

and to get on the track of any vessels that would be suitable for our trade. I do not know whether he is hoping to get insulated steamers, or whether he is confining himself to steamers which would be suitable for the carriage of wool. I may say that I am inclined to think that charter rates for ordinary steamers are on a downward grade. You can charter a vessel to-day on much more favourable terms than you could a year ago, and I believe the tendency will continue to be downwards. Of course, the great difficulty is with regard to insulated shipping-space for our meat, dairy-produce, and fruit. It is comparatively easy to get vessels for the shipment of wool, but what we mostly need is vessels for the shipment of our meat, dairy-produce, and fruit. I have just come from Nelson this last week, and they have very large quantities of fruit there they cannot get away.

29. It might be possible to get shipments of wool from New Zealand with ships outside of the shipping combine, but when we come to the meat, dairy-produce, and fruit we are tied up for want of insulation?—Yes, that is the position.

30. *Mr. Forbes.*] Are not the freezing companies tied up to the existing shipping companies in connection with the shipment of their produce?

Dr. Reakes : Not at present. There is a point I would like to make clear in regard to refrigerated ships. It is advisable, from the point of view of freight charges, that they are able to fill up their general-cargo space. If you send too much of the wool away in non-refrigerated ships the refrigerated ships will go away with some of their general-cargo space not used, and this will mean that they will have to charge a higher rate of freight for their refrigerated space.

Mr. Relph : That is a point which will have to be kept in view. You must be fair. You cannot expect them to give you favourable terms for your meat and then deal with your wool in another way.

31. *Hon. Mr. Nosworthy.*] There is no doubt that our trade is worth a great deal to any shipping combination to-day. There is a large quantity of produce going out, and there is a large quantity of imports coming in. We should receive favourable consideration so far as freight charges are concerned?—Yes, that is so; and our trade is increasing. Take our turnover alone. In 1910 our turnover was £2,450,000: this year it is a little over £5,000,000. There is that increase in ten years.

FRIDAY, 1ST OCTOBER, 1920.

JAMES FINDLAY examined. (No. 7.)

1. *The Chairman.*] You are the Chairman of the New Zealand Overseas Committee, a sub-committee of the Australasian-Imperial Government Tonnage Committee, London?—Yes.

2. The points upon which the Committee desires information have been submitted to you by circular, and we shall be pleased if you can now give us the information desired?—I have prepared the following statement: Referring to the Select Committee's letter of the 9th August, I produce as desired a copy of a contract with a freezing company, and of contract with National Dairy Association, which were current at the outbreak of war. In reply to item No. 2 of the Select Committee's letter, I desire to point out that meat and dairy-produce contracts expired on the 1st October and 30th November, 1919, respectively, and are not now current. In regard to item No. 3, the shipping companies propose to revert to the contract system when Imperial Government requisition of insulated space ceases, as it is considered that the contract system is of mutual benefit to freezing companies and dairy-produce associations on the one hand and shipping companies on the other, but more particularly to roadstead ports and the smaller freezing companies. Clause 32 of the expired meat contracts fairly accurately represents the system upon which contracts were worked in the past: "The intention of this agreement is that . . . each of the contracting parties shall meet each other's requirements in a reasonable manner from time to time on a give-and-take basis, with the object of avoiding unnecessary friction and promoting the best interests of all concerned in the frozen-meat industry in the Dominion of New Zealand." Referring to the question raised by the Agricultural, Pastoral, Stock, and Commerce Committee in its letter of the 9th August reading as follows—"The Committee desires to receive data justifying the larger increase of current export and import freights as compared with war freights"—it may be pointed out that freights are not higher, but below the level of the highest war freights. For the information of the Committee I desire to point out that shipping companies respected the contract rates of freight on meat and dairy-produce from the outbreak of war up to March, 1915. From that date the Imperial authorities requisitioned the insulated space on New Zealand steamers, and fixed the rates (from time to time) at which its own or private cargo was to be carried in insulated holds. The requisition of insulated space by the Imperial Government will continue in force up to the 30th April next. From about March, 1917, until March, 1919, the Imperial authorities requisitioned the entire space on New Zealand steamers, and during that period fixed the rates of freight for wool and general cargo. It will be noticed that rates of freight from London remain the same as those fixed in February, 1919, and that homeward rates of freight for general cargo now current are the same as those fixed by the Imperial Government in November, 1918. A slight increase was recently made to become operative with private wool shipments, the increases being $\frac{1}{2}$ d. and $\frac{1}{4}$ d. per pound in the cases of scoured and slipe wool over the rates of freight fixed for Imperial Government wool on the 1st May, 1919. I desire to point out that such an increase—i.e., 15 per cent. on slipe wool and 30 per cent. on scoured—is much more than justified in view of the fact stated by the Australasian Tonnage Committee, London, that the running-cost of steamers in 1920 is 60 per cent. greater than in 1919. The Australasian Tonnage Committee further points out that it can hardly be said that a limit has been reached in the present high cost of running steamers: for example, demands for increased wages from crews have been made which, if conceded, will involve an additional £300,000 per annum to New Zealand liners. I think that statement answers all the points in the circular.

3. Do you wish to add anything?—I do not think so.

4. *Mr. J. R. Hamilton.*] Is it your opinion that freights generally are likely to come down?—I hardly think so, because everything is on the rise. Labour-costs, I am quite certain, will rise and not come down. The cost of building vessels is increasing. Coastal rates on inward transshipments are increasing, also freight and railage to the shipping-port on dairy-produce.