

1910.  
NEW ZEALAND.

# FROZEN MEAT TRADE CONFERENCE

(REPORT OF THE), HELD AT THE ROOMS OF THE CANTERBURY AGRICULTURAL AND PASTORAL ASSOCIATION, CHRISTCHURCH, ON THE 27TH AND 28TH JANUARY, 1910.

*Presented to both Houses of the General Assembly by Command of His Excellency.*

THURSDAY, 27TH JANUARY, 1910.

The Conference met at 11 a.m.

Following is a list of those present: Messrs. Joseph Barugh (Auckland A. and P. Association), T. Mawson (Ashburton A. and P. Association), D. D. Macfarlane, A. Chamberlain, C. H. Ensor, J. D. Hall, G. Jameson, C. W. Reid, W. D. Stewart (Canterbury A. and P. Association), W. A. Banks (Hawarden A. and P. Association), H. D. Vavasour (Marlborough A. and P. Association and Farmers' Union), R. D. D. McLean (Napier A. and P. Association), W. R. May (Nelson A. and P. Association and Farmers' Union), C. W. Reid (North Otago A. and P. Association), J. Wyllie (Rangiora A. and P. Association), H. Elworthy and R. H. Rhodes (Timaru A. and P. Association), E. A. Campbell and A. Burnett (Wanganui A. and P. Association), Colonel A. Bell (Auckland Farmers' Union), W. D. Lysnar (Gisborne Farmers' Union), G. Sheat (North Canterbury Executive of Farmers' Union), Allen Orbell (Otago Farmers' Union), H. Acton Adams and T. E. L. Roberts (Scargill Farmers' Union), J. Talbot (South Canterbury Farmers' Union), J. McQueen (Southland Farmers' Union and Southland Frozen Meat Company), J. G. Wilson (Wellington Farmers' Union), H. Acton Adams, L. C. Gardiner, and George Gould (Canterbury Sheepowners' Union), Arthur E. G. Rhodes (New Zealand Shipping Company), Joseph Barugh and J. E. Makgill (Auckland Farmers' Freezing Company), M. C. Orbell (British New Zealand Meat Company), A. Borthwick (Borthwick and Co.), Sir George Clifford (Canterbury Frozen Meat Company), Messrs. F. de C. Malet and W. Murray (Christchurch Meat Company), W. H. Tripe (Gear Meat-preserving Company), C. A. De Lautour and W. F. Cederwall (Gisborne Sheep-farmers' Frozen Meat Company), W. S. Hampson (Nelson Frozen Meat Company and Nelson Chamber of Commerce), Kinross White (North British and Hawke's Bay Freezing Company), Alfred Burnett (Wanganui Freezing Company and Wanganui Chamber of Commerce), W. G. Foster (Wellington Meat-export Company), A. H. Turnbull (Canterbury Chamber of Commerce), A. S. Paterson (Dunedin Chamber of Commerce), H. D. Vavasour (Marlborough Chamber of Commerce), N. Kettle (Napier Chamber of Commerce), J. P. Newman (South Canterbury Chamber of Commerce), W. D. Stewart (Dalgety and Co.), C. W. Reid (Pyne and Co.), J. A. Pannett and E. W. Relph (New Zealand Farmers' Co-operative Association), E. G. Staveley (New Zealand Loan and Mercantile Agency Company), J. F. F. Mitchell (Wright, Stephenson, and Co.), Hon. Mr. T. Mackenzie (Minister of Agriculture), Messrs. R. H. Hooper (Department of Agriculture, Commerce, and Tourists), J. C. N. Grigg, J. T. Ford, J. C. Clarkson, A. L. Joseph, A. Kaye, F. Waymouth, E. R. Webb, R. Galloway, R. B. Bennett, William Wood, G. J. Mitchinson, and R. L. Fisher.

In opening the Conference, *Mr. A. Chamberlain*, President of the Canterbury Agricultural and Pastoral Association, said,—Gentlemen, the time has arrived to open this meeting, and the first business is the election of the Chairman; but before doing so, I should like, as one of the representatives of Christchurch, to give all the delegates a hearty welcome to Christchurch. I am very pleased indeed to see such a representative gathering. I now propose that Mr. D. D. Macfarlane be elected as our Chairman. He is the Chairman of the Colonial Conference of the Farmers' Union, and is, I think, a fit person to take the chairmanship of this meeting.

*Mr. M. C. Orbell* said he had much pleasure in seconding the motion.

Motion carried.

*Mr. D. D. Macfarlane*, in taking the chair, said,—“Gentlemen, I have to thank you for the honour you have done in electing me as Chairman, but I would very much rather have seen some one besides myself. However, I shall do my best to keep you in order. I have a stop-watch and

a bell, so I do not think there will be the slightest trouble. I think the attendance of to-day shows that the Canterbury Agricultural and Pastoral Association were justified in calling this Conference. It is a very representative gathering from all parts of the Dominion which has come here, and they are evidently keen and eager to improve the position of the frozen-meat trade, if they possibly can; and I hope that at the end of the Conference I shall be able to congratulate them on having done some useful work. If the Conference does nothing but talk, it will do good, because it is good for men to come together and talk over what they are interested in, and the frozen-meat trade is very vital to the Dominion. But I think this Conference will result in more than talk. I hope it will lead to concerted action taking place, even if it does not lead to big results in the immediate future. I have a few remarks to make, but I think it would be better to read those, as that will take less time." The Chairman then read the following: "A brief reference is perhaps necessary to the circumstances under which it was considered advisable to convene a meeting of those interested in the meat-export trade. The history and growth of the trade for the present purpose may perhaps be sufficiently recorded by stating that the amount of mutton and lamb exported in 1882 was 1,707,328 lb., valued, at 5d., at £35,000; in 1892 it was 97,636,557 lb.; in 1902 it was 226,904,414 lb.; in 1909 it was 269,773,689 lb., valued at £5,624,342. At the rate at which meat was exported in the last two years, a drop of 1d. per pound meant a loss of something like £1,000,000 to the producers and shippers. From market reports for the past twelve years prices of lamb varied from 4 $\frac{3}{4}$ d. to 6 $\frac{3}{4}$ d., and mutton from 3 $\frac{1}{2}$ d. to 4 $\frac{3}{4}$ d. If an average between those prices were taken we should have lamb 5 $\frac{3}{4}$ d. and mutton 4 $\frac{1}{4}$ d. The London wholesale prices for mutton and lamb during last season were as follows: February—mutton 3 $\frac{3}{4}$ d. per pound, lamb 5 $\frac{1}{4}$ d. per pound; March—mutton 3 $\frac{5}{8}$ d., lamb 4 $\frac{1}{4}$ d.; April—mutton 3 $\frac{1}{4}$ d., lamb 4 $\frac{1}{8}$ d.; May—mutton 3 $\frac{1}{2}$ d., lamb 4d.; June—mutton 3 $\frac{1}{2}$ d., lamb 3 $\frac{7}{8}$ d.; July—mutton 2 $\frac{7}{8}$ d., lamb 3 $\frac{1}{4}$ d.; August—mutton 2 $\frac{1}{4}$ d., lamb 3d.; September—mutton 3 $\frac{5}{8}$ d., lamb 3 $\frac{3}{8}$ d.; October—mutton 4 $\frac{1}{2}$ d., lamb 4 $\frac{1}{4}$ d. It appears, therefore, that, owing to the drop which took place, the meat exported realized less by nearly a million and a half than would have been the case had previous average prices been maintained. A large proportion of this loss was borne by the producer in New Zealand, and the balance by the c.i.f. buyers. It is impossible to accurately estimate these proportions, but it appears safe to assume that the farmers in New Zealand sustained a loss of something over £1,000,000. In order to prevent a recurrence of such a drop it becomes necessary to ascertain, if possible, the cause of the drop, and then to devise and adopt such measures as may be desirable and practicable to prevent its occurring again. The circumstances under which the New Zealand farmer markets his meat are such as to preclude his giving personal attention to its sale—unless indeed it is sold in the local stock-markets—in which case the ruling prices are governed by the defective conditions which obtain in the London markets, and the low prices which are fixed as a result of those conditions, and it appears therefore eminently desirable that the farmer should gather as much information as possible for the purpose of enabling him to ascertain whether, when his produce is offered for sale and subsequently disposed of, he gets a 'square and honest deal.' Imagine what was the case last year, when, in their ignorance of the conditions of the English market, and of what their brother farmers were doing, the New Zealand producers consigned their lamb and mutton for sale in London, as they did in May and June last, when in the former month 526,000 carcasses of lamb were sent away, and in the latter 677,000 carcasses, representing a total of 1,203,000 carcasses, as against a total of 640,000 carcasses for the same months of the previous year. No special arrangements were made for the storage of this enormous increase, and the London buyers, being aware of the position, as no doubt they were, found it an excellent opportunity to engage every inch of storage-space available, and then dictate prices to the unfortunate shipper, who had nowhere to put his meat, and naturally no one to whom to sell it. Does it require any great stretch of imagination for us to assume that this is exactly what happened—that the meat was pouring into London, and that the buyers there, with the whole of the storage-space booked, were in a position to dictate prices, and that the shippers were absolutely helpless? And to whom is the blame attributable? Hardly to the astute London buyer, but rather to the ignorance of the New Zealand producer, and to the fact that he has no one to effectively protect his interests at the other end. If the producer is to continue to act in his individual capacity in a similar way in the future, he is hardly to be pitied if he finds that the operation is repeated, and that he is deprived of a fair share of the amount which is ultimately paid by the consumer of the meat. And what is the remedy? That is the question for your consideration. Is it by invoking the assistance of our paternal Government, or is it by applying the blessed principles of co-operation and combination, bearing in mind the fact that the farmers are the people who produce the article on which many of the people not only live but make a living, and that if we combine together we can insure our interests receiving a reasonable and proper consideration? Such a consideration would only mean that our produce should be submitted for sale under such conditions as satisfy us that we are getting a reasonable and fair proportion of what is ultimately paid by the persons who consume it. There are many other points with regard to the methods at present adopted in the selling of meat which have every appearance of being unsatisfactory, and I need only mention such matters as rates of insurance, shipping freights and storage, methods of sale (both here and in London), advices to consumers as to prices and amount of meat in London and in transit, method of discharging from the ships in London, and carriage to the cold-stores. This should satisfy you that there is ample material for consideration to detain you for a far longer period than the two days that have been allotted for the purpose. We have seen this industry worked up from a very small beginning in 1882 to the present dimensions, the second largest in the Dominion. During that time it has quite altered the system of farming, a better rotation of crops has been adopted, and the fertility of the soil maintained by the application of cheap and efficient manures obtained from the freezing-works, and the grazing and feeding-off of rape, turnips, and leguminous crops. Speaking for Canterbury, I can safely say the farms are now in better heart than they ever were

before. However, if we are to see a repetition of last year's prices, farmers will have to put their land to other and more profitable uses. To the larger profits obtainable is due the rapid increase of the dairy industry. During the ten years ending 1908 the exports of dairy-produce increased from £534,743 to £1,911,409—nearly three and a half times the amount; while frozen produce increased from £1,501,468 to £2,910,784—not quite double. Wheat also is engaging more attention from farmers, and it is expected the export of this cereal this year will be a record. While it is satisfactory to know there are other uses to which a farmer may turn his land, I, for one, should be very sorry to see the freezing industry displaced from its present high position. Continual cropping and dairying will exhaust the soil, and without the sheep and the freezing-works we shall find it difficult to maintain its fertility. It is perhaps desirable to point out that this Conference has been called by the association which I represent, and which consists of farmers and sheep-owners; and therefore it is only reasonable to conclude that the point from which they will view the matter will be from that of persons personally financially interested in the result. I do not overlook the fact that there are also present representatives of companies who kill and freeze for us, and also of those companies who carry our meat to the English market, and for whose presence, as indicating that they are willing to co-operate with us in the matter, we are grateful; but, notwithstanding this, I think that the meeting must be really considered as one of farmers, and as having been called for the purpose of ascertaining whether some combination cannot be arranged amongst them which will enable them to dispose of their produce in the future under some more businesslike methods than have been adopted in the past." The Chairman then read various apologies for absence from delegates, and proceeded: "The Agricultural and Pastoral Association will be very pleased if you gentlemen will all have lunch with the association at 1 p.m. to-day. Notices of motion may be handed in at any time up to the end of the luncheon adjournment. We wish to go into these matters as fully as possible, and no notice in any way bearing upon the business will be refused. I hope those of you who have notices will write them out and hand them to me. It is necessary, I think, to impose a time-limit on speakers, and I would suggest that fifteen minutes be allowed to those opening the matter and moving the motion, and ten minutes to those seconding and speaking to resolutions."—[Carried.]—"We propose to sit now till 12.30, when photographs will be taken, and then we have luncheon at 1 p.m., and resume at 2 p.m. and sit till 5 p.m. It will depend altogether upon how we get on to-day what hours we sit to-morrow. As you may be aware, the Hon. Mr. Mackenzie has consented to give an address, but he has asked that that be postponed till later in the Conference. He has also promised to give us something towards the printing and reporting of the proceedings of this Conference, for which I wish to thank him. We shall now go on to the first remit on the Order Paper. The first and second remits are practically the same thing, and unless there is any objection from those who have given notice of these remits I propose to take these two together. They are worded a little differently, but they are practically the same thing. The Scargill Farmers' Union and the Nelson Farmers' Union will please move their motions."

