

## MINUTES OF EVIDENCE.

THURSDAY, 19TH JULY, 1923.

EBENEZER MAXWELL examined. (No. 1.)

1. *The Chairman.*] Whom do you represent, Mr. Maxwell?—I have here letters from various factories authorizing me to represent them before this Committee: they are the Brooklands Co-operative Dairy Factory, Kahui Factory, Newell Road Factory.

2. *Mr. Langstone.*] Are you a dairy-farmer?—I am a dairy-farmer and a factory secretary. Also, I have a letter from the secretary of the Bell Block Factory, another from the Waitoitoi Factory, others from Okau, Flankley Road, and Oxford. I am also requested by the Kia Ora (Gisborne) Factory to state their opposition to the Bill, but that they are unable to be represented here separately. From Taranaki I am able to tell you that out of two hundred suppliers to the Maoriland Dairy Factory only thirty are in favour of the Bill. The Ashhurst Factory, too, notifies its objection. Mr. Ranford, of the Stratford Factory, regrets that he cannot be here, because his annual meeting is taking place: he advises that he is opposed to the Bill, at least so far as marketing is concerned. Mr. Chairman, in order not to take up more time than is necessary I have prepared the following statement:—

*Dairy-produce Control Bill.*—Interference with rights: We oppose the Dairy-produce Control Bill on the principle (1) that it is an arbitrary interference with our rights and liberties, and (2) that the primary producers have just the same rights as any manufacturer or trader to market his goods as he chooses. We oppose it because it is unjust and unwarranted, and because the life of the dairy-farmer is far the most arduous of any, and such arbitrary interference will greatly tend to the abandonment of dairy-farming by all those who can possibly do so and prevent its adoption by others, and the industry and the Dominion will seriously suffer. Further, we oppose the measure because the revolutionary and communistic powers sought would in themselves and by precedent constitute a grave menace to the welfare of the community, and also because the placing of such great, arbitrary, unlimited, and unfettered powers in the hands of a few men is improper and undesirable from every point of view. The Board would represent a gigantic monopoly, and as such would be beyond the beneficial effects of wholesome competition, and their actions and judgment, however bad, could not, in lack of means of comparison, be assessed. Dealing with an industry now representing an annual revenue of £16,000,000 would in many ways, such as that of selecting firms—possibly only a few firms from a great many—to market the produce, fixing prices, &c., offer immense temptation to both sides to safe and profitable manipulation. There is, we are satisfied, no instance beyond New Zealand, within the whole British Empire, where the sole unfettered control of an annual revenue of £16,000,000, or anything like that sum, is placed in the hands of eleven men who are not owners, or whose interest in the revenue would in no case be more than infinitesimal, but to whom the importance, emoluments, and opportunities of office would be very great.

The measure has not been asked for by the producers as a whole, but was advocated by a clique in which a great number of the producers have not the least faith. Its promotion has been carried on by a Council (within whose numbers are many of the clique) who we contend does not represent the producers. It was established at a rush meeting of but a few authorized representatives, and contains, although the factory has been treated as a voting unit, several members—for instance, Mr. Morton and Mr. Connett—whose factories are absolutely opposed to the Bill. There are other men who in fact are now without authority to act on the Council, as their factory-suppliers have not been called together to consider the matter this year. This is important, because many factories once supporters of the Bill have on further knowledge ceased to be so. The position of those members, especially those who nominally represent factories who are absolutely opposed to the Bill, is improper, and we contend this should weigh heavily with the honourable Committee against the passage of the Bill.

Who should vote: We contend that in a matter of this sort, which deals with the individual rights of each producer, the dairy factory should not be assumed to have, and has not, the right to act as a voting unit. Many votes have been cast in the name of factories that do not represent the majority votes of the producers. The directors of factories are elected to manage factory affairs, and not to judge for and vote for producers on questions of principle and vital concern to their own interests and that of the State. Further, we contend that a measure of this kind once passed will of a certainty in practice, under the powers conferred, become permanent and beyond repeal; and, that being so, and as the measure would deprive individual subjects of great numbers, but of one class and one class only, of a fundamental right as subjects under the British Constitution—viz., the protection of their property—the producers of to-day, much less the factory, have absolutely no right to vote away the birthright of the producers of to-morrow or of those who come after. This being our conviction, we intend, if necessary, to carry our protest and resistance to the extreme limit and highest source available to subjects within the Empire. We consider the measure involves the destruction of principles which are fundamental and vital to the maintenance of the freedom and protection we enjoy as British subjects, and that our interests as producers are minor to our interests as members of the State and to those of the State as a whole.

Now I wish to deal with the question as to how support has been obtained for the Bill; and in doing so I do not wish to impute to any of the promoters any intentional wrongdoing, but I must, in the interests of the opposition to the Bill, emphasize the points where the promoters have misled us. I think the present position is chiefly due to the manner in which the matter has been rushed—to the