

they stated that they were going to cut out the Tooley Street merchants. That seemed to appeal to quite a number of dairy-farmers. The farmers are filled up with the idea that something should be done—that some better system of organization should be evolved than we have at present. The fact that it was proposed to throw off the Tooley Street merchants and get as closely in touch with the consumer as possible did appeal to a very great number. For that reason a large number of farmers are supporting the measure. Later on we found Mr. Grounds stating that it was intended to use the ordinary channels of distribution. According to the Press report he enumerated the various firms in Tooley Street whom it was proposed to use. Clearly, they do not intend to do away with the middlemen in the Old Country. Provision is also made in the Bill for local agents. A man could come and purchase my butter, and ship it through the proposed Dairy Control Board. It will be seen that it is not proposed to remove any one. Then how is it proposed to bring about a better system? Will the mere fact of our pooling our butter and handing it to the so-called Control Board bring about any reform? The object of the Bill is supposed to be to bring about a better method of marketing and shipping, but they have not indicated in any one respect how those reforms are going to be brought about. The only thing that is asked is that the dairy-farmers shall sign a blank cheque, and leave them to fill it in. In my opinion, and in the opinion of great numbers of other farmers, we have not sufficient confidence in the men who are to constitute the Board, or in the promoters of the movement, to sign a blank cheque and leave them to fill it in. That is practically what it means. It has never been indicated how the Board is to be elected. It has been stated that they intend using the factories as a unit. The same men stated that the representation on the Board will be on the tonnage-basis. If that is so, it is possible for one or two big companies to control the whole thing, and many of the smaller farmers would be absolutely cut out, and have absolutely no say whatever in the sale of their produce. It has not been indicated either on the platform or in the Bill, how better shipping facilities are going to be brought about. We all agree that improved shipping facilities are absolutely necessary to assure regular shipments, but again I say it has not been indicated in any shape or form how that is to be brought about. Neither have the promoters indicated how they are going to bring about a reduction of freights on dairy-produce. They have merely asked the dairy-farmers of this country to hand over to them the whole of their produce, to do what they like with it. In the Bill there are one or two things very clearly pointed out. They have given themselves ample freedom for getting at the moneys accruing from the sale of dairy-produce. There is to be a levy of so-much per pound on butterfat and so-much per crate on cheese, and if they want more there is a further clause allowing them to take practically whatever they like. As a farmer—one who comes out of the shed morning and evening—I protest against that sort of thing. There is no man who would welcome some system of better organization more than I would. I would give such a change my absolute support, because as a practical farmer I know the necessity for it. But I know that the dairy-farmers of this country are not at this time in a position to stand experimental legislation. If the experiment failed, the farmers of this country would stagger under a load too great for them to carry. They have not had the protection to which they were entitled. On many occasions in the last few years we have had glorious-looking things placed before us, but they are millstones around the neck of the farmer to-day. Cows in the Waikato carry mortgages greater than their own actual value, and I say it behoves us to move in this matter with unbiased minds, and go carefully into whatever action is proposed, in case we adopt a load which is sufficient to crush the farmers of this country. It has been stated, even by witnesses on our own side, that we must look forward to a drop in the price of butter. I have heard that stated repeatedly from both sides. My own experience is that unless the dairy-farmers can by some means cut down the cost of production a great many more of them will go to the wall. We have had members of the present Control Board on the National Dairy Association, and they stood by while the dairy-farmers were taxed beyond any other class of people in the country. Since 1914 there was a 150-per-cent. rise in the freight on dairy-produce, when, as far as I can remember, no other commodity rose by more than 60 per cent. They never make any mistake when they want to get on the back of the farmer. The farmer has now more than he can carry. My contention is that to place this Board in power to handle our produce would, from our past experience, be a very grave mistake. Shipping is the only thing left now. They are going to use Tooley Street still, and they have made provision for local agents in this country. Assuming that they can bring about a reform in regard to shipping, is it absolutely essential that they should tie up the whole of the produce of the country in order to do so? I claim that it is not—that the improvement in shipping arrangements could be made without it. If the National Dairy Association were honest and kept up to the duties which the dairy-farmers of this country intended it to perform those reforms could be attained, because when the National Dairy Association spoke it spoke not as an individual, but as the mouthpiece of practically the whole of the dairy-farmers of this country. I claim that it could have brought about any improvements in shipping, or almost anything else that this Bill claims to do. There are other important points that I have refrained from touching, because they have been dealt with by other witnesses. I will conclude by again, on behalf of the two companies I represent, protesting against the passing of the Bill.

2. *Mr. Langstone.*] Do you not think that a better organization amongst the farmers would tend to stabilize the prices of our dairy-produce?—Better organization would, but you have to bear in mind that this is a terribly big question. Organizing within New Zealand will help us to bring about better shipping arrangements, but it does not get over the difficulty of the power that is held by the people on the other side. The promoters do not purpose interfering with that at all. We have to ship our produce, and that produce is to go through the hands of the biggest and wealthiest concern in the world, the Tooley Street merchants. This is not a thing which has grown up within a day or two: it has grown, and grown scientifically, for many years. It has grown to such an extent that it not only