*Mr. George Sheat* (representative of the North Canterbury Farmers' Union).—I do not know whether I am in order, but I think that the lot will fall upon me to move this remit, seeing that my colleagues, Mr. Evans and Mr. Leadley, are not yet in their places. I am a representative of the North Canterbury Branch of the Farmers' Union, in which district Scargill is situated. I want to say that the North Canterbury Branch of the Farmers' Union fully indorses the action of the association in calling this Conference. We represent the small growers in one of the most important districts of Canterbury. Perhaps the main reason why we felt some action was necessary is because a number of us this last year have shipped—and have sorrowed. We have gained experience, but not cash, and we felt that it was necessary that some action should be taken whereby that should be obviated which the Chairman has called our attention to in his report, when he tells us that over 1,203,000 carcasses were dumped on the London market within the short period of two months. We feel that it is necessary that some scheme should be devised, and we think it practicable a scheme could be devised, whereby a company could be floated that should keep back and store either here—probably better here than the other side—the meat that we have to consign until it was wanted on the London market. You said, sir, in your opening address, that the shippers were filled with consternation last year. I can quite understand that. The huge quantity of frozen meat going on to the market in such a short space of time would naturally demoralize that market. My union felt that in sending this remit it would open to discussion the question whether it would not be practicable to form a company, or to devise means of establishing cool-stores, probably at this end, so that the shipments to the Home markets could be in such a manner put upon that market that there would not be that glut that has been spoken of. I see that the Nelson Farmers' Union, as you have remarked, sir, are practically in line with us. I am glad of that. I am glad that the Nelson people, who are dubbed the inhabitants of Sleepy Hollow (I was born there myself), have awakened up to the fact that it is necessary to have combination in this matter. I am glad to see a representative gathering from all parts of the Dominion, showing that we have all awakened to the necessity of seeing that our stuff is not sacrificed at the other end. I trust in moving this remit that something practicable may come of it. I believe, myself, it is possible that we could form a distributing association, but that would first of all entail that we have cool-stores wherein the stuff could be kept in good order and condition until the price warranted it being put upon the London market. I shall not take further time in moving this remit, because I recognize that "silence is golden," and that "a man's wisdom is shown by the fewness of his words." There are other gentlemen identified with the frozen-meat trade, and we, as producers, cry out to them to help us all they can. We have paid high prices for our land, and if the frozen-meat industry is to retain the place that it has attained it must in some manner be conserved differently from what has been the case during the past year. We all feel that both the larger producers and those of smaller calibre should combine, and we hope that out of this meeting something practicable will be evolved. I move, formally, the first remit on the

Order Paper: "That frozen meat should be consigned through an organization of producers, or a Farmers' Co-operative Distributing Association, in order to bring the producer and the consumer into closer touch, and that a company should be formed for that purpose, if necessary." You will see that the motion is very wide, that we are prepared to accept any system that will be for the betterment of the producer, and, I believe, also for those who are buying our products on our markets here and shipping them into the Old Country.

*Mr. H. D. Vavasour* (Marlborough Farmers' Union).—I understand, Mr. Chairman, that these remits are only for discussion, and that you have asked for notices of motion to be given on these remits?

*The Chairman*.—We take these as notices of motion, and if there is any other subject that any member of the Conference wishes to bring up, he can give notice then, and put it in writing before 1 p.m.

*Mr. H. Acton Adams* (Scargill Farmers' Union).—I have much pleasure in seconding this motion proposed by Mr. Sheat. The farmers really do not know what is being done at Smithfield. We are sending Home great quantities of meat, and those to whom it goes just casually handle the stuff in an indiscriminate way. People do not know who sells the stuff, and the competition is such that we do not get a fair price. It has therefore been suggested that some sort of organization in the way of an association or a company is necessary to meet this difficulty. It should be an absolutely co-operative company, leaving the company to do what is necessary. There is no question of cold-storage for mutton, as Mr. Sheat suggested, because we quite understand that you cannot stock the mutton and prevent it getting bad. I say the sales must be fixed from day to day, as is done by the Argentine, and fixed by some association. One man, as it is, might send two consignments, and have them in competition on the open market. They do not know what stocks are in the stores. I believe, from the *Pastoralists' Review*, that they never get at it, and they do not seem particularly to want to know, although the Argentine people all want to know, and they fix their prices and do not have any great ups and downs. But we do our selling indiscriminately, and without any satisfaction whatever. Such regulation is possible. Take the silver people: they meet every morning on an open common, as it were, and fix the price there, and then they fear no sudden rise and fall of silver during the day. They do know what they are doing, but we do not. The Milk Trust in New York is another case where prices are fixed. They take everything out of it, and put back the necessary 12 per cent. of casein, and then they are able to deal with the supplies and control them. They know what they are getting. If people go and keep cows they simply put the Process Trust or the Beef Trust on them, and they find themselves cut off from supplies. There is no mistake that the trust in Chicago knows what it is about and what stocks there are. Swift knows what stocks Armour has, and so on; but here we are not working together at all, and until we have some company to take our meat and handle it for us we shall not be in a satisfactory position, as far as the producers are concerned. I am not speaking of the other people who are represented here to-day, because I think they are very comfortably off. If there is a rise in their expenses, well, they just pass it on to us. There are several questions not in the remit, about insurance rates going up, and so on, but those are details open to discussion; we had best keep clear of all the finer points until we get more into the matter. Of course, the producers, of which I am one, are anxious to give some of their suggestions in regard to grading, &c. It is quite time we had something of that sort; everything else is getting graded nowadays.

*A Voice*.—The Minister is here.

*Mr. Acton Adams*.—Well, I am glad he is here. Butter and cheese, and so on, are graded, and we have then one solid basis on which to work; and I think some of the other producers and delegates to-day will have something to say on that point. I do not think that the shipping companies and freezing companies will help us very much, because, after all, it is for the producers to handle the matter as far as they can, with the help of the Government.

*Mr. T. E. L. Roberts* (Scargill Farmers' Union).—In speaking to this remit, of course, we look at the matter from different points of view. We could not possibly go into all the details, and I, as a producer, had an idea that is not made clear by the remit. For one thing, I would like to see the stuff handled in a much better manner than at the present time. I have walked through Smithfield, and in the little time I was there I saw a good deal I did not expect to see, in the way of meat exposed for sale that should not have been exposed for sale. I suppose it was necessary that the meat should be sold, but meat of an inferior quality, or damaged meat, should not be exposed along with first-class meat. I saw on one occasion thirty or forty carcasses in front of me, and among them legs of mutton broken in the fleshy part, in places where one would think they could not be broken even by an axe. I do not think it should have been exposed along with sound mutton. It was objectionable to the eyes. The conditions under which Smithfield was conducted would not in New Zealand be tolerated for twenty-four hours. It is open, as far as I could see, for any one to walk through, and the litter (possibly I was there at an unfortunate time) seemed to me to have been lying there for months. Carcasses were there cut through the kidneys and damaged in all sorts of ways. If a man were inclined to spit and chew, he could spit around as he liked. If consumers saw this they would have an objection to imported meat. I have been told also by consumers that from some shops they have got absolutely clean meat, and then on removing from that part of the country and trying to get the frozen article, they found it was so dirty that they could not eat it, and they would not have it again. The conditions at Smithfield are not nearly so clean as they might be, and if we try to establish some kind of a distributing depot we might at least sell on clean lines, and that was my little idea when this remit was being proposed at our meeting. It covers a wide range, and my point would be to go for cleanliness. If we had a mart where our meat could be handled cleanly, it would be a great thing for us. There are many other points, and they will be discussed later, so I shall not say any more at present.

*Mr. W. Murray* (Christchurch Meat Company).—I should like to ask a question: This remit says "that frozen meat should be consigned," &c. Before giving that consideration, might I ask if it is the intention of the framers of this remit that that should be taken to mean "all frozen meat"?

*The Chairman*.—Will the mover of the resolution give some explanation?

*Mr. Roberts*.—Not all frozen meat. We do not understand that all farmers are going to send their meat in this way. We want sufficient meat sent to have an influence. We do not expect that each and all the producers in the country will agree to send their meat through a company, but we do expect that a sufficient number of the producers will send their meat through the company to have beneficial effects on the market.

*Mr. C. H. Ensor* (Canterbury Agricultural and Pastoral Association).—I should like to say a few words on the subject. Of course there have been certain causes leading up to this meeting, and one of those causes has been the feeling that the producer has not been getting sufficient money for the stuff placed on the London market—that is, sufficient money in comparison with the price that the consumer has been paying for that mutton; and the feeling has been that there has been some considerable influence at work between the producer and the consumer. It was as much to discuss what that influence was that this remit was brought up to-day as for any other reason. It is very difficult to find out what the consumer is paying for his meat at Home, but at the same time we get little flutters of information on the subject. In the June issue of the *Pastoralists' Review* the reporter of the meat notes stated that a journalistic friend of his usually bought English mutton at 1s. 2d., but was induced to buy New Zealand mutton at 8d.; the wholesale price at the time was 3½d. There appears to be a considerable difference there. On the 13th October a cablegram was sent to New Zealand through the United Press Association that a Conference of representatives of the London Borough Councils had resolved that the meat-supply of the metropolis was unsatisfactory, and had asked the Government to relax the restrictions on the importations of cattle for immediate slaughter. When that message was sent here, we were told that our mutton was an absolute glut on the London market. Again, in the *Weekly Press* of the 5th June two interviews appear, both written by New-Zealanders, one by Mr. Evans, a son of the president of the Farmers' Union. He had been seven years in Wales, and says that frozen lamb was retailed at 7½d. to 9½d. for fore and hind quarters. The other writer states that when lamb and mutton were so disastrously cheap to us there was no reduction to the consumer, and he thought the only way for New Zealand producers to put the trade on a proper footing was to have shops of their own in London. This writer also quoted Mr. John Cook, who was largely interested in the production and shipping of meat, in confirmation of this. Mr. Cook emphasized the difficulty of obtaining satisfactory management of shops, but seemed to think that that difficulty need not be considered insuperable, and he definitely expressed the opinion that unless some such scheme as this were arranged it would be impossible to have frozen meat and lamb honestly put before the British public. We have been told that the market was glutted. Now, if that were true, why has not the consumer been getting the benefit of that cheap meat? When there is a genuine overproduction of any commodity such as wool or wheat, the price to the consumer is lowered in proportion, and by that means a large amount of that commodity goes into distribution, and the price practically rights itself, the consumer receiving the produce at a cheaper rate. For one particular period we were told that the market was glutted, and a fall took place which robbed the farmers of practically one million. Who got the benefit of that? If the consumer did not get it, who did? We have not got it; we are here to look for that £1,000,000. It is gone, so far as we are concerned, and the consumer did not get it, and I think it is only right that we should try to find out into whose pockets that £1,000,000 has got. There appears to be reason to suppose that the American Beef Trust is trying to keep down the price of meat, in order to take over the Argentine factories at a low rate. We notice that a million people are "striking" against eating meat, so the trust is evidently at work. The Board of Trade also met to try and find out if the market were affected by foreign companies, and a commission was set up to inquire into the fall of prices. In its report the Board of Trade stated that no combination existed in New Zealand or Australia; but in the United States a combination does exist between Armour and Co., Swift and Co., Morris and Co., and the National Packing Company. We have heard a good deal about that from time to time, but have not had much idea what they are doing; but they are doing something, and the committee naturally conclude that there can be little competition to the full extent between English companies representing those firms. It is impossible that there should be combination in America and competition in England. The report also stated that the committee, in examining the representatives of the companies, found a condition of ignorance so remarkable as to imply grave doubts of its genuineness. The logical inference was that the same combination existed in England as in America, only to a minor degree, with different conditions according to the different circumstances. New Zealand was not concerned with this until America wished to cut into the Argentine works, making that strong trust handle the same articles as ourselves—articles on which the prices came down so disastrously low last year; the trust hoping thereby to lower the capital value of the Argentine works not yet acquired. They have already absorbed nearly two-thirds of the Argentine works, and once they gain control of those they gain control of the trade, unless we make some combination here. I am certain that this country is strong enough to form that combination, to control the output of meat and lamb, and thereby to restrict the operations of the Beef Trust. (At this point Mr. Ensor was proceeding to compare differences in price of various grades of meat when he was interrupted by the time-bell.)

*Mr. W. G. Lysnar* (Gisborne Farmers' Union).—This motion has my support on the principles laid down by it, but there is an amendment that I think should be provided, and that is that it is not intended (I take it) that the whole of the frozen produce could be absolutely consigned to one particular source; I would suggest that, instead of the word "consigned," it should be

said that the frozen meat should be "sold" as far as possible in this way. That is, I think, the true object of the motion: that it should be sold so far as possible through an organization of producers, a farmers' co-operative company. We have in this an asset varying in value from three to five millions, and it is worth protecting. Up to the present we have absolutely got no protection from the way our produce is handled on the London market. The control there must be admitted to be very loose, and personally I have lost all confidence in the manner in which our frozen-meat produce is handled on the London market. I think, with an important asset such as this, this Conference is the right and proper Conference to take the matter into consideration, and devise some ways and means. My own impression is that you have the nucleus of the means of controlling that in this British New Zealand Meat Produce Company. It may not be large enough, but there is the nucleus; and if that was used—the principles of that company used—it would be practical and effective. The Chairman has been good enough to give us illustrations of the value of meat, but, judging from the prices we have been getting up North, his values are on a high basis, and his estimate of a million loss on a low basis. I hold in my hand the details of the result of shipments from Gisborne, showing that in 1906 the average net price per pound was 2·7d., and in those consignments there was damage to the extent of 12·8 per cent. at the other end; in 1907 it was 3·63d., with a damage of 12·13 per cent at the other end; beef for 1906-7 was 1½d., with a damage of 8 per cent.; and for mutton in 1908-9 it was 1·43d. (it did not realise 1½d.), and lamb netted 2d. From that it will be seen that it is not a million we are losing, but over that; and I have come to the conclusion that what we find in the North, we find exactly the same here in the South. I have some bills of lading from Christchurch showing that nearly every consignment of produce was marked "damaged," and I refuse to believe that, where you find it so regular that every consignment is marked "damaged," it is really damaged at all. We will never object to pay for legitimate damage, but where we see damage persistently put on from 10 per cent. to 13 per cent. we know that there is something wrong. I have it on the best authority that, where a seller was bowled out in allowing damage where no damage existed, the firm were receiving £1,700 per year for damaged meat, and for the next twelve months it ran under £3. In other words, our agents at Home had allowed £1,700 to be given to one firm alone on account of damage when in fact there was no real damage at all. When we see this, and when we see the meat-market going down and down, and the retailers paying the full price, we realize that there is something wrong. Things are not right, and they have been wrong for a long time, and we want to do something to put them in order; and if the farmers would realize the urgency of co-operation they would do some good. It is no use coming here and talking if we do not get co-operation from the farmers as a whole, and if you do not give them an organization they can use. I did not know that this British company was so active in this matter here; I am a shareholder, but I thought they were more or less dead; but I am prepared to give them my meat; but they must stop this damage or show us the cause. I might also point out that at Home, where the sales are made, I understand there is, first of all, a claim for off-colour, broken shanks, mis-shape, and so on—perhaps ½d. or ¼d. per stone allowed for that; then there is a claim for "not up to standard" or "not up to grade"; and that is after the price has been fixed. Why should we allow that? What we want to do is to knock this damage claim on the head. Butter and cheese are graded by the Government and valued at Home by the Government, and there are no claims for damage. There is no uniformity of grading here in regard to meat, and therefore no uniformity of value at Home. Our first step is to grade by the Government here; secondly, ship through a responsible organization that will protect the farmers and treat them honestly. I have been shipping meat for years past, and I can state that every time there has been damage marked I have never been able to ascertain what the damage was, except for bone-taint. The agent has never been able to tell me what the damage was. That, in itself, shows that there is something wrong. I do not wish to take up the time of the meeting further, though there are other details that I would like to go into; but I would compliment the President on his address given to us here to-day, and I think he touches the kernel of the whole position, and if the principles he enunciates are applied, it will be better for everybody. I will ask the Conference to draw a distinction between the producer and those interested in mercantile and shipping and freezing companies. They should be here to help us, and I am glad they are here; but the farmers, as producers, have to pay all the time, and when there is anything affecting business, it is at once shifted on to the shoulders of the farmer. It is the farmer every time who has to pay. I hope the resolution will be carried with an amendment such as I have indicated. We do not want to make it arbitrary to ship all meat in a certain way, but to ask the producers generally to give us all the support they possibly can. They can put the matter though the same merchants and the same banks as now, and simply say, I want the stuff sold, but sold through a certain organization. Do not alter your bankers or your mercantile firms at all, but simply ask them to sell through a certain organization. If that is done, things will be on a much more satisfactory basis. If Mr. Sheat does not object, I would suggest that the words "and sold as far as possible" be added after the word "consigned."

