

Do not those increased prices prove that the Meat Trust has not the control of the prices in America?—I do not consider they do prove that.

If they were a power with the whole meat industry in their hands would not they control the prices? Yes; but even then the price of meat in any one country—especially an importing country as the United States had become before war broke out—would tend to follow the price of meat in other buying countries.

If that argument applies in America would it apply in New Zealand? If the law of supply and demand is operating in America and has lifted the price of beef from 19s. 6d. to 60s., will the law of supply and demand operate to our advantage in New Zealand?—That is hardly fair. It may be that under absolutely free-competition conditions the price in America might have been 65s. instead of 60s.

Have our prices in New Zealand increased 300 per cent. in the last fifteen years?—No; but they have increased very considerably.

So that American competition with the trust has lifted higher proportionately than our system has lifted it? It was not the internal American trading alone that lifted it.

Take lambs: prime lamb was worth 22s. per 100 lb. live weight; to-day it is worth 66s. 6d. in America? Well, the price of lamb in America is hardly a fair thing to make a comparison with, because Americans are not largely a lamb-consuming people, and lamb there hitherto has been more or less of a luxury.

But it is remarkable that the percentage of increase is about the same as in beef?—But I do not think that is any more than a coincidence.

Come down to sheep then: 16s. was the price in 1903, and to-day it is 49s.: there is over 200 per cent. That is the fact that we as producers have to look at. Even with all this evidence that there is control in America the producers have got a larger increase than we have received?—But you must remember this: that the population of America has increased in a much greater ratio than the home-produced meat-supplies. Further, as a matter of fact, when the war started America had become an importer of meat instead of an exporter, although she supplied a good deal of meat during the war to the British Government. Further than that, her meat-supplies have not been controlled in the same way as ours have been. Our meat-prices have been kept at fixed rates by the sale of meat to the Imperial Government.

But this has been a continuous increase—every year there has been an increase over the previous year?—But you are taking the last year—1918.

I am taking from 1903 to 1918?—Yes, but the last years are war years.

Your argument has been that their whole policy has been to lift prices for themselves and not for the producers? Their policy has been to influence the prices to suit their own ends.

You said they lifted prices and that that was the policy they would pursue here?—They might do for a start.

The effect in America has not been so, according to the facts?—Well, of course, you have a great many things to consider in connection with America. You must consider the extent to which settlement has expanded in America. The whole country has been developed. In the western part America has developed to a greater relative extent than New Zealand.

But that does not affect the fact that they have not been able to control prices?—Well, they have been more than once accused of controlling the prices in their own country, and it has been shown officially that they have done so.

Those prices for the Argentine—the price for ewes was about 33s.?—Special Lincoln wethers, 33s. to 35s.; special Lincoln ewes, 27s. to 28s. 10d.

Then you quote the frozen price for New Zealand, 40s.: has the frozen price for New Zealand average wethers ever been 40s.?—The quote was the price on the hoof. Wethers have been sold here on the hoof for over 40s.

What is the price according to the contract?—5½d. for first-quality wethers under 72 lb. weight.

A 56 lb. wether on that basis would give you—free of freezing-charges—23s. 4d., and then there is the skin. Taking the average price, that indicates that the Argentine and New Zealand are about on a par, and you cannot take 40s. as the average price in New Zealand?—A great many good sheep have been sold for 40s. or over.

But on those figures the Argentine price and ours are about the same to-day?—I do not think so. I have seen the Argentine meat in the Smithfield Market and the best of it was good mutton.

I am taking it as being as good as ours: on the facts you gave us they would indicate that the prices are about the same as ours?—But it costs less to get it Home from the Argentine.

Supposing that Armour and Co. want to get control of the New Zealand business, you say there is no objection to selling c.i.f. to them. Supposing they gave a c.i.f. price of ½d. per pound above anybody else, could not they get control in that way without adopting the course they are following?

They might get a considerable amount of the meat, but at the same time we could sell our meat to whom we wished.

Who would get the meat if Armour gave ½d. per pound more than any other buyer?—They would be likely to get it.

Supposing a license is refused to them, could they still continue to buy in New Zealand and act just as any other firm? No, they could not, without laying themselves open to a heavy penalty.

But if they did not export, could not they go into the markets and buy?—But it is not of much use their buying unless they can export.

But they could sell from the freezing-works to anybody?—Yes.

As a matter of fact, we have no control over them if they want to continue business?—Yes, we have.

Except that they would have to have an agent?—Yes; but that agent requires to have a license to export the meat.

The Gear Company could sell c.i.f. to Armour and Co.?—You mean that Armour and Co. (Australasia) would put their meat in the hands of the Gear Company, and the Gear Company would sell it to Armour and Co. of Chicago. Then the Gear Company would risk losing their own license.

But your contention is that there is no wrong in selling c.i.f. to America?—If it suits us. But that is a different thing from the Gear Company acting in collusion with Armour and Co. of Australasia.