

is carried out, as mentioned by the Prime Minister, which is in the mind of the British Government—namely, to exercise a certain amount of control over Empire shipping. Shipping-space for the New Zealand exporters is absolutely essential in order to maintain the business of the producers.

44. And that there should be no preference given to any particular company?—Yes.

45. Would it be possible to do that by legislation?—I do not know. That is rather a difficult legal point: whether the New Zealand Government could legislate in connection with steamers owned outside New Zealand. It would have to be done probably in conjunction with the Imperial Government.

46. It has been suggested that the law should be altered to make them common carriers, so that they would have to carry for any one who offered them freight?—That probably would make some difference. The question of shipping depends largely upon the quantity of produce to be shipped, and the quantity of shipping-space available to take it away. If your shipping-space is in excess of the quantity of produce to be taken they probably would become practically common carriers, and be only too glad to get cargo. If, on the other hand, the produce is in excess of the shipping-space available, then there would be a very grave danger that the big wealthy firms having the best influence with the shipping companies would get preference.

47. The cargo has always been in excess of the shipping-space at the busy time of the year?—Yes. Danger would appear to exist also in connection with preferential rates and rebates—namely, the same rates being charged, but rebates given in special cases.

48. Is there not some way in which objectionable actions on their part could be stopped?—Well, there would be if the Imperial Government would co-operate with us.

49. *Mr. Austey.*] Dealing with the question of buying meat here, you say Sims, Cooper, and Co. must be dealt with. Is there any particular harm in allowing Sims, Cooper, and Co., or any one else, to buy freely in New Zealand under the existing conditions?—We are controlling the whole output now. The position is very different to what it would be if there was absolutely free trade in meat. When I said Sims, Cooper, and Co. have to be dealt with, what I meant was this: that we should be able to know whether Sims, Cooper, and Co. are purely a New Zealand firm, or whether they are associated with or in collusion with Swift and Co. If they are a purely New Zealand firm we cannot interfere with them.

50. Supposing they are connected with the American Meat Company, do you think it would be wise to stop their operations during the forthcoming season?—I do not know whether I can go as far as that, but if after investigation the Committee are satisfied they are acting in association with Swift and Co., then they should be treated as a so-called meat-trust firm.

51. Then would you suggest that local buying should be stopped?—Not at present.

52. You understand that is the problem, for you must either allow local buying or compel everybody to consign?—Yes, but you cannot stop them on presumptive evidence.

53. But would you be prepared to go that length—to say that local buying should not take place by anybody?—I do not know that you can do that. You mean, everybody should put their stock through on their own account?

54. Yes?—That would be extremely difficult in the case of the small farmer. That is a thing which would be quite right in theory, but difficult to carry out in practice.

55. You think it would not be advisable?—Yes.

56. Is there any particular object, then, in blocking any particular buyer?—Yes, there is. If that buyer is a member of a big firm with such an enormous capital that it can afford to do twelve months' trading at a loss and lose as much money as would run an opponent out of the business altogether, then it is not a good thing to let those people go on buying.

57. Then you would suppress them as local buyers?—I would take such steps as would be best under the circumstances to prevent them unfairly competing with the local buyers.

58. What steps would you suggest? How would you prevent him buying from a farmer who wanted more than another, or prevent him selling?—I myself think that any steps that can be taken under any law we can see in sight at the present time would have to be taken in connection with the licenses of the companies.

59. Supposing you refused to license any local freezing-works, that would mean you would shut it up, and the only man you would injure would be the local farmer?—That is so in theory.

60. And what would you accomplish by so doing?—Then probably the freezing company would come to us and say, "It is hard lines to shut us up in this way; we are quite prepared to do away with the cause of the trouble and refuse to freeze for these other people."

61. In the meantime you practically ruin the market so far as the local producer is concerned?—If the freezing company were wise they would not allow their works to be shut up; and there would be plenty of buyers for other works.

62. Does not that show that it is very little use touching these people locally, and that the only place to control the American operations is not before you reach the ships, at any rate?—I think we can.

63. What can you really do locally, then?—As I have said before, you can exercise the powers you possess over the freezing-works. You could not go to a man who was a law-abiding citizen and say, "You are not to buy meat because you belong to an American firm."

64. But if you close the works you injure the farmer?—Only if you permanently closed the works, and no one else was available to send the meat away.

65. Would you suggest that the Government should seize the works and keep them open?—One way would be for the Government when the time comes, and they are in a financial position to do so, to take over the whole of the meat companies in that way.

66. Supposing instead of Sims, Cooper, and Co. themselves consigning they put nominally one of the buyers in as consignee, could you stop it that way?—To operate in his own name on their behalf?