

lowest quoted New Zealand figures and the lowest quoted Danish figures on the High Commissioner's report from week to week, and I submit there is nothing that can be considered as fair as that in indicating the fair level of prices that were existing from week to week; and, sir, that is the basis of the calculation I have made, and I submit to you that that is a fair comparison of the prices realized with respect to New Zealand butter on the London market. And I want you to understand that there was an average variation of price from 4s. to 36s. per hundredweight in butter during the currency of the season; but taking shipment for shipment and the difference in price at the date of arrival in England for a period of some forty weeks, which covers the main part of the season, we lost, by comparison with the Danes, a total sum of £796,042 11s. Let me repeat, we lost a sum of £796,000 as compared with the level of the Danish price—that is, taking shipment for shipment. That is the net loss we have suffered, by reason of the fact that we do not do our business on the same lines as the Danes. I may say that the London authorities have maintained that if we can guarantee them as even a supply as the Danes they will guarantee us an equal price; but we cannot expect to get that if we still maintain our haphazard method of marketing. Now, it is significant, sir, that ever since there has been a restriction as to the flow of butter on to the English market the price for New Zealand butter has come up to the level of the price for Danish butter. When the market slumped a couple of months ago a number of our New Zealand factories immediately instructed their London representatives not to sell, but to hold back until such time as the market recovered. Since that has been done the New Zealand price has reached to the same level as the Danish price, and that shows that as soon as restraint is exercised we get to our natural level of prices and is in harmony with the Danish price. Now, something was said when Mr. Goodfellow was giving evidence before the Committee as to the various prices paid for butterfat, that small factories were paying a better average price than large factories. Now, many of the figures that were quoted were misleading, and, furthermore, the matter is quite outside the present question altogether. The point I want to make clear is this: the small factory which, by reason of its lower cost of management and its low overhead expenses, is in a position to yield more satisfactory returns will still enjoy that advantage. The same advantages must accrue to all factories throughout the country as a result of a consolidation of the interests and through an intelligent marketing scheme, and, moreover, it will not impair their position of any. They will still enjoy their low overhead charges and the low manufacturing cost. I submit that a mere comparison of balance-sheets is very misleading, because many of our factories working in the remote districts cannot work on the same level as the factories in the advanced districts, by reason of the difficulties they have to surmount in the manufacture of their butter. In our district, for instance, in order to get the cream delivered to the factory at 9 o'clock the launchmen have to set out at 12 o'clock at night to collect the cream. Being dependent upon tides they leave home an hour later every day until they deliver the cream at 4 o'clock in the afternoon, and from that they swing back to the morning, and that is one of the difficulties we have to surmount in getting the cream to the factory. For the same reason we work two shifts, one for cream and the other for milk. In connection with the butter shift they have to have everything out of the way for the cream shift, which means that the men on the butter shift have to be at work at 2 o'clock in the morning on the days with early tides. It will thus be seen in circumstances like this that you cannot expect to pay the same figure as factories that work along smoothly and work to a regular time-table. I think I could safely guarantee that our wages-bill would be higher than in any other factory. Owing to the difficulties we have to encounter we have to make it worth while for the men to stay there, and I contend that a comparison of figures under such circumstances would, as you can see, be hopelessly misleading. I want to impress that point upon you, gentlemen, in order to show you how misleading it is to have a mere comparison of factory figures to go upon. Now, something has been said with respect to the National Dairy Association, some criticism of that association in the various districts as a result of some of the members of the National Dairy Association not having the confidence of some of the factories. I submit, sir, that that is quite outside the question. I may say that the Council of thirty that has been endeavouring to promote the passage of this Bill only contains three members of the executive of the National Dairy Association. While I am not implying any criticism of the National Dairy Association, it seems to me to be distinctly unfair that it should be asserted that the Dairy Council that has been endeavouring to promote the passage of this Bill is synonymous with the National Dairy Association, which it certainly is not. Now, it has been urged from the Taranaki District that the Council is not representative of the industry. Now, sir, it is only from Taranaki that that has been urged, and I submit that it is not the fault of the Council. If Taranaki is not satisfied with its representation, then the clear duty of Taranaki is, when the opportunity presents itself, to have men on the Council that it has confidence in. We want a new Council to be elected that will have the confidence of the whole industry, and we submit that Taranaki will have the opportunity of electing such men to the Council as it has confidence in. It has been stated that the attitude of the Council has been such as to make the position "cut-and-dried." It has been stated that we have spoken with such precision that it was obvious that we knew exactly what was going to be done right through the whole of the business. Others have stated that we were not explicit enough—that we did not give sufficient details. Now, it is obvious that these two states of things could not exist at the same time. So it will be seen that we have been endeavouring to take a straight line and display what we thought would be the natural course of things, and we have never pretended to be able to say what course would or would not be taken by the Board. We have only indicated what we thought the course would be that would be taken by any body of representative intelligent men. And in dealing with the constitution of the Council, sir, we think that the suggestion that we made is in the best interests of the industry, and through them of the country. In all our dairying districts the men are elected to the directorates of companies who are considered to be the best men available for those positions at the time being. They then undertake