

but when we cabled Home there was not an ounce of it left: the merchants had purchased all of it. They got information of what was going on here with the producers, and they stepped in and purchased that butter at from 112s. to 115s. per hundredweight. That was from 22s. to 25s. per hundredweight more than what they were prepared to give until we stepped in to try to save ourselves. While that butter was being purchased at 115s. there was another firm operating here, and they purchased—I do not mind telling you who the man was, because he told me himself—it was Sir Thomas Clements—they purchased the fresh butter. He told me himself at Hawera that they did not purchase any of the Government butter. He said, “I did not buy any of the Government butter. I did not buy any of the stale butter; I bought the fresh butter, and a big lot of it, and I made a tremendous lot of money out of it.” Those were Sir Thomas Clements’s remarks to me in Hawera. They knew that the stored butter had forced down the price of the fresh butter—or, rather, I should say the stored butter had been used to bring down the price. They used that stored butter to force down the market. As soon as they got the New Zealand supplies bought that butter went up to 150s. per hundredweight, and finished up at 185s. per hundredweight within a month. These violent fluctuations in the market at Home we know are not in the best interests of the producers here, and they are not in the best interests of the consumers. We want a fair marketable price for our produce, and we want the consumers, on the other hand, to get it at a reasonable price. That is one of the reasons why we want this Dairy-produce Control Bill more than anything else. Now, a lot has been said about finance. But that is only a bogey—an absolute bogey—put out by the opponents of the scheme to frighten people. Unless you have the goods you cannot get the finance; if you have the goods you can get the finance. I have been this year the chairman of the Hawera Dairy Company, and we have often been “up against it” if we could not get our shipments away. We have had to trade on store-warrants until we got the bills of lading to draw on letters of credit. I have then had to make the financial arrangements to get my supply of money to pay the suppliers every month. This year it has been as much as £68,000 that I have borrowed on store-warrants from the bank. I have produced the bill of lading, drawn on the letter-of-credit, debited the letter-of-credit account, and credited the store-warrant account. The finance business is just as simple as ABC. We need not be frightened about finance. The Control Board can be worked in several different ways. I say we are going to use the present channels of distribution. Those channels of distribution are mainly about twelve of the largest merchants in Tooley Street. If they set up letters of credit to the Board here in New Zealand, that Board in turn will set up letters of credit to each individual factory, and the finance will be worked in exactly the same way as it is at the present moment. You see the whole thing comes back to the Board here, and the Board in turn distributes to each individual factory. The bogey that has been brought forward that we are going to spoil the sale of our produce and disturb everything is all wrong, because the Dairy Council is not out in any way to antagonize the industry at all, but to assist it. What we want to do is this: the several firms at Home that have been handling our butter and cheese for years will still get it through the Dairy Control Board if they ask the Control Board here to let them have it. But the subsidiary Board we will have at Home will see that the butter and cheese is handled properly, and not played “ducks and drakes” with. At the present moment we are in this position: Up to the ship’s side we have nothing to learn from any one, but immediately the stuff is put on board, that is the end of it so far as our control is concerned. We simply have to say, “There you are—good luck to you!” and we have to be satisfied with the return we get back. We have nobody to look after that produce at the other end. I have looked at this question from every angle. The whole of my financial position depends upon dairying. I cannot for the life of me see where it is going to do the industry any harm in any shape or form. If it cannot do the industry any good it cannot possibly do it any harm. But we suggest that without compulsion it is not worth anything, because I have tried so often to organize different things for the dairy industry, and it is very difficult to get them to agree upon anything. Some pull one way and some another. It is just the same now with this Bill. If the producers understood their business there should not be one dissident. They should be *en bloc* for it. This is a step in the right direction in the interest of one of our main industries. But the agents get round and talk to them, and show them their little bogeys, and they simply say “I am not going to take this, I am going to fight against it.” And if a farmer starts to fight he will very often fight against his own interest, and if he thinks he is right, he will fight to the bitter end. Here they are fighting against their own interests. If I thought the thing was wrong and against the interests of the industry I would be one of the keenest fighters that there possibly could be against it. But I know that it is the opposite. Here is a letter which I would like to put in, Mr. Chairman, that I have received from one of the agents here. Sir Thomas Clements, when he came out here to New Zealand, said they wanted to assist us. He said, “We want to assist you.” He said, “We know that you want control”—that was control of the shipping and of other things in connection with the industry. But he cut out the marketing. Well, of course, a man does not want to be very clever to see why he wanted the marketing clause cut out. We are not going to interfere with the marketing as long as it is done to our satisfaction. But we want control. Well, he went Home, and he has had a meeting of Tooley Street merchants, and this is what I have got from one of the agents here:—

J. R. Corrigan, Esq., M.P., Chairman of Directors, Hawera Co-operative Dairy Company, Limited, Hawera.
 DEAR SIR,—

Re *Dairy Control Bill*.—The following is a copy of cable received from my principals, dated London, 28th June:—New Zealand importers to-day formed an association and sent cable to Dairy Council advising formation and willingness to co-operate provided they do not interfere with present position trade channels.—Yours faithfully.

Well, we have never advocated not using the present channels of distribution, for the simple reason that we knew it was almost impossible to do so. Any man who has been at Home and has seen the