

55. Do you know it is a fact?—No, I do not know it is a fact.

56. Well, the original promoters of the Bill had a meeting in Hawera, and Hawera, Kaupokonui, Eltham, Riverdale, Normanby, and Jolls were represented?—What is the Bill you are referring to?

57. This Bill. Would you be surprised to know that Kaupokonui, Normanby, and Jolls are now opposed to the Bill?—I understand that some of those factories are not opposed to the Bill. Kaupokonui is not opposed to the Bill.

58. A telegram has been sent to me that they are opposed to the Bill?—There are a number of other factories in Taranaki opposing the Bill more or less on technical grounds.

59. Now, in view of this position, do you not think it would be wise to give the farmers an opportunity of voting on this very important matter?—I think there is no doubt about the farmers supporting the Bill.

60. Have you any objection to giving them an opportunity of voting upon it?—And throw the Bill back for another year.

61. But you cannot put the Bill into operation this year?—No; but we can get our information. Nothing can be done until we get our information.

62. Do you not think that the men who are directly interested—the men who make the butterfat and sell the butterfat—should have a real say in the position?—Yes. It is because we have a strong regard for their interests that we are urging that the Bill should be passed.

63. Do you not think, as a democratic principle, when you are going to interfere with a man's income that he should at least have an opportunity of saying whether you shall interfere with his income or not?—We think that they have indicated quite plainly enough that there is a very large majority in favour of the Bill.

64. Now, in connection with the shipping contracts, it has been shown in evidence that difficulties would arise in case of the Board wishing to transfer shipments to other countries. Now, what is the idea in your mind in regard to a contract that could be made with the shipping companies?—If the Board were responsible as under the Bill, immediately negotiations were opened for sales other than had been provided for in the shipping commitments they would be considering the contingent liabilities connected with their contract. They would have to provide alternative freights. Under the alternative proposal to control shipping only if there was a change of destination of produce—say, to the East—they would have no knowledge of any such arrangement until the last minute. It will be seen how it would disorganize the position as against if it was controlled by one Board.

65. Would it not be possible to have a Board of producers set up to make arrangements in connection with the shipping?—But there is the marketing question.

66. I am not going into the question of marketing. I am referring to the making of a contract with the shipping companies?—You would have disorganization. We maintain that we should have a Board to control the whole thing the whole time. If your factories retain their power to make their own marketing arrangements they would only notify the transference just when it was actually going to take place, and as a consequence great disorganization would accrue.

67. I have here a circular containing suggestions made by the Dairy-farmers' Union to be put into the Bill: have you seen these suggestions?—Yes.

68. They are opposed to the system of electing the Producers Board. That is their first objection?—Yes.

69. Do you approve of the system that is suggested—election by the farmers?—We think that the other would be by far the best way in the interests of the industry. The average farmer hands his business affairs over to the directors of his company, and consequently we say that the best way is to elect your Council with your factory as the unit, rather than the individual supplier.

70. They object to the amount of the levy. Do you think the levy should be reduced?—I do not think that any more money is likely to be used than is really necessary.

71. Do you think that you will require all the levy?—No, I do not think we shall.

72. Have you any objection to it being reduced by the Committee?—It is the maximum, and I do not think it is wise to have too many hampering restrictions.

73. It is suggested that the reserve fund should be deleted altogether: do you favour the abolition of the reserve fund?—No, I do not think that would be a good plan. To my mind, it is only a sound provision that reserves should be set aside if it is felt that it is desirable to do so. In saying that, I have no idea of setting aside huge reserves for problematical purposes. It is just a question of ordinary business safety. Farmers' institutions have been in difficulties rather too much of late because they have not provided these reserves.

74. You have a decided objection to the amendment made by the last Committee restricting the use of these reserves in certain directions. You want no restriction placed at all on the reserves?—I think the restriction they put in those three clauses made it ridiculous, simply because we did not want reserves for those three particular clauses.

75. At the present time there is no restriction on the reserves under this Bill?—That is so.

76. You want no restrictions?—We want the reserves as stipulated in the Bill.

77. Without restrictions?—Yes.

78. With respect to the shipping contract, do you favour the Dairy-produce Control Board working in combination with the Meat Control Board, and the Meat Control Board having the last say, as provided in this Bill?—We submit that they have not the last say. The two Boards work together.

79. The Bill says clearly that they have the last say.

80. You have put your name to this circular, in which you say that in subclause (1) of clause 13 of the Bill all the words should be deleted after the word "provided." That would have the effect of deleting that subclause altogether. Do you still favour that?—We quite accept the position in the Bill providing for the two Boards to work together. We only made that suggestion because some of our critics have been maintaining that the Dairy Control Board was in a position of subservience.