

39. On the occasion I speak of—some three years ago—they had eight men constantly employed in visiting shops in the various districts every three days?—Yes, the C. C. and D. Company have been doing that for the last fifteen years.

40. I notice by this pamphlet that your distribution for one day is 2,103½ sheep, 2,761 lambs, 2,389 pieces of mutton, and 420 quarters and 185 pieces of beef?—Yes.

41. *The Chairman.*] Have James Nelson and Sons, who have been making such large profits in the meat-market recently in connection with the Argentine trade, any connection with the C. C. and D. Company or with Nelson Bros. of this colony?—Absolutely none. James Nelson and Sons have been butchers for the last sixty or seventy years, and my family cannot claim that honour. We did not know the existence of each other until we entered the meat trade.

42. Do you mind telling us what the average profits are of the company you have been connected with during the last twenty years?—I am ashamed rather to do that. I cannot claim an average of 5 per cent. for the business during the last twenty years.

43. Have you ever paid over 10 per cent. in one year?—Never. For some few years we paid 10 per cent. with regularity, but during that period we used to freeze sheep on owners' account. Since we have become purchasers of meat we have very frequently paid no dividend at all, and never more than 6 per cent. With regard to Mr. Duthie's question in reference to the C. C. and D. Company's expenditure and staff, I may say that the C. C. and D. Company have not been made so much use of by exporters owing to their prices being higher than it is possible for the work to be done for by other agencies in London; but the persons who object to these higher charges do not realise what the company do with their money. The expenses of the travellers referred to are covered by these charges, and, as a matter of fact, the C. C. and D. Company with their increased charges do so much with the money that they do not stand to make a fraction of the profit that the agents do who show nothing for their work. The question of branding came up in Hastings the other day, and is a matter I feel very strongly about, for this reason: that, if it should be thought necessary to brand mutton, I consider it ought to be left to the discretion of owners whether it should be branded or not. My firm look upon it as a distinct disadvantage, and we are owners every year of half or three-quarters of a million of New Zealand sheep; and it strikes me that, if the law should provide that we must brand these sheep, I do not think we should be in that position, and think that the owner should be allowed to do as he likes. I cannot conceive who it interests except the owner of the meat. Mr. Cameron tried to show that it did interest somebody else, but could not say who it was. For my part, I do not want anybody to spoil my meat.

44. *Mr. Hardy.*] Would it spoil your meat?—Yes, it would.

45. Would it prevent you from selling it as prime English?—That has nothing to do with it—we cannot sell it as prime English. I wish we could. Mr. Cameron seemed to me to be too virtuous. He told us of a certain butcher who bought meat-labels and put them on North Island sheep; but out of eight millions of carcasses how many could be so treated? To say that this is done as a usual thing in the trade is preposterous. Mr. Cameron also brought up the question of grading, and said that all meat must be graded by a Government grader. The audience in Hastings cheered the suggestion to the echo, and it fell to my lot to say that they had cheered the proposition, but I could not see why they had done so. My remarks to Mr. Cameron were to this effect: that, although I had the greatest confidence in the Government methods generally, still grading was such a gigantic question, and one in which we had so much difficulty in getting men to carry it out, that if it became law the Government would be called upon to find seventeen first-class heaven-born graders right off; and I might tell the Committee that it is an extremely difficult thing to get a reliable grader in our business, as Mr. Cameron well knows.

46. In Canterbury we have the question very dearly at heart, in consequence of the trouble the companies have gone to in getting experienced graders, and I should like you to make the matter as clear as possible?—It is clear to me that no one excepting a man who has been for years connected with the trade can possibly know anything about the grading that is required to meet the requirements of the trade. It is not a scientific question on which any one from outside can come along and say what grading should be done. Such a person might tell you that one sheep was better than another, but he would not know what the trade wants at Home. We have had graders from England, and have had to let them go again, and after several years I have only two men whom I consider good enough. If I had men who did not understand the business coming to grade my sheep it would mean absolute ruin to me.

47. Then, you think that a company that has been spending a great deal of money in getting up a special brand would be seriously affected—in fact, it would mean destruction to that company?—Precisely.

48. You think that special brands are of special value to the several companies?—A special brand for a company is almost a necessity—at any rate, it is a very great convenience. In connection with this question of grading, I should like to tell you that I was the inventor of the grading system. In Hawke's Bay it is very commonly reported that the great fault with Nelson Bros. is that they do not grade properly; but there was a time, when Nelson Bros. invented the grading system, that they went to a Wellington Company and told them that they wanted their sheep graded, and they were told that that could not be done. I said "If I buy your meat it has to be done," and it was done. Now, I am told that I am the only man who does not know anything about grading.

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(No. 13.)

49. *The Chairman.*] You have probably seen references to the schemes put forward for the better handling and distribution of New Zealand frozen meat at Home, more particularly the proposals of the Right Hon. the Premier and Mr Cameron; and as you have had a very wide