*Mr. Sheat* said that he had not the slightest objection to allowing this.

*Mr. R. D. D. McLean* (Hawke's Bay Agricultural and Pastoral Association).—I wish merely to indorse what Mr. Lysnar said about the British company. I was rather surprised that speakers had not referred to this previously. The reasons mentioned were the very reasons for starting the company—a Canterbury company, which has got support from the North Island as well. There are several of us using this company, and consigning through this company with successful results; and I take it that the work being done by that company, which is entirely representative of the producers, and which has got absolutely no other interest whatever than to represent the producers, is really what is wanted, and what so many farmers throughout New Zealand are trying to attain to. So that I am glad that Mr. Lysnar has mentioned it, because the existence of a company of the kind might be overlooked.



*Mr. J. D. Hall* (Canterbury Agricultural and Pastoral Association).—The position with regard to this remit is one causing grave difficulties so far as my association is concerned, and those difficulties arise for this reason: Assuming we voted for it, and it is carried, and assuming that our remit (No. 3) to the effect that a committee be appointed for the purpose of protecting the interests of the producers, is carried, difficulties may arise of a somewhat complicated nature. If that remit is also carried, presumably that committee's hands will be tied to the extent of adopting this first remit. To my mind it would be more desirable that the whole question of this method of protecting the interests of the producers should be left as a matter of inquiry for this committee to be set up. That, I think, is our real business for consideration at this meeting. We do not know—I speak as a farmer; I do not know what the other people here know; I dare say they know a good deal; but we do not know, and they will not tell us if they do know it—what is really happening in regard to our meat; but I think we shall get more information from a committee. Possibly it might meet to-night and present its report to-morrow. At any rate, I am sure that this remit is put forward in the whole-hearted interests of the producers, but I am very much afraid it is quite impracticable; that is the way I look at it.

*Mr. W. A. Banks*.—Could we have an amendment to give No. 3 remit precedence over Nos. 1 and 2? I think that would meet the difficulty, and we could get the information from the committee.

*The Chairman*.—But the committee could not meet until to-night, so I think we must deal with No. 1 first.

*Mr. J. D. Hall*.—Should I be in order in moving that this be a recommendation to the committee when set up?

*The Chairman*.—Oh, yes!

*Mr. J. D. Hall*.—I move that, then.

*Mr. R. D. D. McLean*.—I second that.

*The Chairman*.—Perhaps before we shelve this question I might say this: All the speakers have pointed out the great difficulties in handling meat on the other side, and, as those firms handling the meat are represented here, perhaps some of them will give us a little information.

*Mr. F. de C. Malet* (Christchurch Meat Company).—I think the proper course would be to postpone the discussion. It is somewhat novel to remit matters to a body not yet set up.

*The Chairman*.—Yes, that is so. I think we cannot refer that to the committee until the body is set up.

*Mr. Kinross White* (North British and Hawke's Bay Freezing Company).—Several speakers have drawn attention to the enormous difference between the wholesale and retail price of New Zealand mutton in England. I had a good deal of experience in connection with retail butchering in Hawke's Bay, and I might mention that we invoice the meat to the retail shops at the wholesale price, and after trying that for many years I found out that unless we obtained about 75 per cent. more we could not make a profit. Indeed, we made heavy losses, and had to shut down altogether. There have to be taken into account enormous expenses on board, rents, bad debts, losses from theft, and so forth, which all mean a very great deal, and I found out this to our cost. Then, again, last year there is no doubt that prices went down very low on the London market, but was not that in accordance with the inevitable law of supply and demand that always comes into force in every branch of trade? And I think that frozen meat is no exception. The supply came in enormous quantities into London, and even if it had been distributed all over the year it was vastly in excess of previous years. Possibly, because the supply is not so great this year, prices will rise again. One speaker, Mr. Ensor, was inquiring who got the profits. As a matter of fact, I know that the retail butchers at Home for some years have not made much money. The last year or two they have been doing better, but one of the great firms in London who, two or three years ago, to my knowledge were mentioned as very powerful and very wealthy, have nevertheless had to ask their creditors to consider their position; and the position of the Smithfield people is very different from what it was some years ago. It would take a good deal of inquiry to find out where the profit or loss has gone. It is merely a question of supply and demand so far as I can see; and it is the same with the other farmers' products out here. Some years if there is an oversupply of grass-seed we have to take less for it, and if there is a small supply we get better prices for it. This, it seems to me, is the way the market always works.

*Mr. John Talbot* (South Canterbury Farmers' Union).—Could it be so arranged that No. 3 remit could be taken as an amendment of No. 1? I am afraid the mover and seconder may not recognize that No. 1 is scarcely practicable—at all events, carried in a meeting of this sort. The trouble is to get the information as to whether or not the consumer is getting the advantage of the great reduction we had to suffer here; that would bring about a state of things that would level the market again. You have, Mr. Chairman, asked those who have this information to give it; but the question is whether they would give it to this Conference. I think setting up a committee would be the best way to get the information; they would probably give all the information to the committee that they had at their command. Whether there is so great a difference between the wholesale and retail prices is something we should like to find out. The question of Government grading is also of interest. This committee could sweep away a lot of these remits, and go into the whole question thoroughly. I do not think it is possible or practicable to set up any sort of a company to work over the whole Dominion; it would not be practicable at all. We should have to consider what is the nature of the business done here now, particularly in Canterbury. It is suggested that the management should leave them free; there is no other way; they must be left free. The question is, could we tie the hands of the producer here, and would he consent to this? If it be said that those people who have been buying from us have not been doing their best, and do not care, because, no matter what they bought and sold, they could give so much less to the farmer, that is the only ground for interference. But, sir, I think it is a reflection on the buyers,

such as Sims, Cooper, and Co., and others, to say that they do not care because it would all come back on the farmer. If that is so, then there is a chance for the farmers to make a combination. I think that this motion is addressed more particularly to the farmers of the community, and not to a meeting like this, where there are very few farmers present.

*The Chairman.*—I propose, then, to postpone this matter until we have taken No. 3. Do you agree to that, gentlemen?—[Carried.]

*Mr. A. Chamberlain* (Canterbury Agricultural and Pastoral Association).—It seems to be the wish of the Conference that a committee should be appointed, and I therefore move remit No. 3, "That a committee be appointed," &c. This committee, I think, should consist of six members for the South Island and six members for the North Island. I therefore beg to move that a committee composed of six members for each Island be set up.

*Mr. John Talbot* (South Canterbury Farmers' Union).—I have very much pleasure in seconding the proposition that a committee should be set up in accordance with the recommendation of the mover. That would be the best way to get at the information we want. The question of this slump is, no doubt, a very serious one indeed to the farming community, and if any information can be got that would prevent and settle this thing in the future, it would certainly be to our advantage. Of course, it is not particularly so much the slump altogether, but the uncertainty set up in our minds that wants removing. If we could be assured that the prices now ruling would continue it would not be so serious, so far as Canterbury is concerned—we could level down a little, and perhaps drop the lamb trade a little. But Canterbury is a province that goes in largely for fattening, and so it is affected by the store-lamb trade. The slump will fall more largely on the breeders of stock than on any one else. I do not want to take up more time, or to raise any argument, because I think that this committee when set up will be able to get a good deal of the information wanted; but I hope that it would not have the effect of closing up any discussion on the whole matter. I think, now this meeting is here, we ought to ask those gentlemen connected with the trade to give us as much information as possible; and if it does not do any good, it should at all events do something towards clearing the ground, and letting us see as far as possible the ins and outs of the business. I should not like to second this resolution with the view of keeping back any discussion that may be useful for the producers and for the public in general.

*The Chairman.*—It is proposed and seconded, then, that remit No. 3 be carried as amended.

*Mr. F. de C. Malet* (Christchurch Meat Company).—Did I gather that it is proposed to consider this question to-night, and to report to-morrow?

*Mr. Hall.*—That was only a suggestion of mine.

*Mr. F. de C. Malet.*—We know we have all met here as farmers; I am speaking as a farmer, and not as chairman of the Christchurch Meat Company. Looking broadly to this matter, I say it would be futile to set up a committee to-day, and to hope for some time at least to deal with a question of this nature. We have heard what Mr. Kinross White said, and there should be inquiries made, and there should be a time put when the committee is to report, and to whom. I do not think it will appeal to the Conference that the resolution should be passed by this meeting without stating these things. That is, if we are to attach any confidence to this committee's report.

*The Chairman.*—Do you wish to move an amendment, then?

*Mr. F. de C. Malet.*—I think I had better remain neutral, considering that I have interests as a farmer and as a member of the meat company, and am therefore here in a dual capacity.

*The Hon. Mr. T. Mackenzie.*—Mr. Malet has mentioned that there are obstacles in the way of the committee meeting and reporting to-morrow, and he has emphasized—I think, overemphasized—those difficulties and obstacles. That attitude is not neutral, or progressive, or designed to assist the Conference. I take it that those of us who are interested in the New Zealand meat trade desire to listen to the grievances of the producers, and to get enlightenment from gentlemen occupying the position of Mr. Malet. Charges have been made that should be answered, and ought to be answered, that there is an unfair proportion between the prices realized at Home and what are returned to the producers. There are charges made about unfair claims. Now, these people who have been intrusted for a considerable time with the handling of our meat should be prepared to give some enlightenment as a guide to those of us who are come together to assist in the Conference. If that is done we may be able to make progress. We know that a committee of this kind cannot inquire within a few hours into the ramifications of the trade, but the Conference is sufficiently intelligent to be able to determine whether or not something is required to be done, whether or not there is something that can be inquired into in regard to the conditions of the Home market. I want to get information on the point. That is the position I take up here.

*Mr. A. M. Borthwick* (Borthwick and Co.).—I think the Minister has taken up a most reasonable position—that we are here to-day at the invitation of the Agricultural and Pastoral Association; but I do not think the freezing companies could be expected to make haphazard replies to haphazard remarks before us to-day. It would mean that individual freezing companies might express different things, and I think that any replies of this sort should be for mature consideration.

*Mr. F. de C. Malet.*—In reply to the Minister of Agriculture, I may say that what I meant to imply was that, occupying a dual capacity here, I thought perhaps it was not desirable for me to take an active part in the discussion. I merely pointed out, as a friend of the Conference, that some further machinery than this clause should be added. I only rose with that object. Whether I should or should not take part in the discussion is not a matter for the Minister of Agriculture to decide; it is a matter for my own good taste.

*Mr. Lysnar.*—I think we should appoint the committee, and ask them what course they are to take. If it is possible to bring up a preliminary report, let them do so. We all have come here at great inconvenience and trouble, but I think it is possible for the committee to meet and give us some report before we leave; we could even wait for a day or two if necessary. The freezing



companies should be prepared to give information on this matter, and not haphazard information, as has been stated. This is an old matter for them, and they should be prepared to come forward and give us information. There is a growing feeling that it is undesirable that these present conditions should be continued, but that the light of day should be let into the matter; and this Conference should not be allowed to think that the freezing companies are voluntarily withholding information. The freezing companies are well provided with information, and they should be able to furnish it, and they should not let it be thought that they are not desirous of giving that information. The committee should meet, and as far as possible give a preliminary report before we disperse to-morrow.

*Sir George Clifford.*—I think it is an unwarranted assumption to say that the freezing companies of New Zealand are withholding information. They are as interested, and more so, in the prosperity of the trade as the farmers are, and any information that is available from their experience would be freely granted to any committee which is set up by this meeting. I may say this: that you may ask questions which, as Mr. Borthwick said, require a great deal of consideration, and probably a great deal of reference to vouchers, &c., before being satisfactorily answered; but I do not think a question hurriedly asked here should be answered by anybody representing a freezing company, without having some space for consideration what the reply should be, in order that the reply may be one which would be useful for the guidance of the committee in making any permanent recommendation. I am sure of this: that the freezing companies of this country are as keen that the farmers' interests should be conserved as the farmers are themselves, for the reason that their own prosperity is bound up with that of the trade, and therefore with that of the producer. I again protest against its going forward that there has been any unwillingness on the part of the freezing companies to do anything that can be done by any body of men for the prosperity of the trade and for the profit of the farmer.

*Mr. J. McQueen* (Southland Farmers' Union).—I think the freezing companies will give all the assistance to this committee they possibly can. Discussion with them will have a good effect. The difficulty of the farmers last season has been brought about by the operation of the law of supply and demand. The enormous increase in the amount of meat placed on the Home market was the cause, and it was placed at a time when unemployment was very general, and the purchasing-power of the consumer was reduced to a minimum, with the inevitable result that followed, and it always does follow. You bring these two things together, a large supply and a weak demand, and there can only be a reduction of prices, and the reduction of prices which we look upon as an evil is the very best way of clearing away the glut. I myself had some mutton and lamb in the London market, and I would rather see that burned than held over to meet this year's supply. It is the best thing that could happen to the farmer, or to any person who is producing an article, that when a glut comes that wants to be cleared away, it should be cleared away at any sacrifice. Of course, a butcher cannot always pass on increased cost, and he often has to keep the price high when he purchases at a low rate, in order to compensate him for his losses when meat is high. With regard to setting up the committee, a conversation with the freezing companies will not occupy long; the various points could be shortly brought out; all the information that the freezing companies can give that will be likely to be of assistance can be given in a very short time. I think, therefore, the committee should meet to-night, and furnish its report to-morrow.

