

with Australia it would mean that we shall have a large trade between here and there. We have a different climate, and we can produce well here what they cannot produce there, and it means that they will want a lot of our products.

117. And you think the conditions will be practically the same twenty years hence as they are now?—I do not see anything to change them.

118. Why do you lay such stress upon the Australian market? Is there no other market that might naturally rise for your Southland produce?—Before we can attack any market successfully we must have regular communication. Well, we have got a regular communication with Australia, and I do not know if we can send a sufficient quantity of stuff to any outside market to make it worth while to put on a regular line of steamers.

119. Then, in the way you regard the question of federation, it is simply a matter of a day or two, and not a matter for all time?—Simply as a matter of trade, and that trade I consider will last for all time.

120. Yes; but I mean are you regarding the question of federation as one that will affect the trade of to-day or affect trade for a definite period?—The trade for all time. I maintain that it would benefit us for all time. Then, we might go so far as to say that it is essential to federate with Australia on account of the production of Southland, and on account of the production of New Zealand.

121. But the greater part of the produce of New Zealand goes where?—To Great Britain; but one-sixth goes to Australia, I suppose, at present, and the bulk of that goes to New South Wales, where there is free-trade.

122. What articles of produce go from Otago to Australia?—Grain is the principal thing, and there might be a certain amount of dairy produce.

123. Do you think the duty prevents us sending away into Australia?—Yes.

124. What becomes of your grain?—We have been sending most of our grain to New South Wales. Years ago a great deal went to Victoria, but when the duty was put on that trade died away. For the last two years a lot of our grain has gone to South Africa, and if it had not been for the South African trade it would not have paid to grow oats.

125. Could you not export to England?—No; it would not pay, because the price is not sufficient.

126. Is the price of our oats lower in England than in Australia?—At present we get freight for oats to England for about £1 17s. 6d. a ton, as against 10s. to Australia.

127. Is not the average price £1 17s. 6d.?—We have often got it for very much less, but only because the boats were particularly anxious to fill up, and they would take a smaller quantity at a lower rate. They would not take a very large quantity for very much less.

128. If there should be the same tariff for the whole of Australia as there is in Victoria, would the growth of oats in Southland cease?—Unless we can get some outside market it would cease. I do not see any prospect of a permanent market outside Australia.

129. You now send oats to England?—Yes; we sent them there when we could not do anything better; but to ship there simply means a heavy loss.

130. Do you think, if there was the same tariff throughout Australia as prevails down in Victoria, that Australia would take our oats?—No.

131. Do you think, if there were a complete failure owing to drought, that that would not have a good effect on the oats on the market here?—If there was a disastrous drought that affected the crops in Australia they might have to come here for oats, but that would only be in an odd season.

132. But there are conditions under which they would be obliged to take your oats?—Yes, in a season of drought; but unless we had a steady market we would not grow them.

133. What, is the average crop in Australia bigger?—I cannot tell exactly. The year before last we grew more oats than they did in the whole of Australia.

134. Do you know what the average yield in Australia is for oats?—I do not; but they would not grow as good a crop as we do in New Zealand.

135. Do you know what the average yield in New Zealand is?—Last year, 37 bushels per acre.

136. And if the average yield in Australia is about one-third or one-fourth of that, do you not think we could produce our oats and land them in Australia cheaper than they can grow them under their conditions?—I think we can.

137. Then, to put it shortly, you think the duty they have in Victoria, if imposed throughout the Commonwealth, would ruin the oat trade?—Yes.

138. *Mr. Roberts.*] If there had been no duty on oats this year, could you have exported them to Victoria with profit?—Oats were very cheap last year in Victoria, and I do not think we could have competed with them if there had been no duty; but we could have got a trade in other parts of Australia.

139. You mentioned, in reference to the export of oats to England, that you were not aware of any but disastrous losses on such shipments: do you desire to qualify that statement?—Occasionally one might do very well by shipping to London.

140. I suppose you know that people have done quite as well by shipping to London as to Victoria?—It has happened, but not in recent years. We want a steady general market.

141. The price per bushel in London is about what?—It has run about £1 2s. to £1 4s. a quarter, or about 2s. 7d. or 2s. 8d. a bushel, and the expense of shipping to London, on an average, is about 1s. 3d.

142. *Mr. Millar.*] What proportion of the total shipments to the Bluff go to Australia?—Last year the great bulk of them went to South Africa, but now most go to Australia.

143. Therefore South Africa was the better market, and the same thing will continue?—If we had this market, and it was steady, we would not ship to Australia at all.