

famine for the next few months. It is when we have a small amount of meat on the market that the River Plate people have an opportunity of supplying the people we could supply if we had more regular shipments.

126. *Mr. Barber.*] On page 2 of your report you suggest the pooling of small lots for the purpose of quick delivery and less trouble in distribution, and the giving of an average price for these lots. Would not that act contrary to what we are endeavouring to do in raising the quality of the meat? Would it not be mixed with other mutton?—No; it is the habit of the freezing companies to grade the sheep for their clients. What I say is that if half a dozen men, instead of each sending Home, say, two hundred sheep of grade A, grade B, and grade C, sent Home all their grade A carcasses together in one lot, grade B as one lot, and grade C as one lot, it would take away the lottery element that now exists. At present a man may have his sheep out of the ship first or he may have them out last, according as they are stowed, and may either make a gain or a loss, getting a higher or a lower price according to the state of the market at the time of delivery; consequently, I say that if the shipments were pooled the owners would get an average price, which would be fair to all. It seems to me that it would avoid a great deal of the injury done to the meat through so many handlings during the sorting to numerous marks. Each owner's lot being shipped under the same mark to one agent, this sorting would be avoided.

127. *Mr. Rutherford.*] You stated, in answer to a question, that the insurance rates vary as much as 100 per cent.—I did not say so, but it has been so stated.

128. If the Government in their Fire Insurance Bill were to take up marine insurance as well, do you think the variation could be got over?—I would rather not give evidence on Government Bills.

129. Well, what are your functions—there seems to be some doubt as to what they are?—They are embodied in my previous evidence.

130. It is plain, from some questions that have been put, that some people do not think you bustle about enough?—Whoever says that does not know me nor my duties.

131. Do you get your travelling-expenses allowed?—Yes.

132. It was stated by Mr. Witheford that the Argentine companies are increasing their output by millions a year?—They are increasing their output, but not by millions a year.

133. In your opinion are the interests of the freezing companies necessarily the same as those of the farmers?—No; I certainly do not think so.

134. Are the freezing companies as much interested as the farmers in getting big prices?—No; it is not to their interest that prices should be high. They are commercial companies wanting to make the best dividend possible, and when prices for stock rule high I think it is more difficult to make their business pay.

135. You say that approximately about 160,000 sheep a month would be a fair thing to send home to make an even distribution each month all the year round?—Yes, taking the same number as were exported last year.

136. Would the 160,000 include lambs?—No; mutton alone.

137. Is there an even demand for mutton, or does it vary according to the seasons?—It varies according to the seasons in some degree, but not very largely for New Zealand mutton.

138. You recommend that the mutton should be stored here and shipped Home at an even rate?—Yes, rather than ship it in large quantities to be stored at Home.

139. From your knowledge of the trade generally, and the people connected with it, do you think these people could be induced to make even shipments all the year round, or would legislation be necessary to effect that purpose?—I do not know. I am doubtful, however, if Home buyers would agree to make regular shipments of New Zealand meat all the year round, although I believe it would be to their interest to do so.

140. Then the alternative is legislation?—I do not know how legislation could affect them. It would require to be some very stringent measure.

141. But legislation would be necessary to effect that purpose?—It probably would be necessary. I do not see how it could be carried out, however.

142. On the question of distribution, you say that one of the big River Plate companies at Home—James Nelson and Sons (Limited)—pay 50 per cent. on their ordinary shares?—Yes.

143. What was your object in inserting that in the paragraph?—To bring under your notice the remarks made by the chairman of the company at the annual meeting of shareholders. He said the company depended very largely for their profits on the retail portion of their business. Owing to the regular arrival of the carcasses they were able to deal more economically with supplies than would have otherwise been possible. The chairman also said the company owned nearly a thousand shops, and others would be opened from time to time.

144. *Mr. Duthie.*] Sir Joseph Ward just now asked you about River Plate speculators buying up our meat—or, rather, you made the suggestion—and I understood you to say that the ultimate result would be disastrous?—I said the effect might be disastrous, my meaning being that if they cornered our mutton they would be able to destroy the trade of those butchers at Home who are handling our meat. Having taken it off the market, they could, perhaps, then introduce their own to customers who had hitherto been using our meat, with the result that, our meat having been depreciated by these tactics, the high prices offered previously to the producers here might not be repeated.

145. Do I understand that you think it would be an advantage to them to hold our meat until it was depreciated: would not the profit of the speculators depend upon the realisation of the meat to the best advantage, and would their speculation not serve the purpose of introducing our superior meat to their *clientèle*?—These South American companies are so directly interested in the Argentine trade, from the purchase from the producer to the sale to the consumer, that it would pay them to lose a considerable amount of money in order to destroy the New Zealand trade.