

APPENDIX C.

INTERIM REPORT FROM MR. F. T. MOORE ON THE MEAT-EXPORT TRADE FOR THE DISTRICT OF WELLINGTON.

152, Tinakori Road, 13th June, 1902.

SIR,—

FREEZING-ACCOMMODATION.

When I began investigating this trade on the 14th April, 1902, I found that the meat companies' works were too small to cope with the supply of fat sheep and lamb, which during a favourable season had been produced in excess of the numbers that usually fatten. The companies also experienced the want of sufficient slaughtermen, a difficulty that I think could have been overcome if the Labour Department had been asked to obtain men in the South Island districts where the meat trade was slack.

MUTTON.

The farmers were selling their sheep to the companies at 11s. 6d. per head, a figure that appeared to be altogether inadequate in face of the fact that Wellington mutton was being quoted by the Agent-General to be selling in London at 3½d. per pound; this rate would yield a net return of 11s. 3d. for a 60 lb. carcase. This sum the then value of the by-products of a sheep would increase to 15s. 6d. Canterbury mutton was quoted by the Agent-General as ¾d. per pound higher than Wellington, yet Canterbury farmers were receiving 5s. per head higher for their sheep than was being paid in the Wellington District, while the Home quotations showed the difference in value of the mutton grown in the two districts to be actually less than 1s. per head.

Consignments of live sheep sent from Wellington to the Canterbury market proved this to be correct by realising 15s. 7d. for export purposes. This figure was within 1s. per head of the average price paid for Canterbury freezers on the same day.

These figures disclosed that producers in the Wellington District were not receiving a fair proportion of the value in their sheep, and that either the freezing companies, or the Home c.i.f. buyers who purchase the output of freezing companies, were unduly profiting at the expense of the farmer.

In order to discover who was responsible for the great disparity between the prices paid to producers in this district and the prices ruling on the London market, I proceeded to Christchurch, in which centre many agents for Home c.i.f. buyers are located. I found that these agents were quoting figures 4s. per head better than the rate offered by the freezing companies here. Consequently the prices realised for Wellington sheep in Canterbury represented the true value, while the price paid by Wellington meat companies was upwards of 4s. per head below such value.

LAMB.

The freezing companies were paying 10s. 6d. per head for lamb which was saleable to the c.i.f. buyers at 4½d. per pound. Consequently, when the value of the by-products, roundly worth 2s. 9d., was accounted for, the margin in favour of the companies was 2s. per head on lamb of 36 lb. weight.

BEEF.

Farmers were selling their bullocks at the rate of £1 to £1 1s. per 100 lb. to the freezing companies, and c.i.f. buyers were purchasing at 3½d. per pound, which figure covered the price paid to the producer as well as the freezing and shipping charges, and allowed the companies to profit by the whole of the value in the by-products of a bullock, which is worth upwards of £2.

FARMERS.

With a shortage of freezing-accommodation and a visible profit of £2 per bullock, 4s. per sheep, and 2s. per lamb in view, farmers in this province were actively moving for the establishment of works of their own, so that they might secure for themselves the whole of the value in their fat stock. Meetings under the auspices of their union were being held in the Eketahuna, Pahiatua, and Woodville districts, and I was invited by letter to offer suggestions for the guidance of those interested in the movement. I attended a meeting held at Woodville on the 29th April, and in the course of an hour's address urged that co-operation and not competition should exist between farmers and freezing companies.

On the day following Mr. R. Smith, of Onslow Park, who had previously approached me by letter on the subject of co-operative freezing, asked for written suggestions, which, after deep consideration, I furnished on the 26th May in the following terms:—

“ In order to put the meat trade upon a satisfactory footing, it is necessary that the producers of meat should acquire all the freezing-works that are connected with the industry. Unless producers possess themselves of such works they will not be in a position to realise the full value in their animals' by-products. The by-products of cattle, sheep, and lambs are increasing in value rapidly, and represent from 25 to 50 per cent. of the total worth of each animal.

“ At the present time the hide and fat of a prime bullock are worth upwards of £1 15s., and when the value of each animal's tongue, tail, oils, gelatine, glue, manure, and other minor parts is accounted for, considerably over £2 may be realised for the raw by-products of this animal. The pelt and wool of a prime sheep are worth upwards of 3s., and the fat, tongue, kidneys, runners, oil, manure, and other parts are worth more than 2s., making the total value of a sheep's raw by-products over 5s. The by-products of a lamb are worth considerably more than half the value of those of a sheep. These values disclose the highly important part in commerce that by-products of the meat industry occupy, and demonstrate how necessary it is that producers should take steps to secure for themselves the whole of the money in their fat stock.