

any shipping contract." Now, sir, Mr. Maxwell, I have no doubt, has forgotten as to what did happen. Mr. Andrews should know better because he had been closely associated with the position when the National Dairy Association had control of the shipping. In the year 1905 Mr. Wesley Spragg had another contract signed, and some of the factories attached their signatures to it. By the way, Mr. Spragg was the man who trained Mr. Pacey and naturally we find that gentleman carrying on the good work. In the year 1913, which was the last contract made before the war, there was strong opposition to the association's contract. The National Dairy Association made a contract in March for five years, and it turned out to be the best contract they ever had. Immediately that contract was made the exporters sought to get a similar contract—that is, sought to get a similar shipping contract as the one made with the Dairy Association. The shipping companies refused to do that, and a circular was then sent round by several exporters with a view to getting the dairy factories to repudiate the contract. At a conference that was held in June of that year the greater part of the day was spent in discussing the matter, and an endeavour was made to persuade the companies that it was a good contract, and, as Mr. Morton pointed out, we were successful. The only reason that we have had loyalty to the contract, as Mr. Morton has said, is the fact that we have been short of space—that is, there has not been sufficient space to take the produce away quickly; and as those concerned in the contract had to get first call on all the space available others naturally could not get any shipped outside. Mr. Cotter said that if the National Dairy Association had asked for legislation they would have got it. Well, sir, the National Dairy Association is now asking for legislation, and they passed a unanimous vote in that connection urging the passing of the Dairy Control Bill.

3. *Mr. Masters.*] It was referring to shipping?—The National Dairy Association ask that the Dairy Control Bill be passed as it now stands.†

4. Was not Mr. Cotter referring to shipping?—Certainly, sir. There has been reference made to the Producers Board in connection with shipping and shipping only, and Mr. Maxwell said it had been agreed to at large meetings, but we did not hear of a single meeting. Mr. Masters has consistently asked the witnesses if it would not be wise to start slowly and cautiously, and to have the powers for shipping only. He pointed out that we should act with caution. I submit that to act at all you must have some power over the produce. Without control of the produce control of the shipping is out of the question. At the present time the individual factories control the produce, and they will control the produce under that suggestion. Take the position here this last year. The National Dairy Association has to give eight weeks' notice to the shipping companies for the space required. Well, we gave notice for the space we required in April. We gave that notice in the usual way and at the end of April we were short of the quantity required by 30,000 boxes. Well, that space had to go away empty, or it was filled up with meat. Now, the reason for that was that individual factories held back their butter. Some of it went to Australia. There happened to be a good market in Australia at that time. That goes to show that the produce must be under the control of the Board. The National Dairy Association could not hold back any produce. As a matter of fact, the National Dairy Association has only one mandate from the dairy-farmers, and that is to ship the produce as quickly as it can, and every effort has been made to do that. No pains have been spared to secure as much space as possible to get the produce Home, and it is impossible to secure more under the present conditions. With control of the shipping, and no control of the dairy-produce, a position something like this might arise: Suppose on investigation—it has been submitted, I think that this Producers Board should set up an intelligence bureau—they found that there was a market for 500 tons of butter monthly in the East—and there is a growing market in the East—and the Shipping Board—supposing there was only a Shipping Board—entered into a contract to ship 500 tons of butter per month to the East; but the factories might say No, we will not ship any butter at all unless there is a shipment of 1,000 tons monthly. And that might absolutely ruin the market. The same thing might apply to the market in Australia, the market in the West of England, or America, or other countries. That is exactly the position. If you had only a Shipping Board you would be in an absolute state of chaos. At times there would be too much produce, and at times there would not be enough. There would be no one in control. It sometimes happens that the people in the West of England, or other parts of England, send out here a very able man to impress upon the farmers that they should also send their produce to a certain port other than London, and certain factories take a note of that, and sent their produce to that port, and the result is that too much produce goes to that port—to that market—and it has to be railed to London at additional expense. And at other times there may not be enough produce sent. Now, a great deal has been made of the compulsory clauses of the Bill—of the question of compulsion. Well, I think that is only human nature. I would not like being compelled to do a thing when I did not want to do it. Take the position at the Hamilton meeting. Seven factories voted against the Bill. Those seven factories gave an undertaking that they would do everything set out in the Bill if the compulsory clauses were deleted. Mr. Grounds immediately pointed out that it would be better to leave the compulsory clauses in, although it might not be necessary to use them. Many are opposing the Bill on points of that nature. Take Mr. Masters' own electorate. At the Stratford meeting Mr. Ranford was not opposed to compulsion or control, but he wishes more details. Then, take the two factories of Huiroa and Pembroke. I have had letters from those factories stating they will support the Bill if we leave out the clauses relating to reserves—

5. They have other objections?—They may have other objections, but their objections have not been stated to me. I have had a letter from Mr. Power stating that if we cut out the clauses relating to reserves they are prepared to support the Bill. Now, you must remember that it is on points of that nature that they are voting against the Bill, but in many cases they are in support of the movement. Then, take compulsion under our present Dairy Industry Act. Under that Act the Government has power to prohibit a dairy-farmer from supplying milk or cream to any factory unless he reduces it to