

1911.
NEW ZEALAND.

AGRICULTURAL, PASTORAL STOCK, AND COMMERCE COMMITTEE:
SEEDS SALE CONTROL BILL
(REPORT ON); TOGETHER WITH MINUTES OF EVIDENCE.

(MR. LAWRY, CHAIRMAN.)

Report brought up Friday, 13th October, 1911, and ordered to be printed.

ORDERS OF REFERENCE.

Extracts from the Journals of the House of Representatives.

FRIDAY, THE 11TH DAY OF AUGUST, 1911.

Ordered, "That a Committee be appointed, consisting of ten members, to consider all matters pertaining to agricultural and pastoral industries, stock, and commerce, with power to confer and sit together with any similar Committee which may be appointed by the Legislative Council, and to agree to a joint or separate report; the Committee to have power to call for persons, papers, and records; three to be a quorum: the Committee to consist of Mr. Bollard, Mr. Buchanan, Mr. Dillon, Hon. Mr. T. Duncan, Mr. Field, Mr. Hall, Mr. Lawry, Mr. Okey, Mr. Witty, and the mover."—(Hon. Mr. T. MACKENZIE.)

FRIDAY, THE 1ST DAY OF SEPTEMBER, 1911.

Ordered, "That the Seeds Sale Control Bill be referred to the Agricultural, Pastoral, Stock, and Commerce Committee."—(Hon. Mr. T. MACKENZIE.)

REPORT.

THE Agricultural, Pastoral, Stock, and Commerce Committee, to whom the above-mentioned Bill was referred, have the honour to report that they have carefully considered the same, and recommend that it be allowed to proceed with the amendments as shown on the copy of the Bill attached hereto.

FRANK LAWRY, Chairman.

13th October, 1911.

MINUTES OF EVIDENCE.

WEDNESDAY, 6TH SEPTEMBER, 1911.

GEORGE SHIRTCLIFFE examined. (No. 1.)

1. *The Chairman.*] What are you?—A merchant in Wellington.

2. Will you make a statement to the Committee?—Well, sir, I would just like to say that the delegation in waiting before you this morning desire to have it made clear that they are not acting in any sort of antagonism to the Bill. If the Parliament of the country thinks that such a Bill is necessary they are quite willing to do what they can to put forward suggestions that will make the Bill as workable as possible. The object this morning is rather to point out what, in their opinion, are the weaknesses of the Bill, and to make suggestions which will, in their judgment, remove those weaknesses and make the Bill a practical measure for the protection both of the seller and the buyer of the seeds. What I would propose, sir, with your permission, is just to take the clauses as they come in order in the Bill, and explain as briefly as I can the suggestions we should like to put forward. In regard to clause 1, we should like to know or have it made clear whether the Bill is to apply to sowing in New Zealand only, or whether it includes seed for export. There is a large amount of export trade done, which is a growing trade, and the exporters from New Zealand have, of course, to be controlled and guided by the regulations that are in force in the importing country to which they ship the seeds, so that we take it it is not the intention of Parliament to make this Bill apply to seeds sold for export. That is one question we would like to ask, sir—if we could be informed as to what the intention is. We think the Bill should be confined in its operations to the internal trade of the country.

Hon. Mr. T. Mackenzie: That is the intention.

Witness: Well, we are quite satisfied upon that point. Then, with regard to clause 3 of the Bill, we take it, sir, that the Bill is not intended to apply to transactions between merchant and merchant or trader as distinct from transactions between traders and growers. We consider that there ought to be no restriction at all placed on transactions between traders who themselves know all the conditions under which they have to sell the seed when they come to sell it to the growers, so that the intercourse between the merchants should be as free as possible with no restrictions at all; but where it comes to selling the seed to farmers for growing, then we are at one in thinking that some kind of measure is necessary, but we ask that it should be made quite clear that the Bill should not apply to transactions between merchants or traders.

3. *Mr. Field.*] I suppose there is a large volume of that business done in the country?—Yes, a very large volume of business is done, and if the conditions of the Bill were to operate as between merchant and merchant I am sure it would render the business almost impracticable.

4. *Mr. Dillon.*] You mean the producer and the merchant?—No. We want to have it made quite clear that this Bill only applies to transactions between the seller and the grower, and not between trader and trader. If I as a merchant find myself short of white clover I may want to buy it from another merchant, and he should be free to sell it to me without any reference to the Bill. If in turn I want to sell it to the grower, then I am restricted by the operations of the Bill, and we do not object to that; but we say, let the transactions between merchants be entirely free, and not controlled in any way by the Bill. We rather thought that was the intention, and we were hoping that you would be able to tell us whether that was the intention or not. I now pass on to clause 5 of the Bill, dealing with the particulars in reference to the certificate, and we should like to say that, in our opinion, this clause is going to be most harassing to the retail trade; in fact, it seems to us that it will be impossible for retailers to issue a certificate for each parcel of seed that they may sell. We have in some of the retail trades as many as two or three hundred parcels of seed to be sent out in one day, ranging from 5 lb. to 15 lb. in weight. As a matter of fact, how is it possible for retailers to issue a certificate with each packet of seeds? We say the impracticability of the suggestion is so manifest that we feel sure the Committee will recommend some modification of it. We put forward this suggestion: that the minimum quantity provided for in the first paragraph of clause 5 should be 5 cwt. and not 5 lb., and that it would be a fair thing to require a certificate, when demanded by a buyer, for a quantity exceeding 5 cwt.; but we say that to ask each retailer to furnish a certificate with every 5 lb. of seed he puts up can hardly be considered. Then, we should like to ask, sir, that the certificate need not be given unless asked for. We take it that this certificate will not really be wanted, and not even thought of in ninety-nine cases out of a hundred, and that the buyer will only ask for the certificate if he has some reason to think that there is a doubt about the quality of the seed; and we do not think the vendor should be put to the enormous labour and cost of making out these certificates unless they are asked for. If the buyer demands the certificate, then we have no objection, and he has a right to have it; but we say, as a matter of practice the buyer will not ask for the certificate once in a hundred times. Then, with regard to the form of the certificate, we would suggest that that should be embodied on the face of the invoice in some manner as may be convenient to the merchant, and that it should not be necessary to have a separate document. I do not think there could be any objection to that. Then, with regard to the subclause (f) of clause 5, we ask, sir, that "locality" and "country" should be struck out. Clause 5 says that in the certificate it must be shown "the locality and country, and the year, in which each kind was harvested." We say, so far as locality and country are concerned, in nineteen cases out of twenty it is simply impossible to give the information, and the word "unknown" would have