*Mr. F. de C. Malet.*—If there is anything I have uttered that might be misunderstood, I may say at once that, speaking on behalf of the Christchurch Meat Company, if this committee is set up our company will give it every information that lies in their power that will assist the committee in any way possible. We have an organization in London, and if we can assist the committee in bringing in a report to-morrow morning, we shall be most happy to do so.

*Mr. N. Kettle* (Napier Chamber of Commerce).—Mr. Chairman, I am quite in accord with taking No. 3 before No. 1; but I do not think setting up a committee to go into this question to-night is a fair thing to the committee. If we are going to settle the question permanently, the committee must take evidence not only here, but in London. To settle the question would mean the expenditure of a million pounds—even to buy the land to provide accommodation to handle the carcasses, I mean. The committee to-night can only tell us what we already know. We have had charges made against insurance companies with regard to claims and how they are settled. The committee want to go to London and see for themselves. If a man goes to Bond Street he will be told 1s. per pound is the price of meat, but in the back streets and alleys adjoining Oxford Street, for instance, the same mutton is sold at 5d. per pound.

*The Chairman.*—We will now adjourn for luncheon.

At 12.45 the Conference adjourned till 2 p.m.

The Conference resumed at 2 p.m.

*The Chairman.*—Before proceeding to the business, I should like to read a telegram received from the Prime Minister. This is as follows: "The Chairman of the Frozen Meat Conference.—I much regret that public duties prevent my attending the important Conference being held in connection with the frozen-meat industry. My colleague, the Hon. T. Mackenzie, will represent the Government, and, needless to add, anything that the Government can do to assist in the promotion on sound lines of the frozen-meat industry of the Dominion will be most readily done. The problem of how to obtain the best prices without undue fluctuation is an exceedingly difficult one, and can, I think, be only helped to a successful issue by the old law of supply and demand governing it. Much, I think, can be done by mutual effort on the part of the number of interests operating in frozen meat in New Zealand; and I am of the opinion that freedom of action without Government interference, excepting where it can be exercised with the good will of the sheep-growers and the sheep-salesmen, in order to improve the conditions, is essential. When recently in London the whole of the meat representatives asked me to meet them, in consequence of the extraordinary low prices, due to a glut by oversupply. After a full discussion I expressed my willingness, on

behalf of the Government, to do anything at this end that was possible to assist the great industry in which the country as a whole is so deeply concerned, on to a more satisfactory and favourable footing. Of course, the abnormal condition of extensively large holdings in England at the time cannot be given as a reliable condition to guide those concerned in preventing a recurrence, as, naturally, if there is an oversupply at any one time in London from various markets of the world, it can only be relieved by the gradual absorption of stock in order to get things back at a normal level. I am quite sure that the practical men present at the Conference are both anxious and desirous of improving the trade in every way, and should any suggestions be made to the Government, I can assure you they will be most carefully considered.—J. G. WARD." I wish to inform the visiting members of the Conference that they have been elected members of the Christchurch Club and the Canterbury Club. I announce this because, in all probability, the notification of their election will not be in time to be of any use. They are at liberty to use both clubs. We are now at resolution No. 3, and Mr. Kettle had not finished his remarks.

*Mr. Kettle.*—Mr. Chairman and gentlemen,—I think that when the luncheon adjournment took place I was talking about the difference in retail and wholesale prices in London. It is all very well to quote the prices of New Zealand mutton, but these are taken from the "swell" shops; but go to the slum shops. I bought a leg of English mutton from a slum shop at 5d. per pound—that was in 1897. We have to consider who are the dealers in our frozen mutton. The working-classes, vast numbers, possibly millions of British consumers, are families getting 1s. to 5s. per week to spend on meat, so that if the mutton is going to be a high price these men cannot buy very much with 1s. per week. I think that establishing this committee is the proper thing to do, but I do not think it goes far enough. We ought to settle this difference once and for all. This continual quarrelling with those at Home doing their very best for us, fighting against all odds, and competition from all corners of the globe, is very much to be deprecated. There is only one country in the world which takes food, and we find that North America, China, Siberia, &c., pour all their surplus into England. We have to meet this competition, and if we are going to be conservative and adopt what some suggest, depots to concentrate the whole of our New Zealand produce into one depot, and get the Agent-General to come round and ticket every morning what the price is to be—well, the thing is too absolutely absurd. To get rid of our six million carcasses we have to sell from 16,000 to 50,000 every day. How can one staff be appointed to undertake the opening-up of that mutton, and the ticketing and certifying and pricing of it? There is no use talking about it; it cannot be done. Now, we have to consider this last slump. The trouble is that from 1898 up to 1907 we have been enjoying phenomenal prices—absolutely we have never heard of such prices in all our times. Unfortunately, at the end of 1908, or before the end of that year, there was a financial panic at Home; industries were therefore affected, and at the close of the year (December, 1908) we find there was stored up in London about two to three months' supplies of mutton that ought to have gone into consumption, simply because the industrial people could not buy it. They had not the money to buy it. At any rate, the slump took place. The industries of England were greatly affected by the financial stringency. Wool went down from 11d. to 5½d. per pound. We passed in at Napier wool at 10d. per pound, and sold in London at 5d. afterwards. There was no doubt about the fall in wool. But there was no suggestion that the people in the wool-market were acting fraudulently. Now, we have, as I said, all the other countries in the world to face, and we find from Mr. Weddell's report that in December New Zealand mutton is obtainable within 1d. per pound of fresh meat. Then, surely, we are in a pretty good position. I should like to know how much frozen meat we in New Zealand would eat? The thing has been experimented on in Napier, where a freezing institution bought up a butchery establishment, thinking to supply the town. The Hawke's Bay Club took it for one week, and then said, "No, thank you; we want fresh meat." The same applied to hotels. If we can get within 1d. or 1½d. per pound of fresh meat, those who are conducting our business at Home are doing very well for us. Now, as to the question of distribution: No doubt there are some who have been in London, and who have followed up the question of distribution; but how far have they gone? I can place on the table here to-day a copy of the distribution of one institution in London for one day, and I think it will be rather a curious thing to look at. There are pages, and pages, and pages of deliveries, and I shall read some of them to you, or hand them in, at any rate. The deliveries run from two legs up to possibly four carcasses, and five sheep, and half a dozen legs, and so on. The biggest order possibly that day was ten sheep. Those orders altogether were something like two to three thousand lambs and two to three thousand legs. In Smithfield the same institution sold from three to four thousand sheep. The whole output comes to 5,000 sheep, 2,000 lambs, and 422 legs, and 400 pieces of beef. That is the day's sale. This is for a large institution selling meat for the producer as well as for themselves. Talking about distribution, and the prices obtaining in London: I know an institution that buys half to three-quarters of a million carcasses every year. Do you mean to tell me that these people, interested to that extent in New Zealand meat, are not straining every effort to put that meat into a proper position, and to get the most money they can? Are these people who have bought c.i.f., and sheep-dealers—are they going to lose thousands and thousands, not making an effort to put the trade in a proper position? I do not think it can be possible. There are matters in the London market that want putting right, such as the settlement of claims. We have heard about insurance claims for discoloured meat, &c.; but if your agents cannot arrange these matters properly, then get agents who are able to do so. There are agents in London who will do these things properly.

*The Chairman.*—What are their names, Mr. Kettle?

*Mr. Kettle.*—At any rate, I put this on the table. We also talk about advising what is the price of meat. Here is a circular issued by the C.C. and D. Co. every week—sent out to about seven thousand butchers and co-operative associations, and in this circular the price is given of

the different qualities of mutton; and to show you how keen they are to get this mutton into the market, you find here, wether-legs, ten in crate, 4½d.—that is, made up in order that ten families may get a crate and have a leg each; and other crates are made up similarly for shoulders, loins, &c., and the prices are given for the week. This is to show you what these people are doing for the distribution and forcing of our meat into the markets. Then, again, we have to come to the question of supply. Now, between January, 1909, and July, 1909, what do we find? We find that New Zealand sent in nearly two million carcasses—one million of wethers and one million of lambs—in excess of what she sent before. When I was at Home the freezing-people and people handling mutton came to me about getting information as to New Zealand, and they said they were told that the supplies of lamb would be half a million short. Instead of this we find the supply half a million in excess; therefore they were a million out. What Board can possibly undertake the control of our supply? It is very difficult for sheep-farmers to say what they are going to supply; you cannot tell from month to month how your lambs are going to fatten. You may have heavy rains which affect the matter one way. On the other hand, you have dry weather, and a large excess of lambs. How are you going to control that? Are you going to say, "This month we shall ship so-many carcasses of sheep and lambs?" You may have thousands of carcasses behind you for which to find a market. You lose your chance if you do not get sold before August; and if you do not sell before January, Australia comes in. There are possibly now thousands of lambs at Home which will have to compete against Australian lambs. To show the difficulties, reference need only be made to Mr. Weddell's report of the 30th December. Now, the curious part of the whole thing is that, notwithstanding the slump in the London market, there has been more meat imported into England from the Continent than there was before. If we think we can put up our prices, we shall find that North and South America, Siberia, Manchuria, China will take our market. We should not keep a single carcass; we should sell, sell, sell. We are exporting at the present time six million carcasses; but in time to come the enormous country north of Gisborne will develop, and, instead of exporting six million carcasses, we shall export ten millions.

*Mr. W. R. May* (Nelson Farmers' Union).—Sir, I do not think any committee you will elect here will be able to give you the information you need under two or three weeks. They are faced with a very big proposition. The distributing of meat in England seems from an outsiders' point of view a very big problem, and I do not think this committee can expect that the meat companies will be prepared or can furnish them the information in the time expected, even if they were prepared to do so. The information has been secured by the meat companies at great expense, and in the earlier stages they lost large sums of money, and if the farmers want to distribute the meat they must be prepared for a large expenditure. It would take at least a million of money to be able to distribute the meat, from a business point of view, through a business association. I have just returned from the Old Country, and made various inquiries with regard to the prices of meat. I was there from March to June, and I made it my business in connection with the butter business to ascertain also the prices of mutton and lamb in the Midlands and in London, and I found it runs from 7½d. to 9½d. Sometimes legs were sold at 10d. While in London I spent three days in Stalworth and the East End and Whitechapel, where the lowest and poorest qualities of meat are sold. There meat was sold at 2½d., 4½d., and up to 6½d., and I do not think the producers would like to father that meat; I do not think it came from Canterbury or any other part of New Zealand. I saw nice lamb come into the Smithfield Market from Canterbury, but none of that class of meat was sold in the slums. On the Saturday night the butchers' shops in these low slums simply let it go for what it will fetch by a kind of auction. If a man could not get 2s. 6d. for a leg, he would take 6d., and so on; but it was a very poor class of meat. I think this committee is faced with a very big problem; it is a proposition which will surprise them to have to go into at all. If the farmers are satisfied they are not getting the returns they should get, they must go into the business themselves, and find the money, and solve the difficulty the same as any other business men have to do. Any assistance the Government can give them would be a very good thing; but let them leave the Government out of it, I say, and find the money themselves, and go into it on proper business lines.

*Mr. E. A. Campbell* (Wanganui Agricultural and Pastoral Association).—With regard to insurance, this is a very great and vital question. The question has been lately raised again, and I think there is nobody here could give us the information that we wish to get more lucidly, and get more to the bottom of the whole subject, than the Hon. Mr. Mackenzie, and if he could do that it would be an education to the members attending. Much has been said about insurance, and the way it is carried on at Home, and I think he might enlighten us upon the subject.

*The Hon. Mr. T. Mackenzie* (Minister of Agriculture).—Mr. Chairman, it was my desire merely to come to this meeting and hear what was advanced generally in connection with the frozen-meat trade. If, to-morrow, some time, the meeting desires to hear anything I have to say on the question generally, I should be very happy then to address you. My great wish is to find out from those interested what they have in their minds. If they are going to carry resolutions, I should like to know the reasons behind or against those resolutions, so that I might guide the Cabinet in any decision they might come to, if part of the resolution involves work on the part of the Government, such as grading or help from the High Commissioner's officers. We want to know clearly what reasons are behind those desires. I am therefore here to listen while the whole question is threshed out under its various aspects.

*Mr. C. H. Ensor* (Canterbury Agricultural and Pastoral Association).—With regard to the question of forming a committee, I should like to move that it be composed entirely of producers of mutton and lamb.

*Mr. John Talbot* (South Canterbury Farmers' Union).—I will second that motion *pro forma*. As a natural result, it should be so; but I think this should be a direction to the committee rather than an amendment. Do you not think so, Mr. Chairman?

*The Chairman.*—Perhaps so.

*Mr. A. Chamberlain* (Canterbury Agricultural and Pastoral Association).—I think the committee, if it can get any information as to the way in which to get over the difficulties of insurance, will be taking a very great step in the right direction.

*The Chairman.*—The resolution is, then, that a committee be appointed, in accordance with remit No. 3, the words “six members for the North Island and six members for the South Island” being added.

Carried unanimously.

*Mr. W. G. Lysnar* (Gisborne Farmers' Union).—We have here interests represented with regard to the freezing and mercantile companies, and there may be a feeling that they will study their own pecuniary interests before the producers' interests; therefore I think it better that producers only should be represented on the committee. The Gisborne company, I may mention, have made it a rule that no commercial or mercantile man shall hold shares in the company or be a director.

*Mr. E. G. Staveley* (New Zealand Loan and Mercantile Agency Company).—As a commercial man I shall support most heartily the proposal that this committee shall be composed entirely of producers. But why limit it, as suggested by Mr. Ensor, to producers of mutton and lamb? What is wrong with the producers of beef and pork?

*Mr. A. H. Turnbull* (Canterbury Chamber of Commerce).—I heartily indorse the suggestion that the committee should be composed entirely of producers. I think it will be a useful experience for them.

*The Chairman.*—I think we want the very best men we can get on the committee, and I rather object to the proposal. There are many men who have a better knowledge of the ins and outs of the frozen-meat trade than the producers have themselves, and they should be represented on the committee.

*Mr. George Sheat* (North Canterbury Farmers' Union).—We are meeting here for information, not to teach the men who are in business; and I am sorry I cannot support Mr. Ensor's motion. We are here not to throw boulders at one another, but to enter into confidence, and if we cannot do that without casting aspersions on business men, I am sorry I am here at all, and I am speaking as a farmer. We are here to better the position of the trade. Let us enter into mutual confidence, and set up a committee composed of the best men available, and do the best we can. I am sorry the last motion has come before the Conference, and I shall vote strongly against it, and trust other farmers will feel the same way.

