

148. To whom?—To the c.i.f. dealers, or they can send direct to London. Borthwicks have a representative, and Fitter and Co. have an office, and there are other people, like Weddell and Co., who are represented in Christchurch. There is a firm called Gordon and Woodroffe, which is always buying direct from the farmers in Canterbury.

149. Do your company make advances against stock that comes in to be frozen on owners' account?—Yes.

150. You do not buy, but you make advances?—Yes.

151. So that the breeder is very largely in the position of having sold his sheep, excepting that he has to take the ultimate risk?—Yes. Of course, they can sell them at once if they like, as I have said.

152. In that case do the company act—I will not say as brokers—but do they bring the breeder and buyer together?—They act as intermediaries.

153. Do the company charge a commission in a case of that kind?—No; we reckon to make our profit out of the freezing.

154. And this method applies the same as if the sheep were sent for boiling-down purposes?—Yes.

155. How are the advances arranged in a case of that kind? Supposing a farmer has a number of sheep that he wants to boil down as culls?—If they are only boiled down, we make an advance on the tallow, and the skin is fellmongered in the ordinary way.

156. So that you handle the whole of the sheep for a man and give him the full commercial advance against what he has to dispose of?—That is so.

157. But your company does not take any risk such as the buyer takes: if there is a reclamation the seller has to pay, and if there is a profit on the account-sales being received you hand it to him?—That is so. I may say that in connection with consignments where we send the stuff to London we do get a small commission out of it. We do not charge as between the buyer and the seller; but where we consign we gather 1 per cent. to cover expenses.

158. Do you find that this has proved a sound and satisfactory business to your company?—Undoubtedly, it is the very basis of it. When our business has increased in the way it has done—for instance, in the last six months I did more in sheep and lambs than in the previous year—and while the number of suppliers are increasing as well as the number of stock, it must be evident that our business is being run on a satisfactory basis. We pay our shareholders an 8 per cent. dividend, and our clients are satisfied, and our business is increasing.

159. Then you would say there is no reason why one or both of the companies operating in Wellington should not adopt your methods and be successful?—A company cannot do it on a half-and-half system. The measure of our success is due to this, that we do not buy, and therefore the farmers trust us. But if you have a company which at one hour of the day is killing sheep on its own account and the next hour is killing for a client, naturally the client begins to wonder if his stock is getting the same treatment as that of the company.

160. Consequently you have no complaints as to preference being given to one lot of sheep over another lot?—No.

161. *Mr. Hornsby.*] We want to know what is the average value of the by-products of a sheep?—I could not give you that.

162. Could you give it approximately?—No, it is so many years since I saw our tables which show how much blood we get from a thousand sheep and what the test of the manure is that I do not remember it.

163. Can you give us the value of the pelt and wool and the inside fat?—They belong to the farmer.

164. What is the approximate value—what do they generally bring?—The skins would range from 10d. for shorn pelts, and probably up to 5s. to 5s. 6d.—and for special ones 6s.—according to the season of the year.

165. And what is the value of the inside fat?—On a 56 lb. sheep it would be worth about 1s. 3d. A good prime sheep would throw 6 lb. of fat, and that would be worth 2½d.

166. It would not be too much to say that the by-products of a good prime sheep would be worth 6s. 6d.?—That would be too much all the year round.

167. Then 5s. 6d.?—Probably, taking it all the year round, the skin and fat would be worth on an average 4s. 6d.

168. *Mr. Field.*] The value of the skin would depend upon the quality of the wool?—Yes.

GILBERT ANDERSON, General Manager of the Christchurch Meat Company, Islington, Timaru, and Picton, examined. (No. 14.)

169. *The Chairman.*] Would you care to make a statement previous to answering questions, or would you defer that until you see what ground the questions have covered?—I think probably it would be better for the Committee to ask questions, which can be supplemented afterwards if necessary.

170. Do your company purchase stock for the purpose of freezing and placing on the United Kingdom markets?—We act as buying agents, and sometimes in that way we have some small quantity on our own account to dispose of; but if we can we avoid it.

171. That is to say, you do not purchase unless a buyer orders you to do so?—We do not buy, but send our own stock to the London market.

172. Then, in freezing for clients, I presume you do not experience any conflict between that system and attending to their wants otherwise?—No; considerably more than half our business is done on owners' account.

173. Have you any objection to the rate of freight charged by the railway for trucks?—I think the freight on live-stock is altogether too high, considering the amount of the traffic. The supply of