

18. That was what you were referring to?—We shipped our produce Home to H. A. Lane and Co., and when I was in England I went through their stores, and I also went through stores of several other firms, and every one of the men connected with those firms were thorough business men. The method used is that they buy a certain amount of our produce here, and they do so perhaps to bear down the market. They buy a tremendous amount of stuff at low rates, and immediately afterwards the price goes up again. Take this year, for instance: there was no man in the world who could have told you that cheese warranted being up to 150s., which it was at one period. They all knew what amount of produce was coming along, and they knew the demand, and they got it up to 150s. Some firms had bought a tremendous amount from New Zealand last season. When it is coming on at the Canadian season, which follows our season, down goes the price, and they got cheese down to 80s. until a few months ago. They have bought the Canadian cheese at about 82s. per cwt., and now the price is up to 112s. I may say that Hawera sold in the first week in July—not more than a month ago—two thousand crates of their cheese at 85s. To-day cheese is up to 112s., and they knew of every pound of cheese that was coming along.

19. They have got too much information for us here?—That is the whole position.

20. Do you think the shipping has been engineered in the interests of those people?—It looks to me as if it has. When any hold-up takes place they always use that as an excuse. I have an excuse-book at home that I have had for years, and it would amuse you. This time they attribute the rise of cheese because there is a strike at Home, but I notice they are still getting cheese out and getting rid of it. Now, referring to the year they used the produce held by the Government to bear down the price of butter, I desire to say that there were five butter-ships held up at the wharves at Home, and no one could tell us why, but when they got the butter right down as low as they could, that butter was handled and sold at 112s. and 115s.; but as soon as it was cleared as regards the factories, then up went the price to 150s., and from there up to 185s. That is how they engineer the business.

21. Do you think there is the possibility of one man or one set of men dictating with respect to the New Zealand produce?—It is not a question of one set of men dictating with respect to the conditions at all, because it is a question of the Control Board getting the intelligence from its department at Home as to what the market there is likely to require and putting the produce on to the market as fast as it can be absorbed.

22. You are speaking about the future, but I am speaking as to what happened in the past: do you think that one set of men have had more power than they ought to have had?—I am positively certain that they have had more power than they ought to have had, but it is a very hard thing to get absolute proof of it. I submit that the fluctuations that take place are not due to the law of supply and demand.

23. Your company is the Hawera Dairy Company, is it not?—Yes.

24. It has been suggested that that company was not by any means unanimous in supporting the Bill?—I understand the King's English, Mr. Field, and I give every one of our suppliers the same credit that they understand the King's English, and when I put before them the idea of the Dairy Control Bill I told them I wanted them to discuss the matter, which they did for a year, and at a meeting a motion was put to them with respect to the Bill, and they agreed unanimously—that is, 150 suppliers agreed to it.

25. Have you any idea of the incomes of these agents out here?—They get $\frac{1}{2}$ per cent.—that is, the subagents get $\frac{1}{2}$ per cent. Now, Sir, $\frac{1}{2}$ per cent. on the turnover of the Hawera Dairy Company would amount to a large sum, because the turnover of the company in question is practically a quarter of a million.

26. It would amount to a pretty big sum?—Yes.

27. Mr. Langstone.] About £1,200?—Yes. The Dominion agents get 1 per cent. Of course, they have to pay to their subagents $\frac{1}{2}$ per cent. I know of one man acting as a Dominion agent who is very desirous of getting the Bill turned down because he realizes what will happen to him. He is a very shrewd business man, and I estimate that his commission at the very lowest is £5,000 per annum. Of course, he has to pay $\frac{1}{2}$ per cent. to his subagents, but he sits down and receives £2,500 for doing nothing. As I said before, I estimate that that is the lowest he earns, and I would not be surprised to learn that it is £10,000.

28. And the dairy-farmer pays?—Yes, of course he pays.

29. With respect to the propaganda against the Bill, do you think that much money has been spent in that connection?—I know there is an export committee in Wellington, and it has got funds, and it has been fighting the Bill, and it is the same kind of propaganda that has been going on all over New Zealand, and I know that it is in collusion with certain men in Taranaki. I know that for a fact.

30. With respect to the supporting of the Bill has the expenditure been anything like that against the Bill?—I may say that I have not received anything for what I have done. As for Mr. Grounds he is a poor farmer in the North of Auckland, and he was the representative on the Dairy Council for that district. He has certainly had some of his expenses paid. Do you know that Mr. Grounds has put in four months out of the twelve months going round the country in the interests of the industry, and I know that he cannot really afford it. I, for one, will be only too willing to do something to recompense him for his trouble, but we could not pay him for the work he has done, because there is no fund in existence.

31. And there has been practically no literature distributed?—No. We tested the matter on its merits. We feel, however, that there is no valid reasons why this Bill should not go through. If there is any valid reason why it should not go through or is going to endanger the industry in any way we will drop it, but we have asked at the public meetings the question, "Let us discuss it. If it is not in the best interests of the dairy industry, show us why." They are all like Paddy: "agin the Government," and they give you no reasons.