

21. There would be an advantage?—There would. There would be a legal advantage—possibly no practical advantage.

22. You understand, of course, that under the Bill the Board could make a contract even outside of the present shipping combine?—Yes.

23. That would give them very great strength in making a deal?—Yes.

24. So that, as far as the shipping is concerned, I take it you think that the Board would be in a better position than the National Dairy Association?—I would say that a Board, appointed along the lines which I believe have been put here in evidence—I would say that with its legal and practical position, such a Board would have a better equipment for tackling that phase of the export interest.

THURSDAY, 26TH JULY, 1923.

F. H. LEONARD examined. (No. 12.)

1. *The Chairman.*] You wish to make a statement to this Committee, do you not?—Yes; but before doing so I should like, as secretary for the opponents of the Bill, to place on record the views of the various companies that have written to me in connection with this Bill. I would like first of all to put in a statement from Mr. A. J. Brennan, secretary of the Oaonui Co-operative Dairy Company (Limited), as follows: "Resolution passed unanimously at a general meeting of shareholders held in the Oaonui Public Hall on Thursday, 14th June, 1923: 'That this company votes against the introduction of legislation to make the proposed Dairy Export Control Bill law.'" Mr. Brennan goes on to say that the output of the Oaonui Co-operative Dairy Company (Limited) during the past season—namely, 1922–23—amounted to 64½ tons of butter and 456½ tons of cheese. As Mr. D. Markham could not wait to give evidence before this Committee he has asked me to put in the following statement, and also a wire from the Ruawai Dairy Company. The wire reads as follows: "Have advised Prime Minister all directors Ruawai Dairy strenuously oppose the Dairy Control Bill, which deprives the civil rights so zealously guarded by the British Empire allowing to buy or sell where you like. The advocates of the Bill if passed into law should be held responsible for any loss sustained by such a measure." Then there is a wire from Mr. L. Markham to Mr. David Markham, and it reads: "Chairman authorizes you act on behalf of our company; intended sending delegate to oppose the Bill, which is neither to the interest of the colony or dairy-farmers." I will now read out Mr. D. Markham's statement in opposition to the Dairy Control Bill, dated 20th July, 1923, as follows: "I am a farmer and a supplier to a co-operative dairy company. I am chairman of the Oaonui Co-operative Company (Limited). Factory at Oaonui, Taranaki. I am deputed to speak on behalf of the Ruawai Co-operative Dairy Company (Limited), Ruawai, North Wairoa (see telegram attached). My clients are absolutely opposed to the whole Bill and to compulsion in any form. We would favour a Producers Board elected by popular vote of the suppliers to co-operative and proprietary companies. Board to be in office for three years. I am of opinion that a Board elected in such a manner would have the confidence of the producers and would be competent to deal with shipping. I am satisfied that opposition to the proposed Dairy Control Bill is increasing, and that to-day about two hundred companies have declared for the Bill, while one hundred and twenty are against it. In the face of so much opposition the Bill should be shelved."

I will now proceed to give my own evidence. First of all I desire to say that I am managing director of the Hinuera Co-operative Dairy Company (Limited), and our factory is at Hinuera, Matamata County. We have sixty suppliers, and our output is approximately 200 tons. I am empowered to speak on behalf of the East Tamaki Co-operative Dairy Company (Limited). The wire authorizing me to speak on behalf of that company reads as follows: "Leonard, Chamber of Commerce, Wellington.—East Tamaki Dairy Company authorizes you give evidence *re* dairy pool.—WATTS, Managing Director." This company has about one hundred suppliers and they are all opposed to the Bill, and this has been demonstrated at a public meeting. The whole of these dairy-farmers are in Mr. Massey's electorate. I have also been asked to speak on behalf of the Tokoroa Co-operative Dairy Company (Limited), which has thirty suppliers and a total output of 150 tons of cheese. I also speak on behalf of the Opotiki Dairy Association; and the wire authorizing me to speak on behalf of that company reads as follows: "Mr. Leonard, Hotel Cecil, Wellington.—Directors this association are strongly opposed to Dairy Control Bill, which they regard as an unnecessary interference with the freedom of British trading. Will you kindly represent this company before the parliamentary Committee and most strenuously oppose the Bill, especially the compulsory clauses, which should only apply to those voluntarily accepting compulsion.—Secretary, Opotiki Dairy Association." This company has an output of 600 tons, and there are 250 suppliers. I have also a wire from Mr. Agar, of Christchurch, in which he says, "Have arranged with Minister that Committee will receive written statement from me. This should cover position."

I have been in business, and for twenty years I was senior partner in a large indenting and exporting business which I managed successfully. I have successfully floated two co-operative dairy companies during the last two years, arranging their finance and supervising their factories; also I was the first chairman of the East Tamaki Co-operative Dairy Company. At the present time I am managing director of the Hinuera Co-operative Dairy Company. I have had active experience in all departments of the dairy industry, both in producing and marketing. I know of no reason why defects in our shipping and marketing need legislation to remedy them. To