61 H.—30.

being morally if not legally part of a going concern, whether it is the case of hotel premises or slaughterhouse premises, seem to us to be somewhat similar. If a person in all good faith lent money to an hotel-owner, and such default were made as entitled the mortgagee to take action, and steps were taken, and a proposed transferee of the license were brought forward by the mortgagee, would it be right or proper for the mortgagor-licensee to urge, for the purpose of delaying the rights of the mortgagee, that the proposed transferee was ineligible? It would not make the action of the mortgagor any more meritorious if he urged that he was acting in the public interest when in reality he was merely seeking delay for his own ends. Under circumstances of this sort, we do not consider that the licensing authority would be justified in delaying matters on behalf of the obstructing mortgagor. The crux is, should or should not the license be granted to, or transferred to, the new licensee on his merits—that is, the merits of the transferee?

There would be an added reason for the licensing authority not to delay granting the license if in the ordinary way the authority considered that the licensee was a fit and proper licensee, and, in addition to that, it had knowledge that the mortgagor had previously been attempting to sell to or had been negotiating a

sale with the proposed new licensee.

In our opinion Mr. Lysnar's tactics were obstructive, and calculated to remove from himself the responsibility of the financial disaster which had overtaken his company in consequence of mismanagement, details of which are mentioned elsewhere. In our opinion there is no real merit in Mr. Lysnar's charges against either the Minister or the Meat Board for not hearing Mr. Lysnar or his company.

The Seven Grounds of Complaint in Mr. Lysnar's Letter of the 14th June, 1924.

In connection with the seven grounds of complaint set forth in the letter from Mr. Lysnar to the late Right Hon. W. F. Massey, dated the 14th June, 1924, the first two can be conveniently summarized as follows: (1) That Mr. Jones and the Board were not carrying out the spirit and intention of the Act in handling and marketing produce; (2) the Board had failed and neglected to handle producers' meat as originally contemplated and promised by the Board when established.

Mr. Lysnar, as can be seen at page 817 of the notes, referred to a letter dated the 29th March, 1924, sent by him to Mr. Jones, which letter reads as follows:—

As one who supported the establishment of your Board upon the understanding that you were to take up the question of selling our meat wholesale in England and make advances against same, I would be glad to know if it is your Board's intention to exercise its functions in this respect during the present year. I am one who has little or no faith in the facilities for handling our produce in England at the present time, and am desirous of taking advantage of passing my meat through your Board's hands in accordance with the spirit and intention of the Act.

There was no reply sent to this letter, and it appears that it was considered by the Meat Board, but the Board decided not to reply. Mr. Jones's explanation is that he was satisfied that it was all part of a scheme right from the September meeting that Mr. Lysnar was going to Parliament with, and that he was not prepared to fall into Mr. Lysnar's trap. In an earlier part of Mr. Jones's explanation, on the same page, he appears to have been confused about certain dates of a letter written by Mr. Lysnar to him, but it is apparent that the letter came before the Board, which decided to merely receive Mr. Lysnar's letter.

We consider that the Board might have adopted a wiser course in acknowledging the receipt of Mr. Lysnar's letter, and giving a businesslike answer to his letter of

the 29th March.

At page 819 of the notes, a letter dated the 18th January, 1922, written by Mr. David Jones, as Chairman of the Advisory Committee, addressed to the secretary of Mr. Lysnar's company, was referred to. It reads as follows:—

Meat pooling and marketing proposals: With reference to the decisions of the Producers Conference held on the 10th instant, I have to advise you that it is desired that freezing companies should, pending the initiation of the compulsory system, take the earliest steps to establish pools on behalf of producers at their respective freezing-works.