to be put in the certificate. How can we tell when we buy a line of seed that has passed through half a dozen hands, as it frequently does here? Who can tell in the end where that seed was grown? In importing seed from America or Europe we cannot tell in what country it was grown. Very frequently Continental seed is sent to America, and American seed is sent to the Continent, and we get it here in New Zealand. We cannot tell in what country that seed is grown, and we say it is not material to the point the Government is aiming at—namely, purity of the seed; and therefore we say it is unfair to ask us to try and give information that it is simply impossible for us to give. Then, sir, with regard to subclause (g), we ask that the second proviso, commencing "Provided," should be struck out altogether. It seems to us to be absolutely unworkable. It states, "Provided also that if more than ten per centum by numbers of any one kind was harvested in a different locality or year from the rest of such kind, the percentage and the locality or year of each portion shall be stated separately." Of course, if subclause (f) comes out, then the first proviso and also the second proviso in subclause (g) will come out; but in any case it seems to us impossible for the vendor to give the information that this second proviso suggests—that he should give the information with regard to the percentage of each portion of the mixture. It is not practicable, and therefore we put it as strong as we can that, first of all, you should strike out subclause (f), and that in any case you should strike out the second proviso in subclause (g). Then I would just say that the Bill makes no reference to transactions in the seeds mixed by the vendor for the convenience of the farmer. Now, there is a very great deal of that done, as most of you gentlemen know. The farmer lives away in the backblocks; he has no convenience for mixing the seed, and he gets the merchant to mix them for him.

5. *Mr. Field.*] And it saves the bags too?—Yes. In all such cases we say the buyer must have samples drawn before mixing if he wishes to have them tested or otherwise—that is, if he wishes to take advantage of the Act he must not get the vendor to mix the seed and then afterwards say, "Oh, I am going to have a sample of that." He must take samples drawn from the seeds before they are mixed. I think that is very reasonable, and anything less than that would be absolutely unfair to the vendor, and make the business of mixing so dangerous that it seems to me the farmers would not be able to avail themselves of the facilities they have at present from the merchants. I now pass on to clause 6. This clause deals with the drawing of samples, and we say the sample should be drawn before the seed leaves the store of the vendor, otherwise the seller will be at the mercy of the buyer. We recognize that the Bill aims at the prevention of fraud on the part of the merchant or seller. There may be some cause for that—we do not say there is not; but we say, are you going to remedy that by making an opening for the farmer to be guilty of fraud against the trader? It seems to cut both ways. If you are going to allow a farmer to draw seed-samples within seven days after he receives it away in the backblocks, what guarantee is the merchant going to have that that is the true sample? Surely some means should be devised by which the trader can be protected. We do not object to the farmer having all the protection possible, but at the same time we say there should be some protection for the trader, and if the farmer wants the seed examined he should have the samples drawn either by himself or by the agent and forwarded to the Biologist before the seed is despatched from the trader's premises. If the question is raised that the trader might adulterate the bulk after the sample is drawn, I suggest that the party who samples it should be some licensed individual, and he could absolutely seal the bulk and nothing could be interfered with. I do not think any objection could be made to that, and therefore the farmer would have an absolute guarantee that the seed is not interfered with from the time the samples are drawn.

6. *Mr. Buchanan.*] How could you seal the sack?—In the usual way that firms seal their sacks with sealing-wax, and the same as the Post Office people seal their mail-bags. It would not do to enable the farmer to get at the trader by some unfair means—by adulterating the seed and then taking another sample, or not having the sample drawn properly. We say instances have been known of fraud on both sides, and we therefore want to see that both sides are protected. Then we go on to subclause (c) of clause 6: "Each sample must be enclosed in a suitable package, sealed, and delivered (or forwarded by registered post) to the Biologist." We suggest that each sample must be drawn, divided into three equal parts, and sealed in the presence of the vendor or his agent—one for the vendor, one for the buyer, and one delivered (or forwarded by registered post) to the Biologist. That is, we want to have the samples drawn in the presence of the vendor or his representative, and we say that is reasonable. Clause 7: We say that the trader should not be entirely judged by the one Biologist, however able a man he may be. He is only human and liable to err, and therefore we suggest that in the event of the Biologist's report being adverse to the trader or adverse to the farmer either side should have the right of appeal to the decision of two experts to be chosen, one on each side, with an umpire to be mutually agreed upon. That is the ordinary arbitration clause, and we say it would be fair to both sides, and that the dictum of one man should not be allowed to impose pains and penalties on perhaps a perfectly honest trader. Some court of appeal ought to be provided. Then we say, in all cases of appeal to experts the costs must be paid by the losing side. Then we want to ask this question, sir: does the Bill preclude the sale of fog, sweet vernal, chicory, rib-grass or plantain, vetches, when sold as such—that is, you are not allowed to sell them as adulterated seed, but can you sell them and describe them as such? We frequently sell Yorkshire fog and rib-grass. Then, clause 9 deals with the publication, and we think that this is really a monstrous clause. This Bill is not going to operate equally. The farmer may make complaints, and if the complaint goes against him he is not going to suffer, and he may have put the trader to a lot of trouble and expense. If, on the other hand, the trader is found to be in fault consequent upon the Biologist's report, he is to be prosecuted; and surely that is going to be sufficient punishment to the trader without having the whole of the details published throughout the Dominion and made public in some way

that the Government or the Minister of Agriculture may elect. Surely it will be sufficient punishment if the vendor is prosecuted and perhaps fined, without any further attempt at publishing what after all might have been an error of judgment, and not a wilful attempt at fraud. We do not want to cover up any fraud in the slightest degree, but we do say that this clause as printed in the Bill is going to give the Minister enormous power to ruin an innocent man's business. Clause 10 is a peculiarly worded clause, and provides that the vendor of gorse-seed must first obtain the written permission of the Minister. We say that is doing the thing round the wrong way. We say the permission of the Stock Inspector ought to be sufficient, and the onus of obtaining the permission should not be on the vendor, but on the buyer. Then, clause 11, in regard to penalties, is a very important clause. The suggestion I have to make is this: that in all cases the grower will sow seed submitted to the Biologist at his own risk, and no claim in respect of the crop can be made against the vendor. That is, if the grower elects to have his sample submitted to the Biologist and he chooses to sow the seed, he cannot have any claim against the vendor in respect of the crop he gets, because he does so with his eyes open: he sows with his eyes open knowing he has sufficient suspicion of the seed to justify him in having samples submitted to the Biologist. It should not be at all allowable that the Biologist's report under any circumstances should be allowed as evidence in support of a claim against the vendor. I think, sir, that finishes the remarks I have to make, but Mr. Watson will be able to supplement what I have said.

