

not worthy of notice.—Yours, &c., J. HURSE.” Another is from a well-known buyer in Canterbury to our general manager, and is as follows: “Dear sir,—I trust you will hold me excused for my seeming neglect in not replying sooner to your letter of 20th May, but being most of the time away from my home caused the matter to slip my memory. However, in reply, I have pleasure in stating that I have made many purchases of sheep in the North Island during the past year and, instead of obstacles being placed in my way by your company, I was always treated with unfailing courtesy and everything was done on your part to facilitate business. As to threats being made by your company to send buyers south, I may say it is the first time I have heard of it, and it is almost too absurd to mention.—Yours, &c., JOHN MCCARTHY.” Here is another letter of the same tenor from a well-known buyer, Mr. L. W. Toswill, but too long for the time at the Committee’s disposal. Time and again when the southern buyers have been blocked for time to draft their sheep we have sent our buyers to draft for them. They bought largely here last year—one of our directors selling most of his sheep and lambs to one of them. It has also been stated that the companies refused to freeze for them, hoping thereby to block them, but the truth was that they were overpowered with an amount of work which was altogether unexpected. One of our directors sold five thousand sheep to the company in the beginning of March, and he was unable to get them away until the latter end of April—nearly two months before he could get rid of the sheep—because we could not freeze them. I had three thousand sheep myself that I wanted to ship to London for weeks on my hands, and could not get them away because the company was overtaxed with work. So that, if the southern buyers were to some extent hindered—as they were undoubtedly—it was not because the company did not do everything possible to keep pace with the work; and I may say that this last season was the first in the eighteen years’ history of the company during which it was not able to take, and did not take any owner’s sheep within a week or ten days of notice being given. The company advertises in fifteen country newspapers its willingness to freeze for owners at the Canterbury rates, and this last year the company put through the equivalent of 120,000 sheep and lambs on account of forty-seven different owners. Twenty-four of these owners sent 53,400 sheep to London through the Meat-export Company, and twenty-three of them sent 66,400 sheep through their own agents. In my own case I freeze practically all my sheep on my own account. Last year—that is in 1901—I sent 16,065 wethers to London—taking careful note of the company’s price on the day on which they left the station, and keeping a debtor-and-creditor account until final receipt of the account sales, and my loss, as compared with the company’s price, was £972 7s. 1d. But that did not cover the whole of my loss, because I should have paid £231 additional in insurance had I covered myself, as is usual, under an all-risk policy, so that my loss on those sixteen thousand sheep for the year was in round numbers about £1,200. This year, since the 1st January, I have received account sales of 3,062 sheep on which I have made a profit, as compared with the price the company was giving at the time, of £494 13s. 2d. In 1901 I shipped 2,632 lambs on which I got a surplus as compared with the companies’ price of £161 2s. 9d. This year I have account sales of 1,043 lambs, on which I have made a small loss, if allowance is made for insurance. Now, it has been stated again and again that there is a ring amongst the North Island companies, excluding Gisborne and Auckland, under which the prices are fixed, and as a result of their operations a fighting fund has been created for the defence of their common interests. Now, I have stated what I did with my own stock. There are seven directors of our company, and six of them for the year ending the 30th June sold to the company at the current prices of the day equivalent to fifty-five thousand sheep. All these directors are shareholders, of course, and, including myself, the dividends paid to these directors last year amounted to £471, or an average of £67 each. This, you will observe, amounts to £8 10s. per director on each 1 per cent. of dividend; and we have the extraordinary statement made that these gentlemen take part in a ring to run down the prices by from 4s. to 11s. per sheep. In a *Hansard* debate the statement was made by Mr. Hornsby that 8s. was all that could be got for sheep that were worth 19s. in the Christchurch market. I put it to the Committee that either those who proclaim the existence of this alleged ring, on the one hand, or the men, on the other hand, who formed it, apparently for the purpose of robbing themselves of several shillings per sheep, are scarcely fit to be at large. I leave the Committee to decide between the members of the alleged ring and their accusers. It has been stated, too, that the majority of the shareholders of the Meat-export Company are town speculators, always anxious to make the biggest dividend they possibly can. Not only are all the directors now, but they always have been, country settlers, deeply interested in getting the highest value for their sheep; but the country shareholders also are in a large majority as to voting-power. I wish to say something on the subject of North Island wethers shipped to Christchurch, and the higher prices for which they are supposed to have been sold as compared to North Island prices. Attending the conference of the pastoral associations of New Zealand in Dunedin not long ago, a Mr. Hardcastle, the son of an old Canterbury settler—a practical man among stock—who happens to be on the staff of the Christchurch weekly *Press*, interviewed me about the agitation in the North Island in regard to the difference in the price of North Island and South Island sheep, and he informed me that he went to the Union Steamship Company’s office and went through the bills of lading for twelve months, and, picking out all the lots of sheep that came from the North Island, and after taking careful note of the consignees to ascertain whether they were frozen or had been sold to the butchers, in every case he found the sheep had gone to the butchers, except in two instances where two little lots were consigned to the well-known dealer, Mr. Clarkson. Writing in the Christchurch *Press*, he says: “We have made careful inquiries as to consignments of North Island sheep, and only two small lots—one last winter, and another a few months ago—were sent to the local freezing-works, but were then only branded as New Zealand, not as prime Canterbury. With these two exceptions, all the fat sheep during the whole twelve months that have been brought down to Canterbury from the North Island have