

188. Is it not one of the simplest things in the world for collusion to happen where the manager only visits a shop once in a fortnight?—The books can be falsified if men want to be rogues.

189. Do you not think we have reached a stage in our meat trade when it is our policy to work in harmony with the Argentine trade?—Certainly. I do not suggest any antagonism to them.

190. If you open shops in districts where they have the control, will they not regard that as opposition?—Do they think of their opposition to us?

191. Would they not regard that as opposition to them?—I do not know how they will regard it, but I know that they have no hesitation in competing with us.

192. If it is to be a matter of competition, can the Argentine people not lower their price and still get a good profit?—Certainly; I would allow them to do so. I would not cut my prices down with them.

193. Then, you admit that the quality of the Argentine meat is equal to some of our first-class quality now?—Yes, equal to some of the North Island mutton.

194. If they cut their prices for mutton of equal quality to ours will it not affect our trade?—No, I do not think it will.

195. Their meat, according to your own statement, is as good as the best North Island: if that is so, and they sell it at a considerably lower price than ours, do you not think they would get the preference?—Not if we specialise ours.

196. Why should the people at Home pay more for the same quality of meat?—For the reason that many things are bought at a higher price because of their repute and not for their quality.

197. Do not the Argentine people now largely control the prices on the London market?—They do in the wholesale trade.

198. If they raised the price  $\frac{1}{2}$ d. per pound just now, would not ours follow suit?—Possibly.

199. If the people at Home make that declaration, of course you concur in it?—Yes, for wholesale.

200. If the Argentine people can raise and depress the market price now, and we entered into competition with them and they lowered the price, would that not have a very serious effect on our meat?—In the wholesale they rule us, not in the retail. Their combination helps them; our lack of combination ruins us.

201. We are taking the case of their lowering the price to the retail trade: would that fact not lower the price of our meat?—No, not if we specialise ours.

202. What specialisation have you got?—By advertisement.

203. How much cheaper can they produce their meat in the Argentine than we can?—I cannot tell you that.

204. You referred to the high profits made in the Argentine?—Yes, as reported by themselves.

205. There is a report before us of the River Plate Cold-storage Company, showing that they made over 100 per cent. profit: have you read that report?—No. According to the River Plate Meat Company's report, they have put aside a large amount to reserve and yet have paid 25 per cent.

206. This is the position of one company: "The report and accounts of the River Plate Fresh Meat Company (Limited) are truly remarkable documents, showing a most extraordinary state of prosperity. On a capital of £250,000, a net profit on trading of £272,475 has been made. The original ordinary five-pound shares have been converted into 20,000 one-pound shares and the 10,000 preference shares of £5 each into 50,000 one-pound shares. The reserve fund of £120,000, with £80,000 taken from current profits, was divided amongst the holders of old ordinary shares, thus doubling the capital, and giving each shareholder cent. per cent. on his holding, and with dividends of 10 per cent. and a bonus of 3s. per share, amounting to 25 per cent. on the whole capital, the original £200,000 and the additional £200,000 allotted to the old shareholders are altogether equivalent to 150 per cent. on the original capital; 10 per cent. was paid to preference shareholders, £69,960 put to reserve, and £10,378 carried forward." The point is this, that if they can make over 100 per cent. on their capital, does that not show that they have a great margin to draw upon in competition?—Yes.

207. And if they regarded this proposal as a serious departure, do you not think they might drop their prices and fight us, and that that would have a serious effect on our future?—I do not think so, because ours would be fair, honest competition.

208. You said that a great deal of the New Zealand meat sold in England was sold as the best English?—Yes.

209. You said that obtained in the West End?—Yes.

210. And yet it appeared to-day that it was from the West End people that most loss was made?—Mr. Buchanan said so.

211. In the list of prices you gave us of Fletchers', and Rose and Co., can you tell us what margin of profit they had?—I may say in reference to Fletchers' price-list that their prices are fixed for the year; they are not altered according to the rise and fall of the market. Rose's price-list does alter a little, I believe, but not much.

212. You cannot tell us what the wholesale price was?—I cannot tell you now.

213. According to Rose's price-list, he sells a whole sheep at 5d. per pound?—Yes.

214. The present price, I see, in London for prime meat is up to 4d. per pound?—Yes.

215. And he supplies that for a distance of a hundred miles from London free of charge?—Yes.

216. Therefore he gets 1d. a pound for that?—Yes.