*Mr. H. D. Vavasour* (Marlborough Farmers' Union).—I quite indorse the remarks of the last speaker. In these matters, I am sure if it were left entirely to the farmers they would not have the special knowledge necessary that we should get if the committee met in conjunction with the merchants. If the committee were set up composed of the best men among the farmers as well as the merchants it would be much better; and even some of the freezing companies' representatives, too. I do not see any harm in that, because I take it the freezing companies should, and do to a certain extent, work hand in hand with the farmers. It is to the interests of the freezing companies to work with the farmers, and I think a combined committee would be very much better than a purely farmers' committee.

*Mr. C. H. Ensor* (Canterbury Agricultural and Pastoral Association).—Would you expect a committee of freezing companies to go to the freezing companies for information?

*Mr. L. C. Gardiner.*—Is this amendment out of order, Mr. Chairman? I think the resolution has already been carried.

*The Chairman.*—The resolution was carried, but not the details.

*Mr. John C. N. Grigg.*—Looking round this meeting, and seeing the delegates from the North and the South, I think Mr. Ensor's motion is not the best for this meeting to consider—in fact, it is almost a slur. As far as the farmers are concerned, we came here with a full idea of learning, more than trying to teach. It seems to me that some of the persons have not a very great knowledge of this trade; and I remember meeting one of the Swifts some years ago—and I take it that they are people pretty well up in the meat trade—who said that of all the businesses he had been connected with, there was no trade so intricate as the meat trade, and so hard to govern. From the farmers' point of view, I should like to say that we have had three big slumps in our meat trade since the start. At the start the meat sold well, but in 1887 there was a slump (fat lambs were bought at from 5s. 3d. to 5s. 6d. in 1887), but the market recovered quickly, and the next year we got good prices, and we never looked back until the year 1897; then there was another set-back to a certain extent, and that was partly caused by the drought in the Northern Hemisphere forcing a large quantity of meat on the London market; in consequence, we all suffered. When you think that what meat we do export is such a very small proportion of that which comes on to the London market, it seems to me that it is out of reason to expect any holding up we can do to affect the market. It is trying to hold up the market with a very small quantity of meat. Further, the process of freezing meat is simply cutting, like the reaper-and-binder: it produces flour at half the price, and so the refrigerating processes throw all kinds of meat from all countries on to the one market. Being the first country on the frozen-meat market, we have enjoyed a good start and good prices. Our meat was good quality—moved very close to the meat at Home, indeed; but now gradually other countries are competing for the one market in the world. I almost think I would decline, as a farmer, to be one of the committee, because I should feel I had so little experience compared with what we should hope to gain from the commercial men who have given so much time, and trouble, and brains to it. There are two things that will govern this matter—money and brains.

*Mr. John Talbot* (South Canterbury Farmers' Union).—As the seconder, I would ask Mr. Ensor to withdraw his amendment, in view of the way in which it has been taken up, as rather a slur. I should be very pleased if he would withdraw it.

*Mr. Ensor* (Canterbury Agricultural and Pastoral Association).—Very well; I will withdraw it if it is understood as a slur, although it was not meant as such. I am exceedingly sorry it should have been taken up so. In reply to Mr. Grigg I might say that the commercial men might hold the brains of the meeting, possibly, but not all of them. We really wanted a report from the producer to the people who are handling his produce.

*Mr. N. Kettle* (Hawke's Bay Chamber of Commerce).—Representing the mercantile community, I should prefer not to be on the committee. The business men of this country are all part and parcel with the producer. Our business, everything we do, rests with the producer, and what we can get for his products. Every bank and mercantile institution doing business is bound up with the producer.

*Mr. J. D. Hall* (Canterbury Agricultural and Pastoral Association).—I rise to a point of order: Is there anything before the meeting, Mr. Chairman?

*The Chairman*.—Mr. Ensor's motion is withdrawn, and I think we had therefore better proceed with the nomination of the committee.

The following names were then proposed: For the North Island—R. D. D. McLean, Kinross White, W. G. Lysnar, E. Campbell, A. Borthwick, J. G. Wilson, J. Barugh. For the South Island—G. Jameson, D. D. Macfarlane, C. Teschemacher, Sir George Clifford, F. Waymouth, H. Acton Adams, H. D. Vavasour, J. C. N. Grigg, L. C. Gardiner, J. D. Hall, John Talbot.

*The Chairman*.—While the ballot-papers are being prepared, we will proceed with remit No. 1 (carried). As carried, this would read, "That it be a recommendation to the Committee that frozen meat should be consigned and sold as far as possible through an organization of producers, or a Farmers' Co-operative Distributing Association, in order to bring the producer and the consumer into closer touch, and that a company should be formed for that purpose, if necessary." I take it that No. 2 remit need not be put, seeing that No. 1 has been carried. No. 2 remit reads, "That a New Zealand Farmers' Trust be formed to check any foreign combination inimical to the farmers' interests by controlling a sufficient number of retail outlets in Home and Continental markets, run by New-Zealanders, and insuring to the consumer demanding New Zealand produce a reliable and regular supply of the genuine article." We shall now proceed to deal with remit No. 4, Storage accommodation in New Zealand.

*Mr. H. D. Vavasour* (Marlborough Farmers' Union).—I represent the Marlborough Agricultural and Pastoral Association and the Chamber of Commerce too, and I therefore desire to put the whole matter concerned in the form of one motion. The motion I shall put is, "That, in the opinion of this meeting, it is advisable that an Advisory Board should be formed in London, and a Board of Control in New Zealand." When at Home in 1888 for eight months I spent nearly one day a week in the markets. I saw that the American meat trade was regulated in every possible way. Sometimes the difference in appearance of the meats was most marked. Now, if we had an Advisory Board in London and a Board of Control at this end, trade would be in a better position. The control should be in such a manner that the meat should be put on the market in regular supplies. Sometimes, it was pointed out to me by butchers, you can get unlimited supplies of New Zealand mutton, and at other times they had difficulty in filling their requirements, and they had to go to the Argentine meat. One butcher used to purchase over 40,000 pounds' worth a year, and at one time there was a dearth of New Zealand mutton, and he had to go for his supplies to the Argentine mutton. I am satisfied that to put the trade in a good and satisfactory position—I am talking now in the interests of the freezing companies as well as the growers—the supply must be properly regulated and controlled by practical business men, who would see that it was properly handled and put on the market. I am perfectly satisfied that would be of immense benefit to all of us. Reference has been made to insurance. The real reason that the insurance rates are so high is the amount of damaged New Zealand stuff that goes into the English market. The amounts of the claims are getting greater every year, and the consequence is that the rate of insurance is going up. There must be some means of finding out where the fault lies. At present there is none. The barges come alongside the ships, give no clean receipt to the ships; they take the stuff for sometimes two or three days on uninsulated barges before they get rid of it at the stores; the storekeepers will not give the barges a clean sheet; consequently there are three chances of the stuff getting damaged—on board ship, in the barges, and in the stores—and there is not the slightest possibility of sheeting home where the damage took place. An Advisory Board in London advising a Board of Control in this country, working together backwards and forwards, would enable the producers to put their finger on where the damage occurred.

*The Hon. Mr. T. Mackenzie* (Minister of Agriculture).—Did you see any of the damaged meat in the stores?

*Mr. H. D. Vavasour* (Marlborough).—Oh, yes! plenty of it; and I was perfectly disgusted with the arrangements, with the exception of those of one company, the C.C.P. Company, who held their stuff properly. There was not another store in London which handled the meat properly.

*Mr. A. Borthwick* (Borthwick and Co.).—Did you see all the stores in London?

*Mr. H. D. Vavasour* (Marlborough).—Almost every store—all but one, I think. Of course, in order to regulate the supplies here, it would mean the freezing companies putting up more storage here, but at the same time the storage here would be about half what you had to pay in London. Then, again, in London the stuff perhaps is semi-damaged in transit, and then refrozen, and then it is stale; but if stored here, and only put through in the proper proportion throughout the year, there could be no hardship about it. I do not agree with Mr. Kettle when he says it is

impossible to ascertain at the beginning of the year what are the available supplies: you can estimate approximately; and it would be easy to arrange with the freezing companies that the Controlling Board should say how much per cent. of the mutton should remain in the stores of each freezing company, and how much should be forwarded every month. I am satisfied that some scheme like that would be of immense advantage to the whole of New Zealand.

*Mr. R. D. D. McLean* (Hawke's Bay Agricultural and Pastoral Association).—I beg to second Mr. Vavasour's motion. I presume all the remits will be considered by the committee set up. It might interest the meeting to know that I recently got a letter from Home (we have been hearing to-day the colonial opinion of the trade, so I quote this) from a man who has been Home several years. I told him various opinions as to the unsatisfactoriness of the trade out here, and asked for his opinion. He replied saying that the cablegrams had told us of the phenomenal rise in New Zealand meat, which was still maintained. Of course, it was, he said, only back to the old level, which was what he had maintained would happen directly buyers got over the scare from the enormous shipments of May. Had the ships been evenly distributed over six months, there would not, he considers, have been such disastrous prices; business was completely disorganized and trade at a standstill by that means. These violent fluctuations, he considered, did an immense amount of harm, and matters could not improve until the farmers and the speculators combined to arrange shipments each month. Storage in New Zealand would help this, though long storage anywhere was undesirable. He says it is quite impossible to regulate prices so long as the meat is sold in New Zealand c.i.f., or to speculators; and he outlines how it should be sent to London, and so forth.

*Mr. J. D. Hall*.—What is the date of that letter?

*Mr. R. D. D. McLean*.—Two months ago. The whole position is this: There was a glut last year, and a low purchasing-power; but as far as the future is concerned, we must realize and recognize this fact: that there are too many people having control of the consignments of meat, and that in the interests of the producers themselves this is not desirable. While we must make every allowance for everything that the freezing companies have done for us in the past, and the enormous amount of money they have put into the business, still one cannot help thinking that if the producers were represented, as Mr. Vavasour suggests, that would give them more confidence in what was being done. Moreover we have got to realize the great and increasing competition of these other countries, and that in order to compete against them we in New Zealand will have to concentrate our energy in the future more than we have done in the past.

*Mr. W. S. Hampson* (Nelson Freezing Company).—After giving study to this question of marketing frozen meat for some time, I have been of opinion that something upon the lines suggested by the Marlborough Agricultural and Pastoral Association will be the only way by which this question is going to be effectively solved. We cannot help outside competition—we have to face the Argentine, Australia, and the produce of other countries; but what we could do is this: I think the competition amongst ourselves might, at any rate, be reduced to a minimum. Now, sir, from very reliable information that I have received from the Old Country, I am firmly of the opinion that the market would never have got to the depths it did get to, it would never have dropped so low, had it not been for the keen competition that there was on the London market amongst ourselves—amongst New Zealand sellers and brokers. Now, sir, it does seem to me that there ought to be some method by which, at any rate, this item could be eliminated from the trade, and, while we cannot say that any Advisory Board in London or any Board of Control in New Zealand can make and fix an absolute range of price, yet I do think that it might be possible to make some such arrangement as suggested. I have roughed it out in my mind as something in the nature of a clearing-house. We might have such a clearing-house under a Board of Control in New Zealand, together with a clearing-house in London, with certain powers given to them by the freezing companies if you like, upon a certain basis, and that the clearing-house in London should from day to day make the prices of the day. I know there are difficulties with this c.i.f. & e. buying, and the buying for the retail trade in England makes certain other difficulties. We know there are difficulties, and we are not going to get things into fair shape without surmounting these difficulties. It simply means that the producers, and the merchants, and the companies will have to put their heads together, and perhaps make little concessions all round, if we are going to get a satisfactory basis for dealing with this line of produce. I believe that something upon these lines could be arranged by which London would know week by week what was being shipped from New Zealand, the brands being shipped, and so on. I do not propose that this committee should have any financial control—any control—over brokers other than fixing from time to time, either from day to day or from week to week, the prices at which New Zealand frozen meat is to be sold upon the London market. I think, in reference to that Advisory Board or clearing-house, that they should also have the power to receive any complaints, make proper investigations with regard to causes of damage, insurance, and generally supervise the proper marketing of all the frozen meat that New Zealand could send. I do not believe for a single minute that the output of New Zealand is too big for the consumption of the Old Country. I believe she can consume a very great deal more than we can send for a long time to come. I was told of a little incident at the Conference of Chambers of Commerce in Sydney, where one of your representatives was giving figures of New Zealand exports. There was an English merchant there, and he turned round and said, "Yes, very good; just about sufficient for one decent shop." I believe that is the way London looks upon our supplies; and, in spite of the fact that so much was landed in London during the months of June, July, and August last year, had we had a better system of distribution, I was told on a reliable authority, the slump would not have occurred, for, while there were ships unable to unload in London, there was storage in the North of England towns for perhaps half a million carcasses. If that is correct, I say it shows, at any rate, faulty distribution so far as we are concerned, and I hope that this meeting will give this idea a good deal of thought and examination



as to whether it will not be possible for all parties to get together upon a common platform, and, by means of Advisory Boards in New Zealand and in London, practically control the trade.

*Mr. William Murray.*—I did not gather from Mr. Vavasour's motion quite the powers which he proposed to give to the Board of Control in New Zealand.

*Mr. H. D. Vavasour.*—The idea is simply that it would be a Board of Control.

*Mr. Murray* (Christchurch Meat Company).—I take it that the idea is that this Board of Control should practically exercise all the powers of proprietorship, acting as a board of trustees over the whole of New Zealand. I think, before passing such a resolution as this, it would be well to consider for a moment how such a scheme could be carried out. Is it practicable? Is it really possible? Can you imagine the whole of the growers in New Zealand, from Auckland to the Bluff, in the first place, in the second place those who are engaged in the trade and who buy at our public auctions here, those who export, possibly with other connections at Home, the representatives of London firms buying sheep and lambs to fill requirements at Home—is it reasonable to expect that all these varied interests are going to place their property in the hands of a Board of Control, to deal with their own property in such a manner as that Board thinks fit, without reference to their particular wishes in the matter? It is suggested that certain percentages should be shipped; that this Board of Control should regulate the shipments. Now, I would also further ask, are the interests (I do not wish to make invidious comparisons) of the North Island and of Canterbury likely to be identical? Is it likely that what would suit Canterbury growers would suit the growers in Masterton, and Auckland, and Wanganui? This Board of Control would be faced with a herculean task, with a most thankless task, of dealing with everybody else's shipments in a fair way. That seems to be a point that it is hopeless to get over. Is it reasonable that you, as growers, and the purchasers, are going to hand the trade over to a Board of Control elected by the freezing companies and by the producers? Have you the right to take away the right of free property in that way? If you are going to have open markets, you cannot have such a Board of Control taking actual proprietorship in your markets. If you wish to pass over the control to a new body, you will expect it in a year to do better than has been done in the last twenty years. But such a Board of Control would be little short of a revolution, which would entirely upset the conditions in the meat trade. Those conditions, I grant, may not be perfect—few things are in this world; but I think it would be well to consider what you are going to put up in the place of the present methods before you knock them down.