7. You have suggested that the minimum quantity of seed for which a certificate should be supplied should be increased from 5 lb. to 5 cwt.?—Yes.

8. Supposing any purchaser wishes to buy, say, 5 tons of seed, all that would be necessary would be to divide it up to get rid of this clause?—Theoretically I suppose it would be so, but as a matter of practice it would be impossible. Besides that, the vendor could not do that himself. It would have to be a compact between the buyer and the seller. You could not split up an order without the consent of the buyer. If I as a buyer ordered 5 tons of seed, and the vendor chose to deliver me that in lots of 5 cwt. parcels, I think I would be a very weak man if I did not take some action to stop it—that is, if the buyer wished to protect himself. I do not think the objection holds good at all.

9. In the case of sealing the parcels, what is to prevent the bags being tampered with? In practice would any sealing be effective? You must, I think, realize, that it is different sealing Post Office bags?—In what way?

10. And sow the bags up again?—Well, I have not thought out the question of sealing, and probably some other member of the deputation has more experience of it than I have. It just occurred to me as I walked up the street that there could be some method of sealing the bags.

11. *Mr. Field.*] Is there any feeling amongst the merchants as to whether this Bill should not be extended further, and extend to the germination of seeds?—That point has not been discussed amongst us. I could hardly tell you what the general feeling on the matter is.

12. I suppose you recognize it is a very important one?—It is a most important point. It is a very serious question as to how you are going to regulate the selling of seeds as regards germination.

13. It is very easily tested whether the seeds have a strong germination-power or not?—No, it is not. One man will test seed and get 95 per cent., and another man will only get 70 per cent.

14. A wet flannel is one method?—There are different methods, and different methods for different seeds. You cannot just throw a few seeds on a wet flannel and cover them up and say that is a test. It is really an expert matter, and I do not know how you can deal with it. We have not considered that matter at all, and I am not in a position to tell you what the general feeling of the merchants is.

15. I judge from what you say that you think it is a fair thing for Parliament to consider that matter when dealing with the question of pure seed?—I think it would be quite cognate of the whole matter—the two should go together. Whether it is practical or not to regulate the germination of seeds I cannot say. I think it is extremely doubtful—I do not think you could do it. It seems to me you have got to let each merchant trade in the way that is going to promote his business the best, and that is by supplying the highest grade of seeds. The farmer is not going to buy low-grade germination seeds, and he is going to give his trade to the merchant who provides him with the best seed, and that is the best safeguard you have. I believe it is well known that the seeds grown and sold in New Zealand and the seeds that come to New Zealand are far and away ahead of the seeds sold and grown in other countries. We have the reputation here in New Zealand of having a much higher quality of seeds and much better dressed seeds. Our dressing-machinery is far and away ahead of that in America or any other colony, and therefore there is not the risk of a man sowing impure seed here as where they have not the proper machinery.

16. *Mr. Buchanan.*] It is well known in some cases seed is absolutely sterilized for the purposes of sale—to improve its appearance?—I have not known of any case that has come under my notice in New Zealand. I do not know if any of my colleagues ever knew of a thing like that being done in New Zealand.

17. *Mr. Field.*] With reference to the question of seed exported, I understand this Bill does not refer to that?

Hon. Mr. T. Mackenzie: No, it does not apply to that.

18. *Mr. Field.*] Do you not think it should apply to that to prevent the sale of inferior seeds?—No, not because we want to export inferior seeds, but all countries have their own regulations, and we have got quite enough to do to look after those regulations without having regulations here which might clash with the regulations in other countries.

19. Do you know of any Bill in force in any other country which the merchants consider satisfactory? The Canadian Bill, I am told, is regarded as a satisfactory measure?—No, I do not. I have just seen a copy of the Canadian Bill, but I did not read it.

20. Then, as to the question of costs in the event of the arbitration you referred to, you say the loser should pay the costs. You would be quite prepared to leave that to the arbitration to decide?—Yes.

21. *Mr. Bollard.*] I should like to ask if the amendments suggested in this Bill, if carried into effect, would, in your opinion, be effectual with regard to the prevention of weeds being circulated in seeds?—Well, I would say No. The Bill has not aimed at preventing the sale of weeds. The Bill provides that if you mark them “uncleaned” seeds you can sell anything you like.

22. But you made certain suggestions which, if carried out, you think would make the Bill effectual?—No. We do not say it would absolutely prevent the sale of noxious weeds in seed, but we say it would make it much more workable than the measure is now, and equal to both sides. At present it is a very one-sided Bill. The Bill especially allows the sale of unclean seeds.

23. According to the percentage?—No; with any percentage.

24. *Mr. Okey.*] You said that the responsibility should be on the grower. Do you think anything could be done in the way of inspecting the place where the seed is grown? The Government at present have a considerable number of Inspectors of different kinds. Do you think a system of inspection could be carried out—that is, you want to put the responsibility on the grower, and not on the merchant?—Responsibility of what?

25. The responsibility of this Act and the impure seed. I take it you buy your seeds from the grower to a great extent?—Yes.

26. Do you think anything could be done in the way of inspection?—We have not considered that point. That is a very important point—the sale of seed by the grower to the merchant. That is a matter that is not dealt with in this Bill.

27. But do you think something like that could not be done? This Bill is almost impossible in some points?—The Bill in its present form is absolutely impossible; but I do not know that any good would result from inspection of plots. If you are going to hamper the farmer by the inspection of his plots you are going to make him say, “I am not going to bother about growing that clover; I will grow something else which will give me less concern”; and the machinery in the Dominion now is of such a character that I have no hesitation in saying that the seed, no matter how bad it is when grown, can be made into good seed. We have got machinery that will clean it better than any machinery in the world.

