

note, we have claims made in half a dozen different ways. Ship No. 1 comes in; and on that ship I had various lots of mutton and lamb. One lot of lamb of 2,598 carcasses came in in the month of May, and in the month of August, without any information being given me during that interval, I received a notification that 1,998 carcasses were damaged, and they were gone into consumption, and I could not see them. But from the same hold of the ship, from the same works here, I sold to another man 10,670 lambs, and not one of them was claimed upon. This shows it is often from the purchasers that the question of damage claims comes. Again, five ships arrived with meat for me: the whole of the meat going into a certain store was "damaged"; all the other lots, sold to other people, had not one single damage claim. Then I may give an illustration of the assessors' values. There was a little lot of 1,012 sheep: one assessor gave £37 10s. 7d. declared damage; another called in brought in £117 10s. 7d. on exactly the same meat. Again, regarding the claims made, there was a little lot of 1,104 sheep: my assessor had claims made for 596 damaged, and my report from that assessor was that, with the exception of seven sheep, all the rest were absolutely sound. I give you also illustrations of the dual claims on the meat. After damage had been awarded on meat, another claim for "not up to quality" was made, and both claims often are allowed; and I have fought these claims, and found that, although they were supposed to have 10 per cent. brought down for inspection, upon which the assessment is to be made, the bulk of that meat was not in those stores at all, and it was upon the poorest that the assessment was made. And I ask the men here in connection with this industry to say if this is a rare instance. If they take up the contrary position, I am prepared with evidence to show that my statements are absolutely correct. I know of my own knowledge that there are occasions when, instead of 2,500 sheep, comprising a lot on which assessment was claimed, there were only 105 there in the store; and on another occasion there were supposed to be 4,500, and there were, as a fact, only forty-five in the store—presumably the worst samples. And it was only after a desperate struggle that I was able to gather this information in these two cases. I say that shows that the system calls for radical reform. The insurance companies would give me no help at all, except Mr. Hill Jack and Mr. John Ross, of the National Insurance Company.

To illustrate how unsatisfactory the system was I quote a letter written by me, which largely explains itself. It refers to the case of a man whom I had succeeded in exposing in connection with dishonest practices, and whose employer seemed to think he had done nothing very wrong. I, however, showed a firm hand, and strongly disapproved of the view taken by the employer of the assistant assessor, and demanded an entire change of the system. I may say that the result, following on several exposures made about this time, enabled me to effectively check the system of unjust claims against our farmers' meat. The letter is as follows:—

"I am duly in receipt of yours. Crystallizing the first portion of your letter, you, in effect, say that my estimate of damage ("Rakaia") is merely surmise, and repudiating responsibility. If my estimate is only surmise, what can be said in favour of the estimates of damage you arrive at? I examined every carcass that formed the basis of your representative's assessment, and, in addition to that, I had out—in face of great opposition—every sheep in the parcel—3,784—which is a very different thing from an assessment on a little lot, which lot may, or may not, be a fair representation of the bulk at all. Indeed, in the case under consideration, the small lot your representative assessed from were not with the bulk at all, and were not in such good condition as the bulk parcel which I insisted on having out; but even on the 10-per-cent. lot which he inspected there was no justification for the large proportion of 30–35 per cent. he set down as damaged. I may say that as soon as I examined the sheep, and discovered the excessive assessment, I reported the fact to you, to which you replied offering to pay any excess, and describing your own unfortunate experience with your assessor in the case of beef. Had you doubted my judgment you should have gone down to the docks while the parcel was still in the stores, as you did in the other case, and learn for yourself which statement was correct—your servant's or mine. This you did not do; and now I suppose it cannot be done, as the sheep will probably be distributed. Personally, I cannot allow the matter to remain as you purpose leaving it. I therefore intend to place the case before my solicitors for advice. Of course, the payment of the amount is a mere detail. What is of most importance is whether a system is to continue which permits such practices to occur, a system under which thousands of pounds sterling are annually paid away on 'faked' damage claims on meat which is really sound, and which is afterwards sold to retailers and to the public as sound and at sound-value prices. I am aware that some insurance associations are content to permit things to continue as they are; they are satisfied with what they are making out of the shippers, and they do not hesitate to say that if present rates do not pay claims they will increase rates until they do. The reform which I wish to see effected is a reasonable adjustment of claims based on honest lines, so that insurance rates may be reduced to the New Zealand farmers and shippers, and protection given to honest traders here. Alluding again to the facts of the case under consideration, I can only say that if your assessor was the duly qualified man you say he was in your letter, and that if he awarded 60 per cent. of damage on meat, as you say he did, where no damage was found to exist when the meat was examined by you and your representative, and if you, as you did, afterwards sold the meat as sound, at full market price for sound meat, then I say most emphatically that a much stronger term than the word 'blunder' must be applied to the transaction; and it appears to me to be a most singular and irregular thing for you, when determining your assistant's appointment, to have become a party to a proceeding which would preclude you from following up the case by the only honourable course open under the circumstances, and the course people whose interests you profess to protect expect you to take."

This is an example of the system under which thousands of pounds annually are paid away on faked claims for damaged meat, which is afterwards sold and retailed at sound-meat prices. I say it is some years since I was there in London, but, as far as I have