

98. The methods adopted were that they took possession of works and bought heavily from their competing firms, paying exorbitant prices for their stock so as to bring about a loss with all the companies, and they having the most capital could withstand a loss?—Yes, those were among their methods, and the English companies lost so much they were unable to stand up to it individually any longer. The English companies had to combine together to fight the other people.

99. If it had been illegal in the Argentine to purchase live-stock, could that operation have been carried out and the farmers compelled to freeze and ship on their own account?—Yes, theoretically; and then of course it would be quite impossible for them to monopolize the market for live-stock and to have killed the other companies.

100. Of course, there is only one result of that fight so far as the Argentine farmer is concerned, and that is that he will get much less value for his stock?—Once the other people get full control of the market.

101. Has it come under your notice that stock-sales are held in the Argentine, and that the vendors of stock are paid off with two-thirds of the market price, the idea being to the world that the prices are up to the world's market? The farmers get the full amount if they claim it, but that is the last transaction they will get?—That is a very wide statement. There is no doubt, when the trust actually was a trust operating in the United States, that they there practically eliminated competition in buying fat stock.

102. And drove people into other operations?—Yes.

103. In the co-operative works in Gisborne, do not the small men there freeze on their own account and get financed by the bank?—A good many of them do, but outside operators put a certain amount of stock through.

104. Is it not a fact that the banks will advance 80 per cent.?—Under present conditions I suppose they would, but I do not know whether they would before the war. The small farmer wants his money as soon as the stock goes off his place.

105. Supposing legislation is introduced preventing the erection of any further works by capital outside New Zealand, that would prevent the trust from erecting new works and assist in checking them?—Theoretically it would; but it would not be a very difficult matter to get round that by getting hold of a few dummies in New Zealand, or even buying out existing New Zealand companies. Theoretically it would be of assistance.

106. If that was carried through and after a certain period no freezing companies in addition were started, or it was made illegal for outside capital to be invested in local works, then the Government would have to acquire or sell?—That might be of some assistance, but if you are going to shut out outside capital you have got to realize the fact that all the capital has to be found in New Zealand itself if new works are needed.

107. Could you give me, roughly, the amount of outside capital used in the erection of works in New Zealand at the present time?—No, I could not.

108. It is very small?—Yes, possibly. I suppose the shipping companies have put in the biggest quantity.

109. *Mr. T. A. H. Field.*] Do you know anything about the National Cold Stores?—No, I have not heard of those.

110. Do you know anything about Nevanas and Co.?—They are a firm established in England which has lately commenced to operate in New Zealand. I believe they have done a fair amount of business in the Argentine also in the past, not as owners of freezing-works but rather as dealers in meat, and the nature of their operations in New Zealand at the present time is largely to buy stock on the hoof and have it frozen on their own account and shipped Home. They freeze on their own account and sell to the Imperial Government for shipment Home. They probably are looking to make a status for themselves in New Zealand, so that they will get into a good position to operate to a larger extent if later on the market becomes absolutely free again. They are really in the same position as other exporters at the present time.

111. *Mr. Talbot.*] You said that the amount of meat released to the Meat Trust people at Home was about 1·8 per cent.?—That was for the two periods—the two months each.

112. Would it be possible to trace the percentage by a firm like Sims, Cooper, and Co.?—Those figures were solely in connection with Sims, Cooper, and Co.'s business. The quantity that the Americans got from the London Produce Company was 4·3 per cent.; in January and February 1·74 per cent., and March and April 1·8 per cent.

113. Sims, Cooper, and Co.'s amount was 4 per cent.?—Yes.

114. Is it not true that both Weddell and Co. and Borthwick and Co. have drawn attention of the Imperial Government to the menace of the American Meat Trust?—Yes, in their annual reports.

115. It was suggested that the Government might take the whole thing in hand at this end as it has now. Would it be possible to work in some way that there will be no middlemen, but that the farmers should deal straight with the Government and get rid of the buying firms altogether?—It would be rather more difficult in the case of meat than with wool, because the farmer wants to get rid of his stock just when it is fat, and it would need a very large organization to enable the whole of that to be handled entirely by the Government.

116. The Government has to handle it in any case?—It is only handling the frozen meat. I hardly think the farmer would be agreeable to the suggestion that he would always have to be responsible for sending his own stock to the freezing companies. What suits the small man is for the buyer to come along and take the stock off his place.

117. Unless you have a Government buyer to go out?—Yes. If you were going in for a Government scheme you would have to get Government buyers. It would be a terribly awkward