28. In regard to the sale of lots under 5 cwt.—that is almost impossible with small farmers. There are a number of farmers who do not buy 5 cwt. of seed?—Then, is it worth while for the small farmer who does not buy 5 cwt. of seed to have the right of putting the merchant to all this trouble and annoyance, and perhaps a prosecution and an injustice, for such small parcels of less than 5 cwt.?

29. The object of the Bill is to get the merchant to have his seed in this condition before it is sent out. All the seed you have in your store, I take it, would stand the certificate?—Probably it would; but then the trader does not want to be laid open, when the seed is delivered perhaps two or three hundred miles away in the backblocks to have a notice sent down to him to say that the farmer is going to have a sample drawn to submit to the Biologist. How could the merchant send a man up there, and why should he be asked to trust the statement of the farmer that the samples are from the same seed that he sent?

30. *Mr. Witty.*] With regard to the retailers, while it is very often that in the small lots there are more weeds than in the large lots, why should not the small farmer be protected just as much as the large one? In answer to Mr. Okey you said he was not worth bothering about?—No, I did not say that. I say, is it worth while inflicting such hardship upon the merchant for the sake of a man who only buys, as the Bill provides, 5 lb. of seed? The thing seems ridiculous. We therefore put the suggestion of 5 cwt. It may be possible to make it less, but to make it 5 lb. is unreasonable.

31. If you had 5 cwt. of turnip-seed you could sow 1,000 acres, and you could sow an enormous quantity of weeds in that?—We do not mind what the weight is so long as the sampling is done before the seed leaves the warehouse. We object to the merchant being called upon to either send a man a hundred or two hundred miles into the country to see the samples are drawn properly or trust to the farmer.

32. With regard to the 5 lb., if the merchant has got his bins of seed, suppose a man wants a mixture of, say, half a dozen different sorts in the 5 lb., the merchant knows what he is selling in each of those pounds, and there is no difficulty in giving a warranty, and there would be an estimate of each on the warranty form?—He could give the certificate, but we say that in the case of mixed seeds the farmer should not have the right of drawing the samples after the seed has been mixed. Let him draw the samples before the seeds are mixed. What assurance would the trader have that that mixed seed was in the same condition when the samples were drawn as when the seed was mixed?

33. But if it did not leave the store as you suggest, there would be no mixing for the farmer?—Supposing there were five lots in the mixture, you may have five lots condemned instead of one lot.

34. Supposing a man wanted 5 lb. to sow a little plot, and two kinds of clover and ox-eye, rye-grass and Italian rye: from each of your bins you would know you were selling seeds of a certain warranty?—Yes.

35. So that you know what is in those parcels, and by guaranteeing the whole lot you would be doing it just as much as guaranteeing it individually?—But as a matter of practice, speaking as a merchant, I might have one of those seeds that may not come up to the warranty. Then why should I have the five lots condemned instead of only one?

36. You know what you are buying, and so long as you have not above the quantity when it is mixed you are in as good a position as if you sold it singly?—I am sorry I cannot agree with that.

37. You are allowed up to a certain percentage by the Bill?—Yes, we are allowed up to a certain percentage under clause 4.

38. And so long as it does not exceed that percentage in the whole lot there would be no difficulty?—I do not know. I still think there would be very great difficulty with regard to mixed seeds. I do think that the sampling and testing should be on the original samples before the mixing.

39. Then take 5 cwt. : supposing it is red clover and you are allowed 4 per cent., you could give millions of bad seeds or weeds in that amount. Should there be any allowance in regard to Californian thistle?—You cannot eliminate it entirely. There are small seeds that the very finest machinery invented will not separate entirely, and you cannot get away from it—you have to put up with it. I do not think you will find in any Seeds Control Bill provision for absolute purity.

40. Mr. Buchanan raised the question, with regard to 5 cwt. packets, that the merchant might send out so many 5 cwt. packets, and you said it was not reasonable?—Yes. Mr. Buchanan's point was that a man might execute an order for 5 tons of seed in so many lots of 5 cwt. each; but I could not send him twenty invoices for the 5 tons. He would not be a party to it, and the thing would not be tolerated if he knew it.

41. With regard to the form of the certificate, that would be easy enough. You could have the seeds that are generally in use printed on the form, and you could simply fill in opposite each class of seed that you were selling the necessary information?—It would be very much more convenient to have it printed on the invoice instead of having a separate document.

42. You ask us to strike out the words "locality" and "country." There are certain countries from which farmers would be very glad to have no seeds at all, and therefore it is advisable to know what country the seed is coming from?—Well, I do not know.

43. If it is coming from the Old Country, surely there is no harm in getting a certificate from the merchant who is sending it out—the merchants here know what country it is grown in?—Of course, if you are going to accept information of a second-hand nature of that sort.

44. No; they would have to give a warranty just the same as you would have to give a guarantee in selling the seed?—There is so much interselling between traders and merchants that I think the origin of the seed would be lost altogether. I do not think it would be practicable.

45. You want us to knock out the two subsections in clause 5?—Yes.

46. That would practically knock out the Bill. You say, what guarantee has the trader against the farmer?—Yes.

47. Well, he would have the same as the farmer has against the merchant?—What guarantee would the trader have?

48. He could examine the stuff on the place just as the farmer is supposed to examine it here?—As a rule, the farmer buys the seed personally from the merchant; the merchant does not travel with the seed to the farmer's place. I do not mean with regard to the seeds he was going to buy from the farmer, but the seeds he was going to sell.

49. But if the warranty was given in the merchant's store that would obviate that?—Yes.

50. With regard to publication, would it not be sufficient, instead of publishing it, that the buyer of that seed and the Biologist who says the seed is not all right should have copies of that report, not necessarily for publication?—Yes, that is right.

51. Clause 7 says, "An offence against this Act shall be deemed to have been committed by the seller if, on examination by the Biologist, any sample of seed sold for sowing is found by him to materially differ, to the detriment of the buyer, from the description given in the invoice certificate." Well, of course, it would be a hardship on the grower if not allowed to use it?—Well, he could sow it.

