

Is it not a fact that the graziers and stock-raisers of the United States were equally interested?—I do not think so. I think the first intimation came from something published east of the Missouri River.

You are not aware that the graziers and farmers of the United States were the principal men who forced the question of the packers' interests to be reviewed by the Commission?—I am not.

And you say that Armour and Co., and Swift, and the other people were not called before the Commission?—Yes.

Were never given any opportunity to attend?—No.

But before the Inter-State Commission?—Yes; but that was another Commission altogether.

The Inter-State Commission was the one that resolved that the National Packing Company, which had been formed and was a combination of all the companies in the United States, should be broken up?—I think that is so.

Several questions have been asked in connection with this matter of the decree in the United States. I will read it. You have been asked whether the decree issued has been carried out, and you said you do not think it has been, or is likely to be?—I do not think that up to the present it has.

The decree runs: "Under this decree the defendants, and each of them, either as corporations or as individuals, are compelled, in brief—(1) To sell, under supervision of the United States District Court, preferably to the live-stock producers and the public, all their holdings in public stockyards; (2) to sell, under the same supervision and in like manner, all their interests in stockyard railroads and terminals; (3) to sell, under the same supervision and in like manner, all their interests in market newspapers; (4) to dispose of all their interests in public cold-storage warehouses, except as necessary for their own meat products; (5) to for ever dissociate themselves with the retail meat business; (6) to for ever dissociate themselves with all 'unrelated lines,' including wholesale groceries, fresh, canned, dried, or salt fish (and other specified classes of goods); (7) to for ever abandon the use of their branch houses, route-cars, and auto-trucks, comprising their distribution system, for any other than their own meat and dairy products; (8) to perpetually submit to the jurisdiction of the United States District Court under an injunction forbidding all the defendants from directly or indirectly maintaining any combination or conspiracy with each other or any other person or persons, or monopolizing or attempting to monopolize any food product in the United States, or indulging in any unfair and unlawful practices. The decree further provides that jurisdiction is perpetually retained by the Court for the purpose of taking such other action or granting such relief, if any, as may become necessary or appropriate." That is the decree, but I understand from your evidence that you did not think it was likely to come into force?—I do not think I said that.

Well, you were not sure, but that is the advice I have from the Attorney-General of the United States, under date the 18th February, 1920. The covering letter says, "I transmit herewith my statement given to the Press on the 18th December, 1919. I have made no other official statement. The decree in this case will shortly be entered, and I have directed that a copy thereof be sent you." I wished to draw the attention of the Chairman of this Committee to the fact that this decree has been issued; that it is the finding of the United States Government; and that they propose under the latest advices I have to carry into effect the finding of the Commission, and the decree issued. If the Committee wish to have any further information I have the papers in connection with the matter?—When this report came out in a paper here I cabled to Armour and Co. of Chicago and asked them what effect the abolishing of these things would have on the Armour Company of Chicago or the Armour Company of New Zealand. They cabled back that they were going out of nothing but the grocery lines inside two years.

But the decree says they will be out of the other lines?—Well, they have not been.

The letter informs me that it is the intention of the Attorney-General of the United States to put out of operation the things which it is settled that they shall be out of?—I do not think they will. From past experience of Attorney-General Palmer, he has tried to do a lot of big things and has never accomplished any of them, and I do not see why he should achieve any more in this.

The decree says, "It would be necessary to . . . (c) compel the defendants to desist from dealing in certain of the substitute foods and certain of the unrelated commodities; (d) limit the interests which the individual defendants might have in corporations handling certain substitute foods and unrelated commodities; (e) dissolve any and all contracts, combinations, and conspiracies in restraint of trade or commerce between the several defendants; (f) prevent said defendants from maintaining such contracts, combinations, or conspiracies with each other, or from entering into further contracts, combinations, or conspiracies with each other or with other persons"?—I wish you would bring all this into force in New Zealand.

*Mr. Lysnar*: I have the President's instructions to the Commission. It is the letter of the President of the United States to the Chairman of the Veeder Commission in London, and these words appear in it: "Pursuant to the authority conferred upon me by the Act creating the Federal Trade Commission, therefore, I direct the Commission, within the scope of its powers, to investigate and report the facts relating to the production, ownership, manufacture, storage, and distribution of foodstuffs—" ?—That is what I said.

You said it was groceries, and that sort of thing?—I said "foodstuffs."

It proceeds: "and the products or by-products arising from or in connection with their preparation and manufacture; to ascertain the facts bearing on alleged violations of the anti-trust Acts, and particularly upon the question whether there are manipulations, controls, trusts, combinations, conspiracies, or restraints of trade out of harmony with the law or the public interest. I am aware that the Commission has additional authority in this field, through the power conferred upon it, to prevent certain persons, partnerships, or corporations from using unfair methods of competition in commerce. I presume that you may see fit to exercise that authority upon your own initiative without direction from me. The Department of Agriculture has been engaged for several years in studying problems of distribution. I have noted that it has been proposed in Congress to add to the funds of the Department, and give it larger powers to conduct its investigations. As its activities will touch phases of the problem I am calling to your attention which may not be covered by your inquiry, and may furnish information of great importance for the purposes contemplated, I shall direct that Department to co-operate with you in this enterprise." After hearing that