retaining the clause the Dairy Produce Board might be considered to be subservient to the Meat Control Board in respect to the making of contracts.

36. So it would under the Bill, would it not ?-It would; and for the sake of clearing up the

impression referred to it was desired to eliminate the clause from the Bill.

- 37. Would not the effect be that the two industries, meat and dairying, might compete with one another for shipping ?—I do not think that is likely. It is what might happen, but looking at it from the common-sense point of view is it likely that the two industries would compete one against the other. Would they not endeavour to work together as far as possible?
- 38. I do not think they will work against each other; but do you not think it would be better if that clause were left in the Bill ?—I do not know there is much harm in it as it stands.
- 39. You want unity of control ?-Mr. Brash informs me that this clause has since been accepted by the executive as it stands there.
- 40. You say it will be three years before the compulsory clauses are brought in ?-I am quite satisfied about it.
- 41. But you are of the opinion that before the Bill can be of any use at all there must be compulsory control ?--Yes.

42. You are absolutely firm on that point ?—Yes.

- 43. You stated that the suggestion for control came from South Taranaki cheese-factories?—
- Yes, for pooling.
  44. Do you know that since the first meeting the three big factories of South Taranaki are all opposed to the Bill, and the only factory of any size approving of it is Hawera ?-Possibly I could give reasons for that.
- 45. I ask you if you know it is so ?—To a certain extent there is a moderate opposition to the Bill, but I know the exact reasons which have brought that about.
  - 46. You rather twit Mr. Ranford with being inconsistent ?—I do charge him with inconsistency.

47. I suppose the records could be believed on this point?—Yes.

- 48. When this Bill comes into operation will the National Dairy Association still be necessary ?—
- 49. What for ?—There is a great deal done by the association outside shipping, and this Bill will only take away from them the making of any shipping contracts. It will still leave other matters

50. The marketing.?—No; they have nothing to do with marketing.

- 51. Will it remain a trading concern?—Partly. We would still remain a trading concern, and even extend that branch.
- 52. Mr. Goodfellow pointed out that New Zealand already had a very fine organization for marketing its produce. Now, if that is the case, is there any reason why the Waikato factories should desire a change and want to set up another organization?—There may be other circumstances. For instance, I think Mr. Leonard mentioned this morning that Mr. Goodfellow's company was running a coal-mine, a box-factory, and was going in for a lot of local enterprises.
- 53. The point is that Mr. Goodfellow contends that the payments of the factories in Taranaki were a long way below the average of the majority. Is that correct?—I do not know whether he contends that or not, but I am not prepared to accept the statement that it is so. I believe that the average pay-out of the factories that have been consigning their butter this season would be about from 1s. 514. to 1s. 5½d., or it might go to 1s. 6d.
- 54. It was generally recognized by other witnesses that, irrespective of their views on the Bill, there is some improvement necessary in the shipping conditions applied to our produce. I take it ?—Yes, that is generally admitted.

55. You are a pretty keen business man, I think ?—I am a farmer.

56. Would it be wise to set up a Board of producers, and give them legislative power over the controlling of produce so far as shipping is concerned, and see how it works out in practice, and if it is a success, then give them all the other exporting powers found necessary ?—On the principle that half a loaf is better than no bread I would accept that.

57. Do you not think that a lot of the trouble would disappear if we made a better arrangement, a more economical arrangement, for the shipping of our produce ?—I am satisfied if we had a regular despatch and arrival in connection with our shipping service we would obtain better prices at the But there is also room for improved conditions in regard to marketing. I believe that during the last six or seven weeks New Zealand butter has been fetching practically the same price as Danish. That is due, in my opinion, to the fact that Sir Thomas Clements has been out here and has got to understand the views of the producers.

58. If we pass this Bill would it be possible to put it into operation this year ?—Not so far as marketing is concerned, and I do not think that any Board set up under the measure will attempt marketing for probably three years, certainly not for two years. They would spend two years in making inquiries at the other end. They would not take up the marketing until they felt justified They could only obtain a satisfactory reason for marketing after making the fullest in doing so. inquiries into the matter.

59. Do you think we ought to retain our individual brands for produce ?—Certainly-I would not advocate otherwise.

60. You do not agree with Mr. Goodfellow's remarks in that respect?—I think there is a misunderstanding there as to what was really meant. I do not understand that there is any suggestion that the individual brand of a factory should be destroyed, or should not be retained.

61. Mr. Goodfellow made the very definite statement that the ultimate result must be-and rightly so-that we should have a national brand for New Zealand on the paying value—the gradingof the article?—That would be his personal opinion, and possibly events would justify it. to confirm the statement that the Danes export under one brand only. The individual factory has not a brand in Denmark, but the whole of the butter of the first grade goes under one brand—" Luhr.'