

10. Can you give us, for the last three or four years, the predominant breeds imported—Blackfaces or otherwise?—Up to the last five years it was all Lincoln, or very largely Lincoln. Since then it has been the Border Leicester, the English Leicester, the Shropshire, and the Romney Marsh.

11. *The Chairman.*] Any Southdown?—Very few.

12. Have you any idea of the proportions of these improved breeds represented in the frozen-meat exports from the Argentine?—I cannot give you that, except that it will be seen in the book I will send you. I found that the Lincoln cross and Lincoln mutton was getting very much into disfavour, and that they were going in for Leicester and Shropshire.

13. *Mr. Buchanan.*] Does the Committee understand you to state that any large proportion of frozen mutton now exported from the Argentine ranks with the best of North Island?—Decidedly it does. It ranks with the very best of North Island mutton.

14. How do you account for the fact that in the general telegrams there is a distinct difference in the quotations for North Island mutton and Argentine mutton?—It is because every week the three Argentine companies meet and fix the price of mutton for the next week. They have a very big margin between profit and loss compared with what you have here, and to drag your customers away from you they have for years made a point of fixing their prices from  $\frac{1}{2}$ d. to  $\frac{3}{4}$ d. a pound below yours. They have big margins to work on, and you have not, and they can afford to do it.

15. Is it not a fact that the bulk of Argentine mutton is distributed in the northern and mid-land counties of England?—Yes.

16. How do you account for that?—In every one of the meat-works in the Argentine they have professional English butchers employed. It is the duty of these men to walk from one end of the killing-yards to the other and examine every sheep. As the sheep are killed and dressed they are put into a certain grade, according to the taste of the consumer either in the north or midland counties or in the south of England. The very finest meat is sent to the south of England to compete with yours. If that mutton is not dressed according to the directions of the professional butcher, the man who dressed it gets a black label for every such sheep. If it is dressed right he gets a white label. If he has three black labels at the end of the day he is removed from the high class butchering department and put into an inferior position. All the first-quality meat, as passed by these professional butchers, is exported to compete with your best meat, as you will see it hanging in Smithfield side by side, and in Southampton where they like fat meat. All the other qualities—the very lean and second-quality meat—are sent to the north, where they prefer lean meat. In the north they will not have fat meat if they can possibly get lean, one reason being that most of the workmen have to be constantly with oil and grease in their occupations. It all depends upon the judgment of the professional London butcher, as you will see from the book I put in, for he has to pass every carcass and to determine what part of England it shall go to. I was the first outsider who was allowed to enter the three works I have referred to, as the companies are very particular about allowing outsiders to go in.

17. Is the quantity of Argentine mutton going into the southern counties of England increasing?—It is increasing very gradually, I think. Up to the present the companies have had such a wonderful system of working together that they seem to be able to dole out their meat exactly where it is wanted. Of course, it is increasing very rapidly in shipment to England. I have the figures here.

18. In the distribution of Argentine mutton in the various parts of England—assuming that the improvement in the quality of Argentine mutton is such as you have described it—would you not expect a much larger proportion of Argentine mutton to be sent to the southern counties of England, where the best of the New Zealand mutton finds its largest market?—I do not think so, for this reason: the meat companies of Argentina have been making such enormous profits on the present system that they must know which is the most profitable. If they desire to keep their clients they must send a good deal of their meat to the north. Their meat sells better than our meat does. They have no difficulty in selling their meat.

19. Assuming for the sake of the discussion that first-class Argentine mutton would secure  $\frac{1}{4}$ d. per pound better price in the south than in the north of England, would not the Argentine companies secure that  $\frac{1}{4}$ d. by sending a bigger proportion of their finest mutton to the south of England?—In answer to that I would say I think all their finest quality is already sent to the south. I do not think they are sending their finest quality up to the north. My opinion is, and my reports go to show, that their very fine mutton goes to and is consumed in the south.

20. In your opinion, then, the proportion of their finer quality of mutton is limited to what is sent now to the southern counties of England?—Yes, as far as the present works are able to deal with the available meat.

21. What is the capacity of the Argentine, in your opinion, for fattening increased numbers to what they are doing at present? In New Zealand we depend largely upon turnips and other cultivated plants for fattening our sheep and lambs. What is the position in this respect in the Argentine?—First of all, you want the capacity of the existing works, of the new works, and the coming works. For some years there have been three big Argentine works only. Last year those three works exported 2,770,813 sheep, 112,028 lambs, and 586,000 quarters of beef. This was their export during last year from the three works. Two new works have now started, the La Blanca works and the Sansinena's works, at Bahia Blanca.

22. Do you know who the owners are?—I can give you the names of some of the owners. There are seven new works besides those, either in course of construction or proposed. I will give you the names of the companies and where they are going to work: The La Plata Company, which will be finished in November—principal owner, John Cooke, Weddell, and Co., and that combination; the Rosario Company, local capital; the Italian Company; the Americano Company, with American capital; a local Argentine company; and the new works at Monte Video. Of