

organizations of the Argentine. I am of opinion that if the by-products of the sheep frozen in this country were set aside the result would more than cover the cost of freezing for the combined freezing-works, and if we could get into the position of freezing free of cost to the producer, and could lower our freights also, that it would produce much better results to the growers than to enter into competition with the butchers at Home?—Do you think it would be possible to do that cheaper as a Government than private people could do it? Take the companies engaged in freezing here for the last ten years, I suppose they have made barely 4 per cent. on the capital invested.

151. But if everybody could hold their produce it would prevent that glutting of the English markets which has so often resulted in a fall of prices?—But how is the Government going to make 4 per cent. out of it?

152. If we had the by-products, the cost of freezing might be covered?—Of course, if you had unlimited resources on the London market for money, it would be a very good idea, but late advices show that they have closed their pockets so far as the colonies are concerned.

153. Is it not a fact that the whole trouble lies at this end in consequence of people forcing large quantities of meat into the English markets at one time, and later nothing?—Yes, there are 400,000 carcasses available for the next five months, and you have already sent 1,600,000 for this year.

154. *Mr. Buchanan.*] You recollect that in 1901, at the beginning of the year—say, up to February—prices were very high: North Island frozen meat reached 4½d. on the Smithfield market. Immediately thereafter it became impossible to make c.i.f. sales, and every freezing-works in New Zealand was impelled by necessity to store every carcass they could hold. Speaking for the Meat Export Company, that was the course followed, and to such an extent that some of the meat frozen in February and March was not marketed in London until the latter end of the year. In spite of this precaution—in fact, it was a necessity—every freezing-works in the colony lost money, as compared with what they would have pocketed had they sold earlier, even at a drop of 1½d. per pound. I can only account for it by other portions of the world affecting the market and bringing about that result. Can you throw any light on the failure to reap any advantage from the storage of such a large quantity of meat in the various freezing-works in New Zealand?—I cannot remember the details of that. I have no doubt that at the time I wrote on it, and gave some reason for it, but I cannot recall it to my mind right off.

155. I think it is well to have it recorded that the Wellington Meat Export Company's brand, well known in connection with North Island mutton, suffered considerably, because of complaints of staleness in the appearance of the mutton, though it was undoubtedly stored under much better conditions than would be possible in England by storing it over there?—Yes.

156. *Sir J. G. Ward.*] Can you suggest anything that would help a colony like New Zealand to improve the general condition of the meat-market?—Yes; I have suggested better shipping facilities, more regularity of shipments, and, above all, advocacy of Mr. Chamberlain's preferential-trade scheme.

157. *Mr. Laurensen.*] I understand the large companies in the Argentine have a combination amongst themselves?—Yes.

158. And they go into the retail business of England?—Yes.

159. Have they been boycotted by the butchers' ring, and, if so, did it have any detrimental effect?—Some of the men are Argentine dealers themselves. Eastman's have a thousand shops of their own, so that it would not matter if all the butchers in the world tried to stop them.

160. Do I understand that the butchers' ring is composed to a large extent of men interested in the Argentine business?—They deal to a large extent in Argentine meat, and Eastman's are cutting down half New Zealand and River Plate meat. Nelson's cut New Zealand lamb and a little New Zealand mutton. Parsons use New Zealand meat entirely, and they have fifty shops.

161. I understand there is a very large and strong butchers' ring?—Very.

162. They are interested in the retail trade?—Quite so.

163. Would not the result be a very serious split in the butchers' ring if New Zealand entered into competition with them, and would not that apply also to the Argentine?—I have explained that they have Argentine butchers among them. The number of shops selling Argentine meat amount to four or five thousand, and they sell New Zealand meat as well as their own.

164. Argentine men are sometimes interested in the butchers' shops as well?—Yes.

165. Would it not be to their interest at present to burke the sale of New Zealand meat in England, even if they do not burke it now?—But if they made a profit out of it they would sell it.

166. You do not think the balance would be in our favour if we opened large butchers' shops and sold against them? Supposing they excluded it altogether from their shops, would not our selling it solely counterbalance any boycotting by the butchers' ring?—I do not think so. They would start alongside of you. Besides, it would be Government against Government. The Argentine Government would pay a subsidy of 6d. a head on every sheep exported.

167. What are Argentine bonds worth now?—I have not the figures with me.

168. *Mr. McNab.*] Is not the objection made by the butchers against the Government competition because it is not a private trader?—

169. And it would not apply to any private trader carrying on operations even as extensive as the Government would carry them on?—No; they would join the ring probably.

170. *The Chairman.*] I may take it that, in your opinion, unless we show keen enterprise we shall be threatened with loss?—Yes.

171. To what extent do you think the sale of New Zealand meat prevails in Manchester?—I should think it was very little indeed.