

43. The reductions in that case, therefore, would have been made in Australia even prior to, or at least simultaneously with, the reductions in New Zealand?—That is what I understood was the position.

44. In regard to the increased prices obtained by the Meat Control Board in New Zealand as against the other countries, did you notice a cablegram on the 7th July from London in regard to beef, in which it shows that both Argentine and Australian fores and hinds are higher than New Zealand's?—I did not see the cablegram. I have been travelling a good deal during this month, and have not seen the papers regularly.

45. I have the cable here. If that is so, how do you account for the beef of both those countries being higher than New Zealand's, with a Control Board in New Zealand and no Control Board in the other two countries?—I do not think I can attempt to account for it. As far as the Argentine is concerned, probably it is due to the advantage which the people there enjoy because of their proximity to Britain.

46. Have you noticed that the percentage increase in both lamb and mutton in the Argentine and Australia is greater than that got by the Meat Control Board in New Zealand?—I have so understood.

47. In reference to the reduction in freights, we have a Board in New Zealand—the National Dairy Association—which to all intents and purposes has power to contract for the carriage of produce, has it not?—Yes, it has.

48. A large number of the men who are in that National Dairy Association are directly interested in the furtherance of this Bill?—Yes.

49. Do you think they would be able to make any better bargain under the proposed Control Bill than they would as members of the National Dairy Association?—I do not think so.

50. *Mr. Field.*] I understand that you would not object to a Board having control in relation to shipping, but you object to a Board controlling the marketing of the produce?—I said I did object to the shipping control.

51. I thought you said you would not have the same objection to that?—I said that I did not see there was much necessity for it, but if the industry as a whole desired the creation of a Producers Board to make contracts and supervise shipments—not to regulate shipments—I should not have any personal objection.

52. A Board to make contracts for shipping freights and so on?—Yes.

53. With regard to this question of picking up produce at too many ports, why is it that that cannot be rectified? Would there be any possibility of its being rectified if we had a Control Board, or a Board dealing with shipping?—I guess it depends on the personnel of the Board as against the personnel of the present executive, and as it is a question of personnel one cannot hazard an opinion.

54. Do you think it is impossible of correction?—No, I do not.

55. It means very serious loss, does it not?—I think it does.

56. You do not assume that it is suggested that under this Bill if it passes we should endeavour to get rid of Tooley Street altogether, do you?—One of the factions has declared that that is its intention.

57. But that is all the evidence you have that that would be the ultimate intention?—It has been proclaimed from the housetop in almost every town of New Zealand.

58. The Meat Board are not disturbing seriously the channels for marketing meat in the Old Country, are they?—They have not done so yet; but there do not appear to be the rival factions in the meat industry with which we are afflicted in the dairy industry.

59. Assuming the Bill were passed and they did attempt to eliminate Tooley Street from the marketing scheme altogether, what do you think would be the effect? Do you think Tooley Street would retaliate, and, if so, in what way?—The Tooley Street merchants are in the butter and cheese business. They control at present most of the channels of distribution, and if they could not get New Zealand butter and cheese to sell they would use their channels for selling butter and cheese from other countries. There cannot be any question on that point.

60. You think there is something to fear from that point of view?—There certainly is something to fear.

61. They might be too strong for us?—I am not suggesting that they would do it out of pique or ill will, but that they would in self-defence organize their business to distribute other countries' butter instead of New Zealand butter.

62. In the case of ordinary shipment, from the factories to the Old Country, how many middlemen are there getting a cut between the producer here and the consumer in the Old Country?—There are about four sections. There is the retailing trade in the Old Country, the wholesale trade, the importing houses, some of which supply the retail as well as the wholesale, and these importing houses in England are mostly represented in New Zealand. That makes a maximum of four.

63. Do you think if this control were instituted and the system under it succeeded that we should get rid of any of those middlemen?—I do not think we should reduce the number—certainly not. The incidence of the organization might be changed, but not the number of channels.

64. What prompted me to ask the question was that we had here from a witness from Taranaki an account-sales from a Cardiff company, dealing apparently direct with the factory here. It looked as though there was pretty direct relationship between the factory here and the consumer at Home. It looked as though there was only one middleman in that case?—I was speaking of the average conditions. I know of some cases where the butter is actually bought in New Zealand by the retailing house in England.

65. With regard to the question of finance, you do not think the producers would get the same advances as they are getting at present—90 per cent.—monthly? Have you looked into the