

ship 50,000 cases to America after contracts have been made for shipping? As is recognized, the shipping companies require at least eight weeks' notice now regarding shipments.

11. Do you not propose to enter into contracts with the shipping companies?—Yes; but I am asking the question how is it going to be possible to work the business efficiently if you do not control the goods. For instance, supposing at the last minute it is decided, as is the case now, that a certain factory desires to divert its supplies to some other country, how can the whole of the produce be effectually handled? How can you effectually handle shipments to Manchester, Liverpool, Glasgow, and other ports where we are constantly being urged to send consignments? Unless you control the marketing also you will have no means of knowing what quantities will be going forward to these different ports if it is arranged in the intermittent way it is with factories at the present time. Again, the quantities booked by factories under our present system to either of these ports may be as trifling as to make it impossible to make satisfactory shipping arrangements for the handling of those small supplies. Thus the intelligence department is so interwoven in the whole business that we maintain no intelligence that can be secured will be of any avail if it is broadcasted to the factories when it has been secured. The essence of the value of the intelligence secured is generally the speed with which it is acted upon. When you have acquired your information, and if you have to broadcast it to your various factories, frequently no advantages will be gained, because you broadcast that information to the world at the same time as you are giving it to your factories; and, moreover, in giving that information to your factories you let loose forces which tend to break down the value of the advice you have given; and unless the matter is controlled intelligently in the interests of the factories your intelligence which you have acquired can be of no avail to the industry, and your last stage will be more or less worse than the first if you supply information which you more or less discount by the method of handing it on to your factories, and by their lack of organization, or collective movement, in the handling of the information you have given them. It is just the same when developing new markets; unless you have a control of supplies your market may quickly become disorganized; which means that the producers have to suffer because there are always those who look out for opportunities to avail themselves of these varying markets, and it is a regularity of supplies upon which the whole position must be based. Sir Thomas Clements, when he was in New Zealand, said, "I am satisfied that the best brands of New Zealand are equal on the average to anything which Denmark can produce. That being so, the question must arise in your minds, why is it that New Zealand butter is selling so far behind Danish? I will tell you at once that it is not so much a question of quality, but a question of regularity in supplies." We maintain that just the mere shipping of the produce is not going to secure that regularity, and, furthermore, we maintain that without general control of the position, which is absolutely imperative in the general interests of the industry, no improvements can be looked for. I think, sir, I should say a word or two about the Dairy Produce Control Bill. I have already referred to the constitution of the Council, and we think that it is a vital feature of the proposition that this Council should remain in existence, when it is once elected, until it is replaced at a succeeding election the following year, because we think that the continuous existence of this Council will be a valuable go-between as between the Board and the Council. If anything turned up that had not been anticipated, or the full significance of it had not been anticipated, then the Council, as a consequence of its wider knowledge of the industry, could be called together to consider any new development. As a consequence of that fact, sir, we regard the constitution of this Council as being an important feature in the proposition. Now, we have deliberately avoided any question as to the local supplies, because we are only concerned with respect to the export of butter, and we recognize that the local suppliers will look quite well after themselves. There will be the same competition as exists now between the different factories with respect to securing the local market, and we know that the local market cannot possibly suffer as a consequence. It has, however, been suggested in some quarters that it would be better to have a clause in the Bill to effectually safeguard the local supplies with a view to seeing that there was no over-exportation, and we are quite prepared, if the Minister and the Committee think it is necessary, to incorporate such a clause, because we have no desire and no intention of interfering in any way with the local New Zealand market. As a matter of fact, we are only asking for power to enable us to organize in the interests of the industry and keep it upon a sound basis. We maintain, sir, that all business men are now aware that changes are taking place with such rapidity in everything that it requires constant care and surveillance and the sound management of any business. No business can be conducted by stereotyped instructions being posted at the back of the office-chair. It requires intelligent care the whole time in the handling of everything that comes along. If it is necessary in comparatively small business establishments and in small interests, then we maintain that in the interests of this great industry of ours the same thing should be made to apply—that is to say, that intelligence should be made to apply in the administration of the business. That, sir, is really what we are asking for: that the industry may be allowed to apply intelligent direction to the whole of its work.

12. Mr. Grounds, if there was a considerable feeling of opposition on the part of the farmers to this Bill, do you think that it should be put through in face of that considerable opposition?—I do not think there is any really considerable opposition.

13. That is not an answer to my question, Mr. Grounds?—Well, I would not like to presume to say to you what should be done.

14. If there is considerable opposition, do you think the Bill should be forced on what is the minority?—I think that in the interests of the industry it is desirable that the Bill should be passed.

15. Even if there is considerable opposition?—Yes, even if there is considerable opposition.

16. Were you present at the meeting at New Plymouth when Mr. Brash said that unless the producers wanted it it would not be forced on them?—I was not there.