

99. I understood you to say, in answer to Sir Joseph Ward's question, that the Argentine people were so powerful that they could undersell us?—No; what I said was that the increasing trade of the River Plate was a factor in determining the position. Anything that will advertise our meat, judiciously carried out, will enable us to get into other markets.

100. *Mr. Duthie.*] I understand from your evidence that you have not given much attention to the retail-shop question, and have no knowledge of the working of these shops; but you support the proposal simply as an advertisement for our mutton, without expressing any opinion as to the profit and loss or the success of these shops?—I take it that whatever enterprise is entered upon in the shape of meat-shops would, of course, be conducted on a commercial basis, and would not invite a loss.

101. But you have no knowledge of the working of these meat-shops?—No.

102. You think they are only in a general way for advertising?—Yes, for advertising.

103. *The Chairman.*] You referred to the supply of meat to Manchester and the North of England: is it not a fact that the light meat of the Argentine suits the operatives better—that is, the people who are engaged in inside work in the cotton-mills, and so on?—That is quite true, but I have long held the opinion that the reason that we have increased our frozen-meat trade in heavy sheep is due to the development of the trade in one direction, and largely owing to the special demands of London districts. London, where the original demand was created, so to speak, compelled the people of this colony to develop the crossbred to meet that demand. I see no reason why we should exclude the whole of the merino mutton.

104. You said that when the "Timaru" went to Manchester the Argentine people lowered the prices and spoil the value of the meat?—Yes.

105. Do you not think that if we opened shops on the proposed lines in that territory now the Argentine people would do exactly the same thing?—I have no doubt they would.

106. It has been given in evidence that the Argentine mutton is as good now as the best North Island mutton. Following that up, if they did cut prices against our people, would that not have the effect of lowering our general price?—It might have for a time, but I do not think it would be permanent. If the consumer knew that he was getting a good, genuine article, he would be prepared to pay a good price for it. It is a case of the survival of the fittest. No doubt any effort we put forth will be met by the opposition of the River Plate people.

107. Mr. Cameron has said that the best North Island meat is no better than the best Argentine meat. Do you then think that any demonstration would induce the buyer at Home to give a higher price for our meat?—There are eight millions of people surrounding Lancashire, and if you can induce them by any process to become consumers of New Zealand mutton you must increase the value of the export.

108. But are you aware that the Argentine people can produce their meat lower than we can, and can sell under us at a profit?—Yes.

109. Does New Zealand or Argentine meat control the London market?—I think New Zealand meat does, as far as the trade around London is concerned.

110. As a matter of fact, all the reports show that the Argentine people control the trade. That is to say, if the Argentine people lower the rates New Zealand meat will fall in sympathy. If they have that power do you not think, if they entered on a strong competition with us, instead of having a tendency to raise, it might have a tendency to lower the general price?—There is no doubt that, if the River Plate people mean to have the trade, the evidence of our meat is still before them, and we have to meet their opposition. If through the retail shops you can improve the prices, surely the competition will be no greater than it is now.

111. A moment ago you said it might be possible to reduce the margin of profit between the wholesaler and retailer: do you think the margin of profit is to rise when the wholesaler cuts it in England and the retailer sells at the reduced price?—There is this difficulty which has to be faced, and which I think cannot be overlooked by this Committee: it is the wholesale trade itself which, in order to secure an outlet, has to supply its own shops. If the supplying of these shops is the paramount point of the wholesale man's existence, obviously he is not going to give us higher prices than he can help.

112. Take the firm of Rose and Co.; they buy the very pick of the New Zealand meat, do they not?—Yes.

113. They will deliver a sheep a hundred miles out of London, and pay for its delivery at 1d. per pound on what they have paid for any wholesale parcel they have bought: do you think that is a large profit?—No.

114. By establishing these shops do you think we could cut keener than that with advantage to the colony?—No.

115. If, on the other hand, again, the effect of our opening shops were to increase the price to the consumers, would that not have a tendency to put them off New Zealand meat and on to the Argentine meat?—I do not think the consumer would have to pay any more money. It is, I believe, within your own knowledge that where consignments have been sent Home they have been handed to houses which, when the market went down, sold, and when it went up these consignments were in the hands of their own retail shops. I understand Mr. Cameron's proposal is that he wants to show to people who are not buyers of New Zealand meat that we have a genuine article to sell, and to induce them to ask their butchers for it.

116. Mr. Seddon said this: "The New Zealand Government proposes to buy meat in the colony, to brand it, and ship it direct to a commissioner in the United Kingdom. The Government will also establish meat emporiums in the big manufacturing centres in the United Kingdom, appoint managers to conduct the business, and will sell the meat at a price simply to cover the cost." Perhaps you would not care about expressing an opinion on that?—Oh, I have no objection to express my opinion. I think the basis of true commercial enterprise is that it should be put on