52. But he would not have a claim?—No.

53. But that would be obviated if the warranty was given and taken in the store?—No, it would not be obviated, because the farmer may then choose to sow the seed. Our point is this: that the farmer must not be allowed to bring as evidence the Biologist's report after he has sown the seed.

54. Mr. Hall.] Are you a seed-merchant?—Yes.

55. Is the great bulk of the seed that is sown sold by the merchant direct to the farmer, or by private sales from grower to sower?—I should think the great bulk of the business is done between the trader and the farmer.

56. You said in the first instance that you were in favour of taking away all restrictions, and putting no restrictions between the purchaser and the merchant or trader?—No, sir. We say that the Bill ought not to restrict in any way the business between merchant and merchant or trader and trader.

57. And the purchaser?—No, sir, I did not say that; you must have misunderstood me.

58. If the merchant is the principal dealer with the sower, do you not consider that the merchant should be responsible for the seed which is sold?—I have not suggested otherwise. I say, let the Bill operate as between trader and farmer, but not as between trader and trader. If I want to buy seed from Mr. Watson, we are both merchants, and the Bill should not operate at all between us; but if Mr. Watson wants to sell to the farmer, then the Bill comes into force

as regards that transaction. There is an enormous business done between merchants, but the seed is not sold for sowing in those transactions. The seed is sold between merchants, and the buyer eventually sells to another merchant, and finally it is sold to the farmer, and the final seller should be bound by the Act.

59. Now, when you make purchases of seed, what is the usual course: do you take a sample and buy on a guarantee from the farmer that the seed would be equal to that sample, or how?—We do not buy from the farmers ourselves, and I would like some other member of the deputation who knows more about that business to answer. We ourselves buy from the merchants mostly, and therefore we buy on sample.

60. You have no power of tracing where that seed comes from that you get from merchants?—No, not as a rule.

61. Then why should you make the farmer responsible?—I do not follow you.

62. If you are going to buy from the merchant you take a sample from the merchant and have a proper understanding with that merchant that the bulk of the seed will be equal to the sample?—Yes. We have not suggested that there should be any restriction placed upon the farmer selling to the merchant. The Bill does not deal with it in any shape or form, and I have not suggested that there should be any restriction of that kind. I quite agree that the more freely you allow the farmer to deal with the merchant the better for both parties. The farmer can look after his own end of the transaction, and I have no doubt the merchant can do likewise.

63. *Hon. Mr. T. Mackenzie.*] Of course, you know the object of this Bill is to secure better seed to the farmer?—Yes.

64. And it is within your experience that a good deal of impure seed is sometimes sold in this country, is it not?—Well, that is a matter of degree. I suppose there are impure seeds sold, but I think the trade has improved wonderfully during the last ten years. I think the seeds to-day are far and away an improvement upon the seeds that we used to sell ten years ago.

65. But is not the honest seed-merchant sometimes at a very heavy disadvantage in contending with those who are not really so particular?—That is so. They have had experience of that kind, but I think that sort of thing has disappeared to a very large extent.

66. With regard to mixing old seeds, you have known that to be carried on?—Yes, I have known of that.

67. Seeds that are very often infertile?—Yes.

68. We have not touched yet upon the methods of cultivation of the seeds or the germination of seeds in this Act. Does not the merchant to a certain extent get out of the responsibility now in regard to the seeds?—There is a clause now that the merchant gives no guarantee, and that if the farmer is not satisfied he must return the seeds.

69. You do not depend much upon that?—We have to depend upon our reputation.

70. You have not been watching the legislation carried on and in force in other countries—Europe, America, and Canada?—No, I cannot say I have.

71. You are probably aware there has been a very great deal done in those countries?—No, really I am in the dark as to what has been done.

72. Now, coming to the Bill itself, of course it only applies to the sale of seeds to farmers within New Zealand?—Yes.

73. You ask that there should be no restriction between trader and trader?—Yes.

74. The intention of the Bill is to cover that?—Yes.

75. Clause 3 says, "All seed sold shall for the purposes of this Act be deemed to be sold for sowing unless the vendor and purchaser agree at the time of sale that the seed is sold for some purpose other than sowing"?—We took it that that did not cover that suggestion.

76. Well, that is the intention?—I am glad.

77. The question has been put by others regarding the minimum quantity—you thought it should be 5 cwt.?—Yes, so long as the sample is drawn before delivery. I still think 5 lb. is too small a quantity.

78. I think I might as well put on record that in Dakota and in Maine it is for everything over 1 lb., and in Hungary and Austria it is everything over 2 lb.?—Labour is cheap there.

79. In regard to locality and country, the Bill, in my mind, seems to cover that by writing simply "Unknown"?—You might as well have the word printed in the certificate at once.

80. You say it is contended that it is immaterial as to the purity, but is it not very material regarding the quality of the seeds to know the country from whence they come?—No, I do not think so.

81. Is it not a fact that seed grown in England is much more carefully grown—take, for instance, clover or turnip seeds? Have you ever been on any of the trial grounds in England?—Yes.

82. You have seen the care taken there?—I do not think the seed grown on the Continent or in America, speaking broadly and not with reference to any particular seeds, that there is any difference between them, and I say so because we buy largely on germination guarantees, and we have the highest guarantees possible from the Continent. Then, again, if the seed is not as pure as English seed—and I do not say it is not—we have the machinery here that will make it better.

83. The point I wish to bring out is the question of quality?—Do you mean germination or purity?

84. Quality, for instance, it is true you may get your high germination for your turnips, but they may not have gone through the proper process whereby you secure a continuation of the high strain. Is it not a fact that turnip-seed grown in England are more reliable?—I have no experience of turnips on the Continent. I would probably have to say you are right, because I do not think any of us have had experience of Continental turnips.

85. Have you ever seen white clover grown on the trial grounds in America and that grown in England?—No, I cannot say I have.

86. You say there is a difficulty in knowing the country from whence the seed comes. You buy largely from London?—Both London and local.

87. And have you no idea where the seed is grown?—No, very often not. In most cases I should say the seed is bought on cable. We have samples sent out to us by mail, and then we cable Home ordering on the samples. We are sufficient judges of seed to say whether the particular sample is going to suit our trade or not. We do not know where the seeds are purchased, and I should say more often than not the vendor at the other end does not know.

88. Your agent at Home should know?—No.

89. I was in the seed trade there for a time, and the agent usually knew where it was grown?—They may sometimes, but I am quite sure not always.

