

touch on, although it does not affect our own factory very greatly. I move amongst the returned men, and our factory is an outlet for them, and in regard to the monthly pay-outs, and supposing that by control 1d. a pound could be gained, there is no doubt that a certain sum would be held back from the pay-outs, and the very essence of business and of life to many of our working dairy-farmers at the present time is prompt payment. If they gained the 1d. and payment were held over for four or five months, those men would be in a worse position than they are in now, because they would not get their money promptly and would have to pay higher interest in the meantime. Advances would be entirely discounted. This, sir, is a question very closely affecting the matter, and ourselves. Mr. Goodfellow in his evidence said in effect that what was paid out depended on speculation. Further, it has been suggested very freely that no single factory could make better bargains, or produce better results, than when the whole business was done by marketing. But I submit that, instead of levelling up the prices, this pool will result in a levelling-down. In addition to the figures put in this morning in regard to the pay-outs made by different factories, I submit the following balance-sheets of the Rahotu Co-operative Dairy Company—to the 31st May, 1921, to the 31st May, 1922, and to the 31st May, 1923. [Balance-sheets put in.] I have also to bring before you the following letter, signed by the chairman of the company. It is dated the 23rd July, and is as follows:—

DEAR MR. GIBSON,—

Enclosed please find a letter signed by the chairman of this company with regard to the Dairy Export Control Bill.

Tarurutangi Co-operative Dairy Company.

Yours, &c.,

H. D. TUNBRIDGE, Secretary.

This is the enclosed letter:—

DEAR MR. GIBSON,—

I am instructed by the suppliers of this company, numbering forty-two, to oppose absolutely the passing of the Dairy Export Control Bill in its present form. We oppose compulsion in any form, but we are in favour of a Produce Board being formed, the members of which should be elected by producers, and should retire every three years. We understand that the proposal is steadily losing ground for a Dairy-produce Export Control Board, and that where the position has been made known the opposing factories are steadily increasing in number. We think that this matter should have been referred to every individual supplier of a dairy company, when we feel sure it would have been defeated by a large majority.

Those are the unanimous view of the Chairman and suppliers at the factory at Tarurutangi. A statement was made at the Committee last year that the supporters of this Bill were in the ratio of something like three to one. Supposing we add the eighty-three factories of which you have no record to those in favour, the ratio would be not more than two to one. Regarding balance-sheets, a statement was made that there are certain factories which produce balance-sheets showing pay-out of so-and-so for the year; but that is only the gross pay-out. As pointed out, there are many repayments made. The balance-sheets I have submitted show a net pay-out for the year after all payments have been made. For the year ending 31st May, 1922, the Tarurutangi Dairy Factory paid out a very small fraction under 1s. 7d. a pound, but which I believe was a record payment for New Zealand produce last year. That factory is a butter-factory, and is supplied by home separators, and the cream is delivered to the factory by the suppliers. The same factory this year pays out—not for the payment of cheese; this is entirely a butter-factory—just over 1s. 8½d. a pound for butter.

2. *Mr. Masters.*] No casein in that?—No; home separation.

3. Do you know whether it was consigned, or sold?—I think it was consigned.

[With reference to the balance-sheets of the Rahotu Company for the last three years, I may say, in direct contradiction to the statements made that the single dairy factories cannot produce such a good financial situation as a combination of factories, we have been paying out this year 1s. 8d., and last year we paid out 1s. 3½d. The year previously we paid out 2s. 8½d.

4. *The Acting-Chairman.*] Do you sell or consign?—Generally speaking, we are sellers.

5. *Mr. Masters.*] Do you make cheese or butter?—We make butter during the winter season, but we are a cheese-factory.

6. At a meeting held at New Plymouth certain delegates were appointed to go to Wellington | Mr. Brown, Mr. Sangster, Mr. Woolridge, and Mr. Connett. Do you remember that meeting?—That would be the first meeting. I know that five were selected.

7. Is it not the fact that Mr. Brown's factory is now opposed to the Bill?—Yes.

8. Is Mr. Sangster's factory now opposed to the Bill?—Yes.

9. Is Mr. Connett's factory opposed to the measure?—Yes.

10. So that three out of four delegates who went to Wellington to represent that meeting are now opposed to the Bill?—Quite correct—five of them, in fact.

11. *The Acting-Chairman.*] I see in this balance-sheet that you pay a bonus of 5d. a pound?—No, sir, we paid out 1s. 6d. to the end of the year, and from the end of the year we made an advance of 1s. 3d. On this last period there is an advance of 5d. Over the whole period there is an advance of 2d.

12. Your supplies must be in good order?—The suppliers participate in the benefits, and we try to do the best we can for the company. We like to keep down the interest as much as we possibly can.

13. *Mr. Langstone.*] Of course 'all forms of compulsion are more or less obnoxious?—Certainly.

14. Grading and branding, and that sort of thing, has always been opposed to a great extent by a number of people, although it might be in their own interest?—To a certain extent; grading is really a setting-up of a standard, but we are not very much opposed to that idea. But with regard to this Bill we say that our suppliers have the right to the reward of their own labour.

15. But compulsion in regard to branding has not been found detrimental to the farmer as a whole, has it?—Certainly not, but it only sets up a standard for the food of the people and does not influence the cost of living.