*Mr. J. G. Wilson* (Wellington Farmers' Union).—The gentleman who has just sat down has said that we cannot expect to alter the whole of our trade by this means, and to set up a Board of Control to take possession of the whole of the exports of New Zealand. That every one must agree with. I do not think any one ever anticipated such a course. It is quite obvious that it might have been done twenty years ago, but it is absolutely impossible to do anything of the kind now. It would break down of its weight directly if we attempted it. But we must admit that we have a combination of various kinds to meet elsewhere. There is only one possible way to meet combination, and that is by further combination of ourselves. How are we going to come to some conclusion in the way of combination here? The only possible way, to my mind, is that we should ask the freezing companies to make some sort of combination, not to take over their works, nor to interfere with their system of working or grading (that question of grading will come up later, by the way), but to ask them to combine among themselves, and meet and have some control as to when the lots are to be exported. I am firmly convinced that if they will only take up this subject they can do it, and they are the only people who can do it, if they enter into the matter in a proper spirit. We are their partners. We are always talking about the freezing companies, and the difficulties we have in London; but we farmers are very much to blame for our present position. If we had been wise, and retained the controlling interest in the freezing companies, we should be in a very much better position. But that is a thing of the past, and we unfortunately have allowed that to slip by. But we can make the best of a bad job, and the best is to ask our partners, the freezing companies, if they cannot combine in some way, as Mr. Hampson suggested. Notwithstanding their having that sense of rivalry, which they must have as far as buying and selling is concerned, they should see that it is to their own interests that they should combine, and have some means of controlling the exports of this country. We have a storage of only 1,800,000, and we have in London 2,700,000, and we found the stores the other day so full that the people could not tranship into them. That should never occur with proper management. It is absurd to ship Home large quantities of mutton (and we do not know when it goes, for some time afterwards, unfortunately), and find the stores full. Such a condition is absurd. I have no doubt there was plenty of storage-room in New Zealand. If we have not enough, we ought to have; we ought to build more. If we lose the bloom of the meat we shall lose it just as quickly in the dearest stores in London. The freezing companies should be asked, I think, to meet together and see if they cannot set up some form of management or control, delaying an output if necessary when finding that there was too much in London. There are many other things the Board might do, checking combinations against the freezing companies, which always reflect against the farmer in the end. There are many ways in which the freezing companies are often attacked. Well, of course, they are doing the best they can for themselves, and we do not object to that; but I do think a little more strong combination than they have shown in the past would be of great service to themselves and to the country. We saw the need of that a few days ago: combination might have insured our getting better terms. There are also the questions of freight, &c. The farmers do not enter into that at all—the freezing companies arrange that for us without our say; but I think a strong association of companies might have a very much greater weight than otherwise would be the case, and I do hope that the freezing companies will see their way to do this. It is very gratifying to see them so greatly represented here as they are to-day. Many of the people here have actually started the freezing companies of which New Zealand is very proud; but I think the step they

should now take is to combine among themselves, and in some way to have a greater control over the market than they have now.

*The Chairman.*—Do you mean an amendment, then?

*Mr. J. G. Wilson.*—Yes; I move an amendment to ask the freezing companies to secure a better control of the market. They should meet together to-night—they will never have a better time than the present—and I think they could formulate some scheme, and they would know how far they could go in the way of having control over the export.

*Mr. H. D. Vavasour* (Marlborough).—The motion I brought forward is practically what Mr. Wilson says. He has interpreted it more clearly than I had, being more accustomed to public speaking. I never suggested for one moment that it should be an arbitrary Board of Control to control the freezing companies. It is more in the way of a suggestion to the freezing companies to set up a Board with certain powers, and if they do I am certain things will be more satisfactory. I shall, however, request Mr. Wilson to draft a resolution which I can submit.

*Mr. J. G. Wilson* submitted the following to Mr. Vavasour: “That the representatives of the various freezing companies present be asked to meet together during the sitting of the Conference, with a view of association for the purpose of, as far as possible, controlling the export of frozen meat, and acting on the defensive when necessary, and generally protecting the joint interests of the producers and themselves.”

*Mr. H. D. Vavasour.*—I shall have pleasure in withdrawing my motion, and moving Mr. Wilson’s instead.

*Mr. J. G. Wilson.*—I second the motion.

*Sir George Clifford* (Canterbury Frozen Meat Company).—I object to the tone of the remarks of Mr. Wilson, placing the producers and the freezing companies in a position of opposition and antagonism. Any such feeling is absolutely unfounded in this Island, whatever may be the case in the North Island. You have only to reflect upon the constitution of the boards of the freezing companies, and you will see that nearly every member is a producer, whose stake is much more bound up in the success of the trade with his own interests as a producer than as a member of the company. The spirit animating both the Canterbury companies is the prosperity of the trade in relation to all the producers. These companies can only succeed if their clients are also successful. Now, it seems to me that a Board of Control is a very, very dangerous implement to introduce into this trade. Mr. Wilson has said that the trade was in a precarious state, or going from bad to worse, or some such statement. I do not think any New-Zealander should say that. The basis of New Zealand’s prosperity is the frozen-meat trade, and it should not be said this was in a bad state.

*Mr. Wilson.*—I never said that.

*Sir George Clifford.*—The basis of New Zealand’s prosperity is the marvellous success of the meat trade, and I do not think that the reverses we have had in the past few months should make us less sanguine for the future. We may have more competition to face, but we shall always be ready to face that, because the quality of our meat will always be better than the quality of the meat the generality of our competitors can produce. One of the secrets of our success has been that we have had an open door and free competition. This is a most complex trade. We welcome buyers and speculators from all parts of the world to take our meat, and if we do not give them a free hand, but try to check them in their operations, we shall check their success, and the prices they can afford to pay us will be necessarily diminished. We should think seriously before altering the mode in which that trade has been conducted for so long. At present the farmer has absolutely free access to the market; if he does not like the prices the speculator offers, he can ship on his own account freely, and I do not think the producer is in the same position in any other country. How would you like it if the system prevailing in the Argentine, which has been upheld to us to-day as being so perfect, were adopted here, where the purchaser has no power to send his own stuff away—where he has to accept the price given by the large freezing companies who are speculating on their own accounts, for their own profit? It is not so here. The freezing companies are not making an exorbitant profit; some are making a profit perilously near to a loss.

*Mr. Wilson.*—Oh, oh!

*Sir George Clifford.*—In the Argentine there is nothing to prevent the profits going into the pockets of the large trust we have heard about to-day. If you establish a Board of Control and place it in the hands of the freezing companies, you are tempting the companies to make a larger profit than they ought to do, and I should be very sorry to see such a thing, because it would hamper their efforts to do what is in the best interests of the whole trade. As to the question of storage: It is proposed to store here. Now, storing here is a very difficult thing. You know this: that the freezing companies have already large storage accommodation, and that that storage accommodation is by no means inadequate to the general operations of the trade; but what you are practically doing now is to propose that the freezing accommodation should be extended at all the works. Now, anything like a duplication of the present freezing accommodation would cost half a million, and that would be an annual charge, and it would only perhaps be useful once in five years; and as far as Canterbury is concerned—and probably it is the same in the rest of New Zealand—I do not think that storage has ever been refused by any freezing company.

*Mr. J. D. Hall.*—Oh! query.

*Sir George Clifford.*—I think that is so, for our own company, at any rate, and I believe it is the case with both companies. Are our companies to spend anything from £50,000 to £500,000 for a purpose that is problematic, for something which would only be rarely required? It is said that the low prices were caused by hurrying stuff to London. I do not believe it. There was no reason to believe that the stocks in London would not be gradually absorbed as usual, and therefore that the demand would become too slack to absorb the shipments on the sea as they went forward. But I do not think we could regulate this matter from here in any adequate way. If we

had large amounts in store, the statistical position would be perfectly known in England, and it would be as dangerous to have large stocks here as in London. Therefore I believe that free trade, and the common-sense of all the individuals engaged in trying to make money out of this article, is the right way to attain success. I believe that a Board of Control acting here would make more mistakes than are made now by leaving the matter to the wisdom of those men who are successively interested in the shipments. I believe that a Board of Control is a dangerous experiment, and absolutely needless under the present conditions of trade in New Zealand.

*Mr. J. D. Hall.*—I also think we ought to deprecate any reference to a spirit of antagonism. I do not think it should be mentioned here. I am sorry it has been mentioned. In business matters there must ever be the haggle of the market; but I do not think there is any real spirit of antagonism between the producers of Canterbury and that *bona fide* farmers' institution, the Canterbury Frozen Meat Company. But, as far as storage never having been refused is concerned, I think that is a mistake. It may be possible that storage has never been refused, but they have refused to kill, and that is the same thing. That was in the dry season.

*Sir George Clifford.*—I think the companies only refused to kill when the stock came forward in such small quantities that it would be ridiculous to kill.

*Mr. J. D. Hall.*—I speak subject to correction, but I think I am right, and that Sir George is mistaken. It was during the drought of 1907. It is true that there was no deficiency in storage, but that was only because the stuff was going away so fast as to make a glut. And so far as the statement is concerned that storage here is as objectionable as in London, well, the question is that there was not storage in London, or it had been booked by those astute people who knew what was going on here. If the people are in the position to say, "We have all the storage and you have all the meat, and you have got to take it out of the ship," well, the producers are at their mercy. That is possibly what occurred, and we want a ventilation of the subject. If it was not the case, well, we should like to be told so; and if we are wrong in having suspicions that the people at Home knew too much for us on that occasion, let us know exactly where we stand. So far as the Board of Control is concerned, I do not know what to think about it, but I do think it is aiming rather high; and I think, if we get the information we ask for from the freezing companies, and they tell us whether they can associate and co-operate, and give us a decided answer—we should like to know their opinion, and whether they have any suggestions to make—that will be of considerable help to the Conference. The business men are our advisers, so far as conducting the sales is concerned. We are only too glad to come to them and ask for assistance, and we hope that we shall get it without any spirit of antagonism. I think that it is the business of any institution that represents farmers to do this. If they are satisfied that the farmers, great and small, do not get consideration from the persons with whom they are doing business, it is their duty to do everything they can to help them. It is the small farmer who enlists my sympathy most, perhaps because I am one myself. They are the people who should be most considered in the development of the meat trade, and the gentlemen who occupy the position of directors of the freezing companies are not the small farmers of to-day.

*Sir George Clifford.*—Oh, yes! they are.

*Mr. Hall.*—I beg your pardon, Sir George. I did not know that you claimed to occupy that position.

*Sir George Clifford.*—I was not speaking personally.

*Mr. Hall.*—With regard to this Board of Control: I do think that Mr. Wilson's amendment is what we want. It will merely go forward as a suggestion. We cannot bind, or even make the freezing companies confer; but when they know it is the wish of the meeting they will give it consideration. There is no use saying, You are only building castles in the air; you are only throwing your money away, &c. When we have once got that Board of Control it will be time enough to consider the other matters—grading, insurance, freights, and all incidentals, which are a small thing to a small man, but all together mount up, and should be taken into consideration by the persons whom I should like to constitute a Meat-producers' Protection Association, for the purpose of reducing those fees—freights, insurance, and storage charges—to a minimum, and thereby in the end increasing the profit that must be derived and paid to the producer. We have had many conflicting statements here with regard to what the consumer in England is paying, and, as a matter of fact, I should be very sorry to give a judgment as to which was correct and which was not. One person tells us that the meat is selling at the old prices, and another says it is being thrown away at 2d.; we do not know what is being done, and we therefore want the help of an association representing farmers, desirous of finding out what is really being done.

*Mr. A. Borthwick* (Borthwick and Co.).—Mr. Hall talks, Mr. Chairman, of storage having been refused, or, rather, killing having been refused. That may be so—that the drought came on, and very large numbers came to the works. I do not think it can be supposed that the works are capable of killing all stock coming along at the height of a drought for a few weeks. We might have to kill a hundred thousand a day for the farmers. The works throughout New Zealand are large enough ordinarily, possibly too large in some cases, and they are having difficulties for that reason. I think the storage-accommodation question in London has been exaggerated. Storage was probably kept for those steadily using it, and possibly it was right it should be kept for them. I do not think the ships were stopped discharging for more than two days throughout the whole season. I think that is the first time that has occurred probably for fifteen years; and to build extra accommodation would probably be paying cost of storage for nothing; and the same remarks applying to London would apply to New Zealand. The other point about the Board of Control is this: I do not quite see what the Board of Control is going to do; but I should like to know, when the committee is being formed, is it to go into all the points on the Order Paper, or only the first two motions. Perhaps that is a question that can be put to the Chairman.

*Mr. J. G. Wilson.*—I should like to say that if the resolution drafted implied any antagonism between the producers and the freezing companies, I am sorry it was the impression gathered; it was not the impression in my mind.

*Sir George Clifford.*—I was referring more to the tone of your whole remarks. With regard to your resolution, if I may make one remark, I think it puts the freezing companies in a somewhat invidious position. I have already said that, in my opinion, a Board of Control is not a judicious body to set up, and if many producers thought that way, it might be considered that we were trying to check some reform in the trade; whereas all we should do would be to report that that was not a judicious method of attempting any reform.

*Mr. J. C. N. Grigg.*—I think the greatest stumbling-block to anything like reform is that this is not the first time the same questions have come up. Originally there was a cry for storage when Fairfield was put up, and there was a store for 90,000 carcasses put up. I think that even in the year when we were killing very, very fast it was not called upon. We built that store to hold 90,000, and the interest had to be paid on that, and no sheep were put into it. Our company have generally had space to store stock to a certain extent. There is a great difference between summer and winter requirements, of course, but we have always been able to cope with the requirements of the time. Free competition is, to my mind, the life of the trade to-day, because the lambs are killed and frozen, and are in condition for anybody at all to speculate in them. A cable may come to buy twenty, thirty, or forty thousand, and they must be shipped in equal quantities every month, or by certain boats even, now. Well, if this Board of Control is going to try and regulate the shipments, they will upset all those contracts, which are the greatest source of competition which the farmers have got to-day. Look at the number of firms buying to-day; I think you can, as Sir George Clifford says, look round the globe, and find no country where there is such open competition. I have had the benefit of listening to much "freezing talk" from the time I was twenty-one upwards, and I remember very distinctly that those three years of great drop were the only three bad years. I would like to hear from the people who propose this Board of Control how they get over the various difficulties. If that is the life of the trade to-day, how is the Board of Control going to hold back supplies. And, if so, whose supplies? Holding up a market is a bad game now, as it has always been; and if we hold off the market, then we let somebody else get in. Let us come to the real practical issue: The Board of Control (I should not like to be one of them) would have to hold up the meat for a certain period, and then they have to decide whose meat has to be held up, and whose contract has to be broken, and then we should have claims for damages straight away. We are only touching on the fringe of the difficulties, and it is the practical work that is so hard. One more point: When you come to hold up other people's stuff, it is a big financial business; we have had experience of this before. If we try to interfere in any shape or form with the farmer's stuff, we find the farmer's stuff does not belong to himself, there may be a financial firm behind, and there comes in a difficulty again. They all want to do the best they can for themselves and for the farmer, and each firm wants to know what the farmer is going to do with the stuff. The farmers, to a great extent, as long as they have one loophole to get out of, are satisfied. Farmers have, as you know, refused 14s. and 15s. here, and had to sell at Home for 9s., and 10s., and less. I know this happens at times, by experience, for I do both. As a farmer fattening largely, I thought I could have a better market with the competition going on than thirteen thousand miles away. Of course, if there was a real ring here, and the freezing-works would not take the stuff, I should be in a hole; but we have an opening to a certain extent, and there are several channels in which you can act on self-defence. The competition from London is coming out here, like the wool-buying. There was a time when there was a quotation for "overall" or "anyway," as it were. One firm only came out here to buy when I sold my first wool. There are now many buyers who come out here, and the farmer does not want to become too much of a speculator. This Board of Control does not look to me practical on the face of it, and it has come before us in other shapes at different times in the past.

*Mr. H. D. Vavasour.*—I do not agree with Mr. Murray in saying that it is absolutely impossible to regulate the supply in London. I think we could very easily do it. How is it the brokers in London regulate the supply of the wool-market? I should say it would be just as easy with meat as with wool. I am satisfied that the first part of the suggestion is of immense importance not only to the freezing companies, but to the whole of the people interested in freezing. It is absolutely disgraceful the way in which the stuff is handled in London now. There is no supervision at all. I am not exaggerating at all. It is absolutely disgraceful, I repeat, the way the stuff is handled in London. I know how stuff ought to be handled, and nobody who has been Home can deny that things want remedying in London. It is all very well for the freezing companies to say that they handle the stuff properly: they may do so here, but in London they do not handle it in the same way at all.

*Sir George Clifford.*—Do you mean in the stores?

*Mr. H. D. Vavasour.*—I mean all through, from the ship's side to the stores and to the markets. We cannot dictate to the shipping companies how much they shall send out, but at the same time it is put before them as a suggestion that they should see to the proper handling of the stuff in London, and if possible control the amount put on the market.

*Mr. R. H. Rhodes* (Timaru Agricultural and Pastoral Association).—I want to ask a question, Mr. Chairman. I happen to be a director of a freezing company, and we are put there to conserve the interests of that freezing company, and how can we expect to have a Board of Control put over that?

*The Chairman.*—But the resolution is that you yourself shall form the Board of Control. I shall now put Mr. Wilson's motion, "That the representatives of the various freezing companies present be asked to meet together during the sitting of the Conference, with a view of association for the purpose of, as far as possible, controlling the export of frozen meat, and acting on the

defensive when necessary, and generally protecting the joint interests of the producers and themselves."

Motion lost—14 for, 16 against.

*The Chairman.*—I have now to announce that the ballot-papers have been counted, and that the voting for the committee was as follows: Members elected for the North Island—J. G. Wilson, R. D. D. McLean, E. A. Campbell, A. Borthwick, J. Barugh, W. G. Lysnar; members elected for the South Island—D. D. Macfarlane, J. D. Hall, Sir George Clifford, J. C. N. Grigg, F. Waymouth, George Jameson. I therefore declare these gentlemen to have been duly elected. We will now proceed to the next business on the Order Paper.

*Mr. F. Waymouth.*—I have been asked by the Canterbury Agricultural and Pastoral Association to move remit No. 5, with regard to storage-accommodation in London for New Zealand exporters of meat. I propose this remit in the following form: "That it be a recommendation to the committee to provide cool-storage in London for the use of New Zealand exporters of meat." The question of storage comes up not only in London, but here, as frequently mentioned. I am afraid that many of the farmers have missed the real points in this discussion. I recently visited England, and have had twenty-seven years' experience of the trade, and have paid great attention to it. The result of this experience is that I have come to a few conclusions, whether right or wrong I do not know. The first was that I could not help appreciating the manner in which our carriers handled the meat, so far as they were concerned, in London. They did all it was possible to do, to guard by careful handling, protection against weather, heat, cold, wet, everything possible, in fact, to guard against damage. But there, from that point, the chaos began; and the chaos is the farmers' fault. I say "the farmers' fault," because it is a matter that they have taken out of the freezing companies' control. As you are all aware now, I have ceased connection with the company I represented for so many years, so I speak as an independent person, and probably what I say will therefore be taken more in the spirit in which I give it than if I was still representing a company, and might be looked upon as having an axe to grind. I think the main point is their sticking so closely to their individual interests in the meat. If they would put trust in their freezing companies, and allow them to formulate a system—and it could be easily done—by which all interests could be served and conserved, and allow the freezing companies to pool their meat to a great extent—it is not necessary it should all be done—and do away with a vast number of the submarks carried in the vessels, then the trade could be put on a much better footing. There is no doubt about the grievances by which the meat is burdened in London; but it is, as I say, not the fault of our carriers nor the fault of the freezing companies, it is the want of combination among the farmers themselves, to see that their product is made the best of and the most of by a judicious system of pool. I went for the best part of a week down in the heat, and wet, and cold, and saw no less than ten different steamers discharging. I watched the transhipment from one end to the other. Here we take every care to have the shortest time between the freezing-works and the ships; and you take in London one ship discharging, and in repeated instances there would be half a dozen barges on one side and half a dozen on the other—the ship being moored from the quay by a short pontoon—and in addition there would be half a dozen railway-trucks. They each had two or three men in them, all of them paid, of course—and what for? Paid to sling two or three lots of meat, and then sit down and light their pipes and loaf. They are all paid by the hour, and do not do a quarter of an hour's work in an hour sometimes. And that is not all. The meat is getting soft while they are sitting about there. Then, perhaps the barge misses that tide, and has to wait for another tide, and then her meat is thoroughly thawed, and damage takes place. But before it comes to that, the trouble commences in the ship's hold. I, myself, have indorsed hundreds of bills of lading where we have been shipping perhaps thirty to fifty thousand carcasses, and there have been several different grades and submarkings. Grading is right and proper, but combination is necessary to avoid trouble. Then, the sorting that has to take place in the ship's hold before the meat is given to the barges and trucks causes the meat to be tumbled about in all sorts of ways. They have to get a sling together somehow, containing thirty or forty carcasses, and sometimes that is landed on the ship's deck and sorted, and that means broken shanks and crushed and mis-shapen carcasses. That would all be avoided if the farmers would pool their meat. Sooner or later the ships, in self-defence, will have to increase their rate of freight on small parcels, unless the farmers themselves will voluntarily combine. There would be further advantages in connection with pooling. The main thing would be that the farmers, by allowing their meat to be pooled, could have it sold any way they liked, by any agent they liked; it could be sold by cable, c.i.f., or in any other way, instead of having to wait until it gets on to the market, and takes its chance. But all these considerations about pooling have nothing to do with storage, it is contended. It has a great deal to do with storage. One principal cause of the shortage of storage was the vast multitude of small marks. The meat had to be kept separate, so that the owner could get it any day he called for it. Take our local works here: I frequently, when I had not to keep the marks separate, had 90,000 carcasses in Fairfield; now Fairfield is full with 50,000, because the lots have to be kept separate, and have to be tallied out for their portion of the shipment. A store that would carry comfortably 100,000 carcasses is full with 50,000 kept separately; it is the multiplicity of the lots that causes the trouble. I have spoken with the idea that the Conference should give this matter serious consideration—that is, the pooling of the shipments. We can apply all sorts of nostrums to the trade, but the first good you will get will be by adopting the system I have referred to. I now beg to move formally remit No. 5.

*Mr. J. C. N. Grigg.*—I second the motion *pro forma*. I do not know what is the exact amount of storage, but if New Zealand is going to produce as much more as some of our friends have told us, there will be need for more storage. I understand that the Government have a section where storage can be put up.

*The Hon. Mr. T. Mackenzie.*—Where is that?

*Mr. J. C. N. Grigg.*—Well, I thought I had seen in the papers that this was so, but I suppose it is not all true that one sees in the papers. At any rate, I saw that the Canadian Government had bought a section, and would put up storage to help the Canadian farmers to get outside the Beef Trust. The Canadian Government have voted large sums of money for storage, so that the Canadian farmers can help themselves in this matter. However, it is the last thing I should like to suggest, that the Government should do everything for the farmers. I think the farmers should do everything for themselves. I merely mention that the Canadian Government has provided that accommodation.

*The Chairman.*—I shall now put remit No. 5 to the meeting.

Carried.

*The Chairman.*—The next remit, No. 6, refers to the establishment of a depot in London, and we shall now proceed with that.

*Mr. W. G. Lysnar* (Gisborne Farmers' Union).—Remit No. 6, "That steps should be taken to concentrate our export of meat in a depot in London, so far as possible," I shall now move. I think the necessity for this remit is shown by the remarks called forth from the last two speakers, particularly so by the mover of the last motion, Mr. Waymouth. I was much struck with the remarks he made in that matter, and it must show the necessity for concentrating all our produce as far as possible in one depot, so that we can depend on its being properly and honestly handled, and with as little damage as possible. When it is being handled in the ruck of large consignments going to other stores, there must be more damage than if it is being taken to the one store. I agree with those speakers who have stated that it is not possible to regulate the trade so that the whole of our produce goes to the one depot. I do not think it is possible to do that, but it is possible that a depot, and a respectably large depot, should be provided, so that those who are not connected with any special firms can have a channel to go to which they feel and know will properly handle their meat. In sending Home the stuff, some of the people are both buyers and sellers, and so long as that condition prevails your meat must suffer. It has been suggested that in the storage your meat is used to exploit and test the market. The sellers will put your meat forward, and hold back their own until the market is firm, and then the other meat goes on. That is a thing we wish to avoid. We, as producers, should be in a different position from that. We want to put our meat in a channel not mixed up with a buyer. We want to send it where we really control it ourselves, and not have it tangled up with anybody else's meat, or used to test the market. I think the remarks made by the different speakers show the necessity of that resolution. Of course, it would be an advantage to the Home buyer, I should say from the information I could collect, to be able to go to a depot and absolutely rely on getting New Zealand meat. I believe it is the common practice in some of the stores at Home to have Argentine and other classes of meat in the one store. You are supposed to get all New Zealand, but it is very questionable if you always do. It would be far better for us to have our own depot, and have it absolutely free from the meat of other countries, so that the Home buyer knows when he goes to the depot he will get New Zealand meat when he is paying for it. The second thing is to have a channel outside the channel used by those who are both buyers and sellers. That is an anomaly we should not permit to exist.

*Mr. J. D. Hall.*—I have much pleasure in seconding this motion, and in suggesting that remits Nos. 6 and 7 be taken together.

*Mr. Alfred Burnett* (Wanganui Freezing Company).—I think, Mr. Chairman, that the farmers are satisfied that the companies do all possible to send the meat from New Zealand in the best possible manner. The trouble begins as soon as the meat arrives at the wharf in the Old Country. I am not going to enlarge on this question at all. It has been well covered by other speakers. Mr. Waymouth touched a point I intended to say something about—the pooling. I feel that these numerous consignments must have their influence in regard to the deterioration of our meat trade. I think, myself, this can only be dealt with collectively, if the companies made it part of their regulations that all meat on consignment would have to be pooled. I cannot see, myself, why it should not be pooled in the interests of the producer himself. The companies pool their meat; they buy from different farmers, take it in, grade it, and pool it. A man might send in a consignment of sheep-skins; they are pooled with other skins, and sold. It seems to me to be the same with the meat. If the farmer consented to the action of the companies in doing this, he would really get a better price per pound than if his little lot were sold on its own. As far as the accounts are concerned, I do not think there would be very much trouble about that. A man would have so much first-class and so much second-class meat, and so on, and when it was sold he would receive the amounts realized in the Home markets. We need not be surprised at the producer feeling and believing that he has a grievance with regard to the method by which the meat is put upon the London market at the other end; and when we find, as we found last August, lamb selling from 3d. to 3½d., and being retailed at 7½d. fores and 8½d. hinds, it is unsatisfactory. Of course, we have heard that meat could be bought very much cheaper at some of the markets; but nevertheless, as has been pointed out, we in New Zealand should not like to claim as our own some of the meat sold cheaply in the slum shops. If meat is sold at 8½d., surely it is not fair for the producer to get only 3½d. If the farmer had a depot to receive his meat and sell it, he would be able to get a better price. I do not mean there would be depots for the whole of the produce of New Zealand, but there must be places of refuge, as it were, and the farmer would have the option of sending his meat there, and most of our exports would, no doubt, in time find their way into those depots. Last year, of course, was not an ordinary year, and no doubt the great law of supply and demand was the greatest factor in bringing down the prices, but still last year did prove that conditions in London were highly unsatisfactory.

*Mr. Joseph Barugh* (Auckland Agricultural and Pastoral Association).—I agree that the London trade is not carried on quite as it should be in the matter of discharge. It appears to



me that the motion proposed by Mr. Wilson was hardly understood. I think he merely wanted us to meet to confer on any question which would be of advantage to the frozen-meat trade. For our own part—the Auckland Farmers' Frozen Meat Company—we have been anxious to meet for a long time. I believe that nothing but good could result. With regard to pooling, we have pooled our meat for the last three years, also our pelts and our wool. If a farmer sends different classes, it is sorted into different lots, and he is credited with so many pounds of each quality, and all the wool is pooled and shipped. If a farmer sends one truck or half a dozen trucks, it is given to the freezing company to sell, and he is credited with so many pounds of first and second quality, and so on. This system has acted very well indeed, and we have never had a single complaint since we started this mode of operation.

*Mr. J. McQueen* (Southland Farmers' Union).—I should like to have these remits sent forward for the consideration of the committee; but if it was a resolution in favour of the remits themselves, I should vote against that. If it is merely a recommendation for the committee to consider it, with the right to throw it into the waste-paper basket, I am in favour of it.

