

Are they to-day?—I do not know the position to-day. There was no such restriction ever attempted here as is described in these books with regard to the dead animals and their disposal. It is stated here that in many cases 5 dollars' worth passed into the hands of the stockyards companies for boiling down at 1 dollar.

It is rather worse here?—Oh!

Was not the same fear expressed in the North Island as you are expressing, about the Refrigerating Company and Sims Cooper coming into the North Island—the same fear as is being expressed now, with the result that legislation was passed?—To some extent, yes.

And Sims Cooper railed stock long distances, and paid big prices?—Well, we never did business with them of any consequence.

The farmers had a dread of the Refrigerating Company and Sims Cooper, and higher prices were paid?—Because nobody was sure whether they were agents for, or acting in collusion with, the "Big Five."

But the same fear was expressed then as is being expressed now?—Yes, to some extent.

Have the farmers received a considerably larger sum of money through competition in the North Island by these companies?—I do not think they have. I do not think the competition of these companies brought about any difference in the price that would not have been available had they never come into business.

Then, the agitation and fear against these two companies have been quite unjustified?—I do not admit that. It takes a long time to effect certain purposes.

Mr. Macdonald stated that in 1908, when he came here after fifteen years in America, he was astonished to find the low prices that were ruling as compared to the prices in America: would that have an important bearing on this question?—No; because I feel satisfied that Mr. Macdonald—whom I have not the pleasure of knowing—did not make any allowance for the very important difference between an 800-lb. bullock in America and a bullock of the same weight in New Zealand. In the one case you have a huge local population, as the result of which you can turn your by-products over at a considerably larger profit than here, because you have got a long expensive voyage. You have to present your 800-lb. bullock in a frozen as against a chilled condition. Anybody who has visited Smithfield knows what that means.

Mr. Donaldson, who was in Canterbury recently buying for his company in Chile, which has 1,250,000 sheep, stated that American, French, and other freezing companies were operating successfully with the Meat Trust. Does that prove that they are getting a predominating power everywhere?—In South America, I believe, they certainly are. As I am advised, there are not the same facilities there for combination amongst the settlers to erect their own freezing-works and to act independently of the big packers as we have in New Zealand. We are in a much more independent condition. We started our own freezing-works, whereas those people never combined to the same extent to put up freezing-works. That is my impression.

That is how you are advised, but your opinions may be biased or otherwise. Now, here is the statement of a man coming to New Zealand to get the best stock in the world, from where all these companies were operating—French and British successfully operating with them. His opinion is that it would be to the interests of Armour and Co. to operate in New Zealand. Would you put any weight on his opinion?—Well, I do not know Mr. Donaldson. I do not know how far he may have been influenced by his own interests. Assuming that he was unbiased and merely wished to give his view of the relative positions, I would like Mr. Donaldson to have had a little more experience in New Zealand before I attached very much importance to his opinion. I understand he is merely a visitor. We all know that New Zealand is second to no country in the quality of its live-stock.

You were referring to the question of hides and the trust having 75 per cent. of the total output, and that the price was lower to the country butcher because of the trust's arbitrary methods—that the outside packers were complaining about the low prices?—No; I merely repeated what I found here in the evidence from which I have been quoting—that, just as is the case here, the ordinary butcher's hides are in a different classification to those of a first-class freezing-works, where there are better facilities for curing them.

They were getting more money because they were worth more?—Yes.

Where has the best market for our New Zealand hides been for some years?—I think America has been a good market.

So that, in spite of American control over hides, that has been our best market for some years?—The law of supply and demand comes into operation. America has been drawing hides from many countries for a long time because they do not produce enough for themselves.

So that the American trust is not really a monopoly, because they cannot control the prices in America?—Not entirely, because of what I have stated, but they do influence prices very largely.

You quoted two or three witnesses stating that the trust or a member of it went down and sold at a low price to crush the local man out of business, but you stated that the local man was still there doing business?—Yes, I repeated what was given in evidence before the Commission. I have been careful to confine myself to that.

So that, in spite of all that is said there, the fact remains that one small man was able to live and remain in business against the trust, and as far as we know he is still operating?—Yes, it is quite clear that within certain limits a small man can survive, but he could not survive if he exceeded the narrow limits within which he has the advantage over the big packers. A small local butcher, for instance, has advantages that would enable him to live, but he could not expand to anything like getting into competition with the big man.

Well, you quoted a bigger concern, a co-operative company which had been for many years doing business, and which in spite of competition still survived, and was able to draw his hogs a thousand miles in competition with the trust?—He was forced to fight for a time under the disadvantage of having to go a thousand miles, but it is quite clear that he could not continue to do so, paying the additional freight and with loss of condition of the stock travelling that long distance.

But is it not a fact that he had been operating for some years and was still in business?—The fact, as I understand it, was that the big packers became concerned at the progress of this man, and they took steps to keep him down by buying out all within reasonable reach, and compelling him to go a thousand miles away for his hogs and cattle,