90. Well, as to the question of samples being drawn, I know that is a difficult matter, and realize the truth of all you have said. We will endeavour to meet that as far as possible?—Thank you.

91. Regarding the sale of rib-grass and Yorkshire fog, of course those seeds can be sold. Under the Bill, of course, they come within the clause "unclean," but there is no prohibition against the sale of them?—Well, if that is made clear.

92. It is. No seed is prohibited from being sold, only you have to say whether "clean" or "unclean"?—But surely it is an anomaly. If I may be allowed to state again, you prohibit us from selling Yorkshire fog in, say, rye-grass, and yet we can sell Yorkshire fog as a weed.

93. If you mark it clean, but when there is 25 per cent. it is unclean. You can sell Yorkshire fog so long as it is marked unclean?—But in selling Yorkshire fog must we sell that as unclean seed?

94. Yes. The Act might perhaps be made clearer and provide that Yorkshire fog and rib-grass can be sold as such, and clean if it does not contain a larger proportion of weed-seeds than applies to the others?—That would be quite satisfactory to us.

95. Now, in regard to the publication, you say it may mean ruining a man's business. First of all, you would not suppose that the Government, unless it was a very flagrant case, would publish; but you know in connection with fertilizers that is the law now—you can publish the name of any merchant who sells that which is not up to what his certificate professed?—But two wrongs do not make a right.

96. But it is not a wrong, because you may be aware there is a very great variety in fertilizers, and some merchants have sold very far from their certificates?—That may be so.

97. In Maine it is published regularly, and it is remarkable what it does for the good man?—Yes.

JAMES ERSKINE WATSON examined. (No. 2.)

1. *The Chairman.*] What are you?—A general merchant at Invercargill.

2. Will you make a statement to the Committee as to how you think the proposed Seeds Control Bill would operate?—Well, Mr. Chairman and gentlemen, I would just like to say that the matter has been very fully dealt with by the previous witness, Mr. Shirtcliffe, and I feel it would be unnecessary to take up much of your time. I would like, however, to draw your attention to the fact that the deputation which is here present represent the leading members of the seed trade at all the principal centres from Auckland to the Bluff. Naturally, as this Bill affects the conduct of our business it has engaged our very serious attention, and we have had meetings at the various centres—namely, Auckland, Palmerston North, Wellington, Christchurch, Dunedin, and Invercargill. Since then we have also had an opportunity of speaking together here in Wellington. The suggestions for amending the Bill which have been detailed by Mr. Shirtcliffe have been unanimously agreed to by all the members of the deputation, representing, as I say, practically the seed trade throughout New Zealand. A copy of the suggestions of the deputation will be handed in to the Committee, and I have no doubt you will find them to be very useful.* I should like to confirm what Mr. Shirtcliffe has said as to the attitude of the firms engaged in the trade with regard to legislation on this question. We all realize that there may be and are abuses in the trade that require to be checked if possible, but the one thing we desire to obviate is the passing of any legislation which will make the trade difficult for the honest merchant, because it follows that if the conditions of the trade are made unduly severe in the long-run the trouble caused will fall on the shoulders of the farmers, because the expenses of conducting the business will be increased to such an extent that it simply means the farmers will have to pay a good deal more for their seed. The principal feature in the Bill, of course, which members of the seed trade regard as serious is clause 6, which deals with the taking of samples; and what we feel is that it would be an unwarrantable assumption to suppose that every farmer is scrupulously honest. I might say that, so far as my experience is concerned, extending now for a quarter of a century, in the business of dealing with farmers and squatters, it is that the majority of them are perfectly honest men, who would not take advantage of anybody; but myself and other have come in contact with certain individuals who would be only too glad to take advantage of any one, and no merchant should be placed in the position of being at the mercy of some unscrupulous person. In regard to the examination of seed, we are quite prepared to have any examination you like made by any responsible persons so long as it is within our own control; but after the seed passes from our own control and goes away into the country, in some cases hundreds of miles away, we feel that it would be grossly unfair that the farmer should be allowed to draw a sample from that seed, and that on that sample drawn by the farmer, in the absence of the seller, the seller's reputation may be made or marred. If a farmer had a disagreement with a merchant—and such a thing is not unknown in business—what would hinder him, if he got a parcel of seed from that merchant and wanted to do an unfair thing, gathering a few Californian-thistle seeds and scattering them amongst the seed, and then bringing it before the notice of the Biologist and

* For suggestions see end of Mr. Watson's evidence.

have the merchant prosecuted? If the merchant's reputation is to be based on the samples, the samples should be taken in his presence or in the presence of his agent, and before the goods pass from his control. With regard to the certificate, I would just point out that it does not really affect the larger seed merchants who deal in larger parcels so much as it does the retail seller of seeds. The bulk of the trade of the retail seed-merchant is done in small parcels, and he sends out a very large number of small parcels in the course of a day. I have heard of some men who handle two hundred lines or more in a day, and if all those details have to be filled in the certificate for each order, then, gentlemen, it means far more work than you imagine. It would mean adding to the staff of the man who does that trade and adding to the expense of conducting the trade, and, of course, the inevitable result would be the adding of the cost on to the seed to the farmer. With regard to the locality, I would suggest that it would be sufficient if the merchant declared on his invoice where the seed was actually imported from—whether colonial or imported. All the seed that is used in the Dominion is either one or the other. As you all know, a large quantity, particularly of rye-grass, is grown locally; practically all the cocksfoot is grown here; some fescue, a large quantity of cow-grass, and a good deal of white clover is grown in the country. Merchants like to use the local seed because they find that on the whole the quality and germination are excellent; but when you come to import seeds—and the great bulk of our seeds of other descriptions have to be imported from Europe or America—it is practically impossible for the merchant to say where that seed was originally grown. England imports an enormous quantity of clover-seeds from the Continent, and both England and the Continent import from America; and when things are bad in America the trade is all the other way. Sometimes seed goes from Europe to America, and sometimes from America to Europe; and it would be practically impossible for the merchant to give any information which would be of the least service to the farmer. With regard to the germination tests, some mention was made of testing in flannel, and in regard to that I have only to remark that it is a very unreliable test with regard to many seeds, because I have been told by one man who made experiments that there are some flannels of a certain description which will absolutely kill the seeds. There are some classes of seed that are very difficult to grow under artificial tests: nothing but subjecting them to the course of nature will inform you what the germination points are. I can assure you, Mr. Chairman and gentleman, that the only desire of the seed trade in approaching you is to put before you the practical difficulties in the way of conducting the trade that would be brought about by the passing of this Bill in the form in which it has been printed, and we feel sure that we can safely leave it to your judgment to see that the conditions are made fair not only for the farmer but also for the merchant; and in closing I would desire to say that the one feature of the Bill that the merchants feel would render it impossible to carry on the business with safety is that clause which gives the farmer power to draw samples, at the risk of the merchant, after the seed has passed from the seller's control. If that clause became law I for one would not feel safe in carrying on the business and would have to take up something else. I am sure that the farmers do not want anything which is going to inflict hardship on any traders in the country, or otherwise provide a hardship for himself, because if anything is to be done which would inflict a hardship on the seed-merchant it will recoil on the farmer.

