

a profitable footing. I do not know that Mr. Seddon really meant that the goods were to be sold at mere cost, but that if the cost was to be a means to an end, and that end was to be gained by a wider outlet, then, probably, it would be justifiable.

117. With regard to what you said in reference to Christchurch meat people starting shops at Home, was that the experiment at Cardiff?—Yes.

118. They had a large trade there before opening?—Yes.

119. *Mr. Buchanan.*] You said that the two Christchurch companies control a very large proportion of the frozen-meat trade of New Zealand?—Yes; all the export from Lyttelton or Canterbury.

120. Would you be surprised to know that they do not control one-fourth of the Canterbury trade—that, as a matter of fact, the Belfast Company controls none of it, because the meat all belongs, not to the company, but to independent owners, both English and New Zealand, and that in the case of the Christchurch Meat Company the control of the output belongs, as to more than one-half of it, to dealers and farmers?—When I used the word “controlled,” I meant that the two freezing companies freeze and ship frozen-meat whether it be the property of private individuals or companies.

121. You would not call that “control”?—That is the sense in which I meant it. I know full well that Borthwick is a purchaser of frozen meat, and also a purchaser of live stock. Fletchers’ also have their own men there, but they must of necessity go to the freezing companies and get their purchases frozen. If it is true that the freezing-power is in the hands of two companies, the other combination is within range.

122. You said that there was very little frozen meat from New Zealand known outside of London. I have here a tabulated statement before me showing the result of one day’s sale by the C. C. and D. Company to 344 different towns outside of London. How do you harmonize your statement with that?—I am not in a position to check the figures you quote, and, of course, I accept them as correct; but what I want to emphasize is this: that the bulk of the shipments from this country go to London direct, and in London the greater part of the consumption takes place. I illustrated that by saying that in Lancashire, with the eight millions of people that surround it, the River Plate people control the trade. In the North we are not doing very much, and, as the Chairman pointed out, that was due in some measure to the fact that our mutton is not so suitable as the River Plate. I answered that by saying that we developed the crossbred sheep, forgetting the advantages that might be secured with merino mutton, and I might say that Sir John Hall was a consistent advocate for the breeding and shipment of merino mutton.

FREDERICK J. SHELTON examined. (No. 11.)

123. *The Chairman.*] What are you, Mr. Shelton?—I was lately proprietor of the Gisborne Freezing Company.

124. We are met to investigate, primarily, the propriety of opening meat-shops in London. The Premier has submitted a scheme, and also Mr. Cameron, the Produce Commissioner, has submitted the particulars of a scheme, and as you have had some experience in the frozen-meat trade the Committee will be glad if you will express your opinions on the subject. Would you prefer to answer questions or to make a general statement?—I should prefer to answer questions.

125. *Mr. Buchanan.*] Will you tell the Committee whether you have had any experience of the retail trade that would help the Committee in arriving at a conclusion as to whether it would be advisable for the Government of New Zealand to establish frozen-meat shops in England?—When I was at Home in 1896 I made inquiries as to the distribution of the meat, and I learned then that the butchers were about the toughest lot of people you could find to work with—that they were about the most jealous people in regard to their trade that you could meet in London. If any one attempted to start a shop in opposition to them in their district, they would combine to attack him like so many dogs, and would run him off if it was possible; but, if they found that his purse was long enough to enable him to stand their competition, then they would take him into their combination. They are a very jealous lot of people, and will oppose any new thing in their trade as strongly as they can.

126. Will you describe to the Committee the mode in which they carried this out? Did you find that any butcher was free to go into the open market at Smithfield and buy what he wished?—There is no competition except amongst themselves. Any butcher can go round the stalls and buy, or go to a man with a particular brand, and if the price suits him he buys, and if not he goes to a man with another brand.

127. Supposing the combination to which you referred were charging too high a retail price, or making too big a profit as between the wholesale and retail prices, was there anything to prevent additional butchers going into the trade and establishing healthy competition in the usual way?—No, excepting that as soon as the competition came along they all joined together to force the new man out if they could. That is their principle.

128. Does that not obtain to some extent in every country and in every trade?—To a certain extent, yes, but more so in the butchering trade.

129. Can you point out any special facilities that these London butchers have for putting down competition as compared with any other trade or any other place?—I do not know their inner working beyond what I have said.

130. Is it your opinion that the settler or farmer here would be able to get any higher price for his stock by the establishment of a Government shop in each town in England containing a hundred thousand inhabitants or more, as proposed in Mr. Cameron’s scheme?—I think the more the meat is brought before probable consumers by any channel the greater demand there is likely to be for it, but I do not think the proposed system of shops is the most desirable course to adopt when there is the present distributing-power of the butchers. The English people are very slow to