

you can have my seat if you want it." That appears to be the only justification he had for saying that he was offered a seat on the Council. I merely drew your attention to that fact in order that it will be seen the absolute lack of balance that is displayed by any man who makes an assertion of such a description. Now as to the suggested arbitrary interference that would be involved. Directors seem to lose sight of the fact that any company giving those powers of acting on behalf of those factories to them that they themselves were individually responsible for the sales of their produce. That is one of the main features of their opposition. We maintain that so long as they can secure better results by a combination of the general interests of the industry then they are very well conserving the industry as directors. Now, in regard to the question of compulsion it has been said—and we recognize it—that it is absolutely impossible for us to secure the best results that we are aiming for unless there is that power behind it to exercise pressure upon those who wish to withdraw from the course that is considered best in the interests of the industry. We have had examples of that over and over again. Some years ago an effort was made to organize an advertising campaign in the interests of the industry, and only 50 per cent., or a little over, of the factories were willing to contribute towards this end—hence nothing was done. Only a month ago at a conference it was decided to advertise at the forthcoming British Empire Exhibition. The resolutions were passed at the conference, but it was impossible for any levy to be made until the consent of the factories had been obtained. All the factories were circularized with a view to securing their consent to the proposed scheme of advertising, but some of them have refused to agree to the levy being made. On the other hand, there are a number of factories that have signified their willingness to pay the proposed levy provided the others pay. Other factories say they are prepared to pay if 70 per cent. will pay. Others, on the other hand, say they will pay if there is 90 per cent. of the factories willing to pay. In the meantime the whole matter has to be held in abeyance simply because factories are only willing conditionally to pay a proportion of the cost involved. I have here copies of replies that the National Dairy Association has received from the various companies with respect to the advertising proposition, and they are all on the same lines—that is to say, they are prepared to pay their portion of the levy if the other fellow pays; and then again others stipulate they will subscribe towards the cost if 70 per cent. of the industry contribute towards the cost, and in consequence of this state of affairs we have got nothing done. So much for compulsion and the necessity for it in even those comparatively trifling matters. Our friends are apparently not aware that the South African Government at the present time are submitting to their Parliament a proposition—namely, a Bill called the Agricultural Industry Advancement Bill, which stipulates that whenever 50 per cent. of any branch of the agricultural industry decides in favour of a levy for advertising purposes, or for improving the marketing conditions generally, or to improving the conditions generally attaching to that branch of the agricultural industry, then this Bill provides that they shall have power to do so: and, gentlemen, that is what we are asking for by the introduction of the Dairy-produce Control Bill. I merely mention that fact for the purpose of indicating the tendency in other countries to have united action, and by the introduction of the Bill I have just outlined it shows that the South African Government realize the impossibility of doing anything at all unless there is this power to act on behalf of the whole industry. I want to make myself clear regarding my interpretation of the compulsory clause in the Bill. I feel sure that we are making it plain that any movement or any change from the present system must be based upon a complete understanding of the whole thing, and that we have secured all the necessary information that would warrant us in making the change. I may say that I am speaking as a member of the Council. I maintain that when the Board had made full inquiries which justified it in making the change, the industry would recognize the need for that change when the information that the Board had secured had been placed before them. We recognize, like many of our critics, that the future has in store for us very trying times, and we recognize also that the world's competition has been more or less eased. I submit, sir, that the post-war conditions must be revived. Many of our critics have said it is quite impossible for the dairy-farmer to carry on unless the present prices are maintained, and we submit that it is only by an organization of the kind we suggest and by a consolidation of our interests that it will be at all possible to maintain that level of prices. We do not consider that we can interfere with the general level of the world's prices, but we are desirous of eliminating unnecessary expenses to enable us to secure the best results for the industry. Now, sir, it has been urged that the calculation of the butterfat basis was not a fair one. Now, I can speak independently for a district which I represent—the North of Auckland district. We are producing from fifteen factories in that district at the present time 5,784 tons of butter, and those factories have 3,780 suppliers. It will be seen, therefore, that when you are calculating upon a butterfat basis, generally speaking, it implies a related number of active dairy-farmers who are interested in the industry, and it will be seen by the figures I have quoted to you that each dairy-farmer produces less than 2 tons of butter. It was suggested, sir, that I had to conceal our attitude in the speeches I had been making throughout the country. It appears to me to be unnecessary to go to any length into that matter, but I wish to submit to you gentlemen a copy of the speech that I have made in the country so that you can determine as to whether or not the issue has been concealed. [Copy produced.] I think, sir, by handing in the speech that I have made it will considerably shorten the time I will occupy the attention of the Committee. It has been suggested by certain critics that I had misrepresented through the Press the body of opinion favouring the Control Board through the country, and in doing so they said that some of the figures I had submitted were obviously wrong. One that was submitted before you was the votes that were recorded at Dunedin. It was pointed out that there were eighty-nine votes for and thirty-eight votes against, and that critic said, "Why, gentlemen, it is quite evident that those figures are wrong, seeing that there are only 124 factories in the South Island"; but that critic had refrained from reading the paragraph which was quoted below those figures, and I have a copy of it. Now, sir, it