3. *Mr. Hall.*] You heard Mr. Shirtcliffe say that the machinery collected in New Zealand for cleaning is probably superior to that in any other part of the world. Is it your opinion that the machinery used for seed-cleaning in New Zealand would be absolutely sure to eradicate the weeds, as provided for in the Bill?—I do not think that any machinery would take out the last weed, but I agree that there is no finer machinery for that purpose anywhere in the world than in New Zealand—it has been perfected to such an extent.

4. You think that the trader would be absolutely safe in sending out seed according to the Bill by using this machinery?—Yes, I do not think there is any difficulty about that.

5. This Bill provides that the grower of seeds may sell to another, but he has no liability the same as the merchant that his seeds should be absolutely pure. According to this Bill he has a privilege in that respect. Do you not think it will have the effect of throwing the trade wholly into the hands of the merchant as between the merchant and buyer?—The farmers can still sell to each other if they choose. Of course, a good deal of dirty seed is exchanged in that way between farmers, who would do better to send it to town and get it cleaned.

6. You say there might be unscrupulous farmers who might place you in a serious position?—That is so.

7. And if that was provided against you would be satisfied with the Bill?—Yes, with the modifications mentioned by Mr. Shirtcliffe.

8. *Mr. Buchanan.*] You have a copy of the Bill?—Yes.

9. Well, look at clause 3: Supposing two farmers met together, one wants to buy and one to sell, and they do not agree that the seed is sold for some purpose other than sowing—they simply buy and sell without any agreement. The purchaser then proceeds to sow what he bought. Does he then come under the penalties of clause 7?—I would refer you to the Minister for that, sir. If I were Minister of Agriculture I could answer it very quickly.

10. *Mr. Field.*] On the subject of germination, you say there is no germination test sufficient unless it is of Nature's forces?—I say, with regard to certain seeds. Of course, there are some seeds, like turnips and clover seeds, where the germination test is comparatively simple, but when you get into fescue, meadow, foxtail, and some other seeds it is a difficult thing.

11. I understood from Mr. Shirtcliffe that you very often buy on cable on germination tests of samples?—As a matter of fact I always specify as regards samples before I buy. I do not think I have ever bought on germination tests. In regard to turnip-seeds, we always deal with one good house we have dealt with for years. We test it when we get it, but we are sure they will send us stuff that is up to the mark. We have never had any trouble with them.

12. Do you not think it would be a good thing if the seeds of certain classes were subject to germination tests?—A great many farmers test the germination of seeds for themselves. It is a comparatively simple matter in turnips and clover, but if you imposed germination tests I think you would find the machinery for settling a dispute would be a complicated one.

13. With this Bill as it is suggested should be amended by you, do you think it would be an improvement on things as at present exist?—Yes, I do.

14. With the alteration as suggested by Mr. Shirtcliffe and yourself?—Yes, I think it would be a good Bill, and help to check any irregularities. Of course, after all, the great safeguard for the farmer is to deal with the honest merchant, and the great safeguard for the merchant is to see that his goods are up to the proper standard if he wants to keep his trade.

15. *Hon. Mr. T. Mackenzie.*] Is it not a fact that the less scrupulous man will sell a class of seed, perhaps old seeds mixed up at a lower quotation, and then he gives the decent seed-merchant a lot of trouble?—That is true, but, as a matter of fact, the farmer pretty soon finds out the man who plays that trick, and takes care to avoid him the next time.

16. *Mr. Okey.*] Mr. Hall tried to get some information in regard to dealings between grower and merchant. Can you give us any information on that point? There seems to be nothing to stop the farmers dealing with one another, and what we want to do is to stop the sale of impure seed which seems to continue by transactions between individual farmers?—There is nothing in this Bill to prevent a man selling unclean seed, providing he labels it "unclean." There is section 12, I think, which covers it. You would have to proceed against him under the Noxious Weeds Act.

17. *Mr. Witty.*] Do you not think there should be something to prevent one farmer selling dirty seed to another—the weeds are disseminated throughout the country by one farmer buying from another?—There is a great deal of that done, and unless you can prevent the farmer selling the dirty seeds under the Noxious Weeds Act, which I think you can, there is nothing to stop it.

18. You spoke of the cost if you had to invoice so many different seeds—you would have to get more clerical assistance; but, seeing that the farmer is safeguarded by that he should not object to pay for it, because it would pay him to know he has pure seeds?—Yes, if it was going to affect him, but I honestly think that the quality of the seed sold in New Zealand, as regards purity and germination, is very much better to-day than it was a few years ago, and farmers are more particular as to the class of seeds they order.

19. You complain of the words "locality" and "country" in the Bill, but there is the word "unknown" included?—There is no doubt it is a safeguard. I think if you had the words "colonial" or "imported" that that would be quite sufficient.

20. Is it not a fact that some farmers buy the cleanings from the cleaning-machines?—I have never sold any to them. We fire one of our engines with it.

21. It should be compulsory that all those noxious weeds should be burnt or crushed?—We use it for driving our cleaning-machine.

22. I know of cases where cleanings have been bought and taken on to Crown lands and thrown to the four winds of heaven?—Yes, I think that is so.

