

loss, as the ship has cost this company about £400,000, and at the current rate of freight she could more than earn interest on her total cost, providing she is kept running with homeward cargo only, which your Board has barred her from obtaining.

I am instructed to state that, as your Board has failed to assist or protect the position, if the mortgagee forces a sale we will be compelled to seek compensation from your Board or the New Zealand Government.

Yours, &c.,

For and on behalf of the

POVERTY BAY FARMERS' MEAT COMPANY (LIMITED),

FRANK M. ORR, Secretary.

ENCLOSURE G11.

The Secretary, Poverty Bay Farmers' Meat Company (Limited), Gisborne.

DEAR SIR,— New Zealand Meat-producers' Board, Wellington, 1st March, 1924.

Further to my letters of the 22nd and 27th ultimo, acknowledging yours of the 15th and 25th idem, I have to advise that your letters were considered at a meeting of the Board held yesterday, and I was directed to state that if the directors of your company desire to meet the Chairman of my Board a meeting can be arranged in Wellington to discuss the matter.

Yours, &c.,

— SMITH, Secretary.

ENCLOSURE G12.

The Secretary, New Zealand Meat-producer's Board, Wellington.

DEAR SIR,— Poverty Bay Farmers' Meat Company (Limited), Gisborne, 8th March, 1924.

Your letter of the 1st instant came before a meeting of this company's directors this morning, and I was instructed to reply as follows:—

In the meantime, my directors cannot see what good can come of an interview with your Chairman. We are awaiting a reply to our main question, viz.: "Will the Board see the 'Admiral Codrington' is included in the next freight contract?" Yesterday we received a formal notice from the Bank of Scotland demanding payment within fourteen days of the amount of the mortgage on the ship. We must again ask your Board to realize the very serious injustice your Board has done by excluding the ship from the New Zealand trade, for it is impossible for us to get the Bank of Scotland or any other source to assist us unless we are assured that she will be included in future contracts.

My directors desire me to state that the attitude of your Board in this matter is all the more difficult to understand seeing that we had been frank with your Board by making certain proposals to demonstrate to you the value of such a ship to the producers of New Zealand, and went so far as to offer to put her under charter to you so that you might gain all the necessary experience and so satisfy the producers of New Zealand of the advantage of their doing their own shipping. We went so far as to offer to let you run the ship for one or more voyages and make your disbursements the first charge on her earnings, we participating in the net profit. At the time, we stated that in view of your Board's being given special powers regarding shipping the necessity for our company to run a ship on their own account no longer existed, and in view of the contemplated legislation to establish a producers' shipping line we desired to hold the ship until this can be carried out and then sell it to the new Board. In the meantime, we made the offer for your Board to test the position as above stated, and this was ultimately turned down. A deputation of our directors waited upon your Board in the matter and supplied you with all necessary data with a view of fully testing the proposal.

As time is pressing, we trust your Board will give us a prompt reply.

Yours, &c.,

For and on behalf of the

POVERTY BAY FARMERS' MEAT COMPANY (LIMITED),

FRANK M. ORR, Secretary.