*The Chairman*.—That is the way it is, Mr. McQueen. I shall now ask the Conference to vote on remit No. 6, "That it be a recommendation to the committee to provide cool-storage in London for the use of New Zealand exporters of meat."

Lost—For, 5; against, 12.

At 4.50 p.m. the Conference adjourned till 10.30 a.m. next day.

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FRIDAY, 28TH JANUARY, 1910.

At 10.30 a.m. the Conference resumed.

*The Chairman*.—The Conference has before it the copies of report of the committee appointed, and also a minority report. I shall ask the secretary to read these reports, and as soon as they are disposed of, the Hon. Mr. Mackenzie has told me that he is willing to deliver his address.

*The Secretary* then read the following reports:—

*"Frozen Meat Conference.—Report of Committee.*

"The committee appointed by the Conference make the following recommendations:—

"1. That the freezing companies be requested to consider whether it is desirable to form a meat-trade federation with a view to protecting their mutual interests and those of the producers, in connection more especially with such matters as forms of bill of lading, policies of insurance, c.i.f. & e. contracts, discharge in London, insurance and quality claims, pooling, grading, labour laws, and any other matters of a similar nature that may tend towards the improvement of the trade.

"2. That a permanent committee be set up by the Conference to receive the replies of the freezing companies *re* federation of the meat trade, to confer with the freezing companies or others interested on the question of forms of bill of lading, policies of insurance, c.i.f. & e. contracts, and any other matter arising out of the trade which may be referred to them, and to be an organization for the purposes of protecting the interests of the producers; and that such committee takes steps to ascertain if the producers of New Zealand are prepared to subscribe to a fund to meet necessary expenses.

"Regarding remit No. 1, 'That frozen meat should be consigned and sold, as far as possible, through an organization of producers, or a Farmers' Co-operative Distribution Association, in order to bring the producer and the consumer into closer touch, and that a company should be formed for that purpose if necessary': The committee considers that the time is inopportune, seeing that there are several other co-operative companies in existence, and considers the present facilities sufficient for disposing of frozen meat.

"Regarding remit No. 5, 'That it be a recommendation to the committee to consider the question of cool-storage accommodation in London for the use of New Zealand exporters of meat': The committee has not sufficient information before it at present to give an opinion on the subject of cool-storage in London.

"D. D. MACFARLANE, Chairman."

*Minority Report.*

"Messrs. J. D. Hall and W. O. Lysnar present the following report as a minority report on the matters that were referred to the committee by the Conference:—

"On remit No. 1, Scargill Farmers' Union, 'That frozen meat should be consigned through an organization of producers, or a Farmers' Co-operative Distributing Association, in order to bring the producer and the consumer into closer touch, and that a company should be formed for that purpose if necessary': The minority disagree that the present facilities for the disposal of frozen meat are sufficient, but consider that there are grave defects in the methods of sale, and claims for damages, as well as storage in London, as well as defects in grading and storage in New Zealand, which urgently require immediate consideration in order to protect the interest of the producer in securing for him a fair price for his produce. We consider this can best be done in the following manner:—

"(a.) By arranging with an institution carrying on its business on co-operative lines, whose interests cannot come in conflict with those of the producers, for the sale of the produce in England on a more equitable basis than at present.

"(b.) Arrangements should be made for proper and sufficient storage accommodation in England.

“(c.) It is essential that stringent measures should be adopted by the institution to prevent improper claims for damage being allowed, and so obtain the benefits of more favourable rates of insurance.

“(d.) That steps be taken by a committee authorized to make the necessary arrangements for carrying out the above suggestions.

“Dated at Christchurch, this 27th day of January, 1910.”

*The Chairman.*—I think the better plan will be to take the report of the committee clause by clause, and then when the clause comes in that affects the minority report, that can be moved as an amendment. I shall therefore move formally that clause 1 of the report be adopted. I do not think I need say much on this point; this clause will recommend itself to the Conference, I am sure. It has been thought for some considerable time that it is necessary that the freezing companies should have some combination to deal with the matters mentioned here. At present, when they have to deal with shipping laws or labour laws there is no concerted action. As one body they would carry much more weight, and have a much better chance of having their resolutions adopted. If we carry this resolution, and get the freezing companies to form a federation, we shall have done very good work. For some years past this has been recommended to be adopted, but nothing has been done. We have now representatives of the freezing companies here assembled. I therefore beg to move the adoption of clause 1 of the report of the committee.

*Mr. G. Jameson* (Canterbury Agricultural and Pastoral Association).—I beg to second that.

*Mr. W. A. Banks* (Hawarden Agricultural and Pastoral Association).—I, for one, should like to hear the speech of the Hon. Mr. Mackenzie before discussing the matter of the report. His speech might alter our opinion altogether. I should like to hear his speech before we take any of these subjects at all.

*Mr. W. G. Lysnar* (Gisborne Farmers' Union).—I suggest that we go on as we are going, and that the Hon. Mr. Mackenzie hold back his report until we have finished. I think he will be in a better position to give his speech when he has heard these reports discussed.

*The Chairman.*—Is it your wish, gentlemen, that the Conference decide to proceed with the consideration of the report of the committee?—[Carried.]—It has been proposed and seconded that the 1st clause of the report be adopted. I now put that motion.

Carried unanimously.

*Mr. W. G. Lysnar* (Gisborne Farmers' Union).—There is already a Frozen Meat Trade Association in existence, and therefore the present proposal is useless. It is an attempt to put matters on to the shoulders of the freezing companies, while, in fact, they have their association in existence already. It is true that they work that association in London, but all the matters raised here are directly controlled by the London end, with the exception of grading and labour laws. There is another federation, the Employers' Federation, which the sheep-farmers are members of, so that there are two associations to carry out these matters. I shall not oppose this proposition, but it is useless; it is a pretext to shift something on to the freezing companies when there is no necessity for it.

*Mr. John Talbot* (South Canterbury Farmers' Union).—I shall be glad to hear what Mr. Wilson has to say about this. We may be getting into something worse than we have at present. Mr. Wilson was at the meeting last night, and representing the farmers, and I should be glad if he would give us his views on the matter.

*Mr. R. B. Bennett.*—I should like to say a few words about the other side of the question, dealing with the matter from the London end. We have heard the views of the gentlemen at this end, and with your permission, Mr. Chairman, I should like to refer to the other side of the question.

*The Chairman.*—You are speaking to the motion?

*Mr. Bennett.*—Well, no, not exactly.

*The Chairman.*—The motion is the adoption of the report clause by clause.

*Mr. Bennett.*—I think my remarks are relevant. Yesterday we had the views of a great many people from various parts of the country, who have been in London, and who have brought charges against the way the meat is dealt with at Home, and I should like to say something in defence of that. First of all, we had a gentleman from Scargill, who said he had been in Smithfield, and that it was dirty. Well, I have known Smithfield for the best part of thirty years, and have spoken to hundreds of colonials who have been there, and it is the first time I have heard that Smithfield is dirty. I want to remove an erroneous impression in that connection. Smithfield is one of the cleanest markets in the world, and there are inspectors inspecting it all the time. But the market begins at 4 a.m., and unless a man goes there then he will not be able to judge properly. Did this man go there at 9 or 10 a.m., or when? If you have thousands and tens of thousands of feet passing over the market—

*Mr. J. D. Hall.*—Tens of thousands of feet! Whose feet?

*Mr. Bennett.*—Of course, there would be litter all about the place. It was also said that the barges were not all insulated. They may not have been twenty-two years ago. Then another gentleman said that he was very well pleased with the way the carriers handled the meat, but after that the chaos commences. There is no such thing as chaos. Any one going into a machinery or an engine room who does not know anything about it thinks it is chaos, but it is order, only he does not know it. Another gentleman from Scargill said that the New-Zealanders went on muddling away, not knowing what they were doing, and he quoted the Argentine and American methods. If you followed those methods, you would not be allowed to hold this Conference, in the first place. They are in the hands of the Beef Trust, and they give the grower anything they like for the meat; the grower is not allowed to send Home consignments on his own account. He is not consulted in the matter at all. He has to take a certain price or go without. I have seen a man with a bunch of fat cattle hawking them all over the place, and because he would not take

the price of the Beef Trust he could not sell them at all, and did not know what to do with them. How would our farmers like that? If they do not like the prices offered by the freezing companies, they should ship Home on their own account. There is no use trying to compare Argentine and American methods with New Zealand methods. Mr. Wilson said that last year the farmers were largely responsible for the state of affairs. Last year, when the farmers were wanted to sell at a certain time at a certain price, they said the price was too low, and they would keep their stuff over a month. They kept it, and we know the result. Mr. Kettle said the main thing was to sell. My motto in London was, Sell—and repent, but sell. Why is it that the New Zealand farmers have such a suspicion of their own blood brothers? We saw a slight indication of it yesterday. They will not trust each other. Why not trust the London people? But, no, the New-Zealander thinks the London man is a robber—is always out to rob him. If you send a pen of sheep to be sold, and your pen does not get by a shilling a head what your neighbour's got, you do not call the auctioneer a robber. You say the sheep were not right, or the demand was not right. Then why not treat the London people the same? The London trade is a weather trade, and people do not understand that sometimes. Mr. Vavasour said there should be a Board of Control to fix the prices. How in the name of goodness could you fix the prices? The difference in the weather in the morning makes all the difference to the prices. If at Smithfield there is a nice bright morning, you may be short of carcasses, the sales are so good; and if it is a dull morning, there may be far too much. We have to study those conditions. It is a question which requires great judgment: it simply could not be regulated by anybody at this end. We are all working for our own and for other people's benefit, too. Is it not a fair thing to think we are doing our best. The law of supply and demand is eternal and inevitable, and the sole thing that guides us. The London people, it is alleged, do not know what is on the water, and do not know what is coming on. I have the *Meat Trades Journal*, and if you like to look up that you will find the name of the ship, and the total amount of lamb and mutton in her, and that is published every week. They know exactly the number of ships coming forward, and, in addition, every one of the mercantile firms writes Home to its agents notifications of each individual cargo. So that this information is sent Home the moment the ship sails, and the information is known at Home. The London people have been blamed a good deal, but there is one vital point that has not been touched on, and it is a very important one. The New Zealand farmer has never to take into consideration the fear that he is not going to get his money. He knows, if he sends his lambs to the freezing companies, or gives them to the bank or the auctioneer, he is going to get his money; he knows that. When we sell meat for any one at Home, we pay for it the moment we sell; but when do we get our money? There are other people here with just as much London experience as I have, and they will tell you that £200 a month is not much to lose on frozen meat. That never comes to New Zealand, but we have to stand it. The retail butcher cannot pay us cash, he does not get cash, and we have to take the risk. It is always admitted that if you have to take a risk, you have to get a bigger profit. A man says meat is selling at 4d., and it is being retailed at 8d.; but the latter is the retail price of a joint, and perhaps the man never gets paid at all. I ask the growers to think of that. Their money is sure and certain for everything that comes forward, but the London people have to stand the risk of the payment not coming in at all, although we always have to part with the money—give it up to you. I hope I have not taken up too much of the time of the Conference.

*Mr. Kinross White* (North British and Hawke's Bay Freezing Company).—I have often heard it suggested that meat in London might be sold by auction in the same way as wool. Perhaps Mr. Bennett, from his experience, might enlighten us as to the practicability of this.

*Mr. C. H. Ensor* (Canterbury Agricultural and Pastoral Association).—After hearing Mr. Bennett speak, it seems wonderful to us growers that the London people can live at all.

*Mr. Bennett*.—With regard to Mr. Kinross White's question as to selling meat by auction: It could not be done, because meat varies so much; the lines are not the same in weight, and not of the same suitability to buyers. Then, we commence our sales at 4 a.m., although there is no meat allowed out before 5 a.m. The buyers come round and pick the meat at 4 o'clock. That could not be done by auction, because the men have to actually examine the meat. At present a man is able to examine his meat and pick what he wants. I do not think the meat could be sold by auction at all for buying large quantities, because of the personal inspection. I do not think the grading could be done sufficiently to allow this. There is also the question of where the room could be found to hold the buyers.

*Mr. J. C. N. Grigg*.—What time does the meat have to be put out?

*Mr. Bennett*.—Not before 5 a.m.

*Mr. J. C. N. Grigg*.—When is it all gone?

*Mr. Bennett*.—It is generally gone by 8 a.m.

*Mr. J. C. N. Grigg*.—I was told that the objection to the auction business was that if the meat was sold by auction the amount of stuff could not be got rid of in the short time. There would be eight, or ten, or twelve sellers, all selling at the one time. The sample would have to be shown first, and then all the selling done in the one room, and that would mean that things would be so late that the butchers would miss the morning deliveries.

*Mr. J. G. Wilson* (Wellington Farmers' Union).—I should like to support this motion very much. It does not go far enough for me, but we are obliged to take what we can get in this world. If we only bring the freezing companies together and discuss matters, we shall have done a great deal. There is the danger, as Sir George Clifford pointed out, that the freezing companies might take their own individual view, instead of that of the producers; but we shall have to watch them. I think the freezing companies will take the motion in the spirit in which it is offered. We desire them to come together and discuss these matters, and give every consideration to these suggestions. I am quite prepared to take any risk of the freezing companies combining together against the producers; I am quite sure they will not combine against the producers.

*Mr. T. E. L. Roberts* (Scargill Farmers' Union).—I do not consider that the present conditions are perfect, as alleged. This first resolution seems to be taking the power away from where we should wish to have it, and leaving it with the freezing companies. Of course, the farming community wish to have a little more say in the matter than they have had in the past. As to the handling of the meat at the other end, a gentleman has said that Smithfield is one of the cleanest places in the world. Possibly my notion of cleanliness is very different from his. If meat I am supposed to eat can be thrown down amongst straw (I do not know how long this litter has been lying there; the gentleman did not tell us how often it was removed: but my observation showed it had not been removed for a considerable time), and thrown down without cloths over it, that is not cleanliness.

*The Chairman*.—I do not think, Mr. Roberts, you are speaking to the motion.

*Mr. Roberts*.—I think I am, Mr. Chairman. At any rate, my remarks apply as much to the motion as Mr. Bennett's remarks do. I say, if meat is thrown down on straw, without cloths, I do not think that is cleanliness. A great deal more in the way of cleanliness is wanted at Smithfield Market, and there is no use people coming here and saying that everything is perfect, or as good as it can be, for we know that such is not the case.

*Mr. A. S. Paterson* (Dunedin Chamber of Commerce).—As