23. Do you think there should be something in the Bill providing for such cleanings to be destroyed?—Yes.

24. *Mr. Buchanan.*] Clause 6 states, "The buyer of any seeds sold for sowing may, at any time within seven days after the receipt thereof, take, in the presence of two witnesses, a sample of such seed and forward it to the Biologist of the Department of Agriculture, Commerce, and Tourists, at Wellington, for the purpose of testing." You are stationed at Invercargill?—Yes.

25. Do you think there would be delay in having it sent to Wellington?—Yes, there would be. The only safeguard we would have is if our suggestion is accepted that the farmer must not sow the seed until he has got the Biologist's report.

26. The difficulty may be got over by eliminating the word "Wellington," and stating simply "Department." The Biologist may be in Invercargill?—Or he may have a deputy there.

27. *Hon. Mr. T. Mackenzie.*] Mr. Okey pointed out that this Bill does not prevent impure seed being sold, to which you replied, quite correctly, that that is the case. Would you suggest that anything more drastic than is put in the Bill should be submitted to Parliament?—Well, I would really hesitate before offering a suggestion of that sort. I think that something, perhaps in the nature of making it an offence to do what Mr. Witty says has been done in regard to sending weeds or rubbish out to be sown on Crown lands, would be wise—it ought to be put a stop to; but whether the farmer should be prevented from buying dirty seeds from his neighbour, from the seed trade point of view it would obviously be the best thing that could be done.

28. The point is that this will all be published, and it may be said, I suppose, that because we do not prevent that being done that the Bill might be largely of no value, and therefore there would be no improvement; but you do not take that view of it?—No, I do not. I think the Bill would be an improvement in this respect, that the farmer who wants to buy clean seed and arranges with the merchant has protection to see that he gets clean seed. The farmer could still buy dirty seed if he wishes to.

29. *Mr. Witty.*] Would it not be an improvement to have a clause in the Bill providing that a farmer could be got at where it was shown that he knowingly sold dirty seed in a district?—You get that under the Noxious Weeds Act.

Suggestions re Seed Sale Control Bill.

Clause 1. Does the Bill refer to sowing in New Zealand only, or does it include seed for export? It should apply only to internal trade. Exporters have to be guided by the regulations in force in the importing countries.

Clause 3. The Bill should not apply to transactions between merchants or traders.

Clause 5. Very harassing to retail trade. Impossible for retailers to issue a certificate with each small parcel of seeds. The minimum quantity should be 5 cwt. instead of 5 lb. Certificate need not be given unless asked for. Certificate to be embodied on face of the invoice in such manner as may be convenient to each merchant.

Clause (f.) Locality and country should be struck out, as impossible as a rule to give the information.

Clause (g.) Strike out the second paragraphs after the first line.

In transactions in seeds mixed by the vendor for convenience of farmer, the buyer must have the samples drawn before mixing if he wishes for them to be tested or analysed.

Clause 6. (1.) Samples should be drawn before the seed leaves the premises of the vendor, otherwise the trader will be absolutely at the mercy of the buyer. No method of drawing samples *after* delivery can be fair to the seller.

(2.) (c.) Each sample must be drawn, divided into three equal parts, and sealed in the presence of the vendor or his agent—one for the vendor, one for the buyer, and one delivered (or forwarded by registered post) to the Biologist.

Clause 7. Either side should have the right of appeal from the decisions of Biologist to the decision of two experts to be chosen one by each side, with an umpire to be mutually agreed upon. In all cases of appeal to experts the costs must be paid by the losing side. Does the Bill preclude the sale of fog, sweet-vernal, chicory, rib-grass or plantain, vetches when sold as such? These are sold more or less for sowing.

Clause 9. A monstrous clause. Surely it will be sufficient punishment if the vendor is prosecuted and, perhaps, fined.

Clause 10. A buyer of gorse-seed must produce the written permission of the Minister or the local Stock Inspector. The onus of obtaining the permission should not be on the vendor.

Clause 11. In all cases the grower will sow the seed submitted to the Biologist at his own risk, and no claim in respect of the crop can be made against the vendor.

CHARLES HOWARD HEWLETT examined. (No. 3.)

1. *The Chairman.*] What are you?—Manager of the Canterbury Seed Company, Christchurch.

2. You want to make a statement about the sealing of bags?—One of the members of the Committee asked a question in regard to that. It is generally done by the ends of strings being fastened together with a leaden seal, and the bags sewn in such a manner that the seal cannot be undone without breaking it. Neither can the bag be unsewn without the string being cut or the seal broken. There is another suggestion I should like to make, and that is that in drawing samples the agent who draws them should see that the seeds are put on the truck and despatched. There is one question in regard to percentages, and that is that the machinery can practically take everything necessary out of the seed, but it is very difficult to take rib-grass out of red clover. With regard to the certificates, one firm in Christchurch on Saturday morning last sent out nearly three hundred orders. About two hundred of the orders would be for 5 lb. and upwards, and that would mean a certificate for each parcel according to the Bill. That would mean a tremendous amount of time and labour to make up all those particulars, because all the details would have to be given with such a number of varieties of seed, and I think it should be sufficient if the safeguard were provided that the certificate should be supplied only if demanded.

3. *Hon. Mr. T. Mackenzie.*] I have here a certificate which is used in America. Do you think an enormous amount of labour would be required to fill that up, and we do not go nearly so far as that in this Bill?—There would be a good deal of labour in that, because you would have to analyse the whole thing and get the names of the different weeds.

4. You would know what was in your bulk?—But you would have to analyse every one.

5. Do you not think it would be simplified if the bulk was analysed and you got a certificate for the bulk?—Yes.

6. You would get one certificate for, say, 5 tons, and serve it out?—Yes.

7. That would prevent each farmer having to get it through the Biologist and check it?—Yes.

8. You would get just samples sent down, I presume?—Yes.

9. I should think if you gave a guarantee that it had been through the Biologist's tests that would be quite sufficient?—That would be sufficient for the honest trader, but not the fraudulent trader, who might have a sample examined and use something else in the shape of bulk.

10. I do not think you will be troubled much in connection with the certificates for farmers?—That is why I say that they should get it if demanded.

11. *Mr. Witty.*] Is it not a fact now that a great many seeds which come out from Home are already sealed—such as turnip-seeds?—Yes.

12. And also rye-grass?—Some.

13. So that there would be no difficulty in doing it here any more than sending it from Home?—No.

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