Britain although calls are not usually made at Magellan, Bahia Blanca or Buenos Aires, but this

could undoubtedly be arranged as has been done before when there has been cargo for these ports,

A method which could be used to introduce New Zealand seeds is to ship seed with say the next consignment of sheep for South America and the agent in charge of the sheep to act as salesman or demonstrator to the Companies concerned.

The above suggestions are made in the belief that if the possibilities of the three South American Ports, namely, Magellan, Bahia Blanca and Buenos Aires (the latter two with the large area of arable land backing them and the former with lack of clovers and slow deterioration of pastures) could be investigated with a view to establishing a seed trade it is felt that the firms and companies operating in farming and grazing these areas would readily try out our certified seeds to the mutual advantage of themselves and the New Zealand seed trade to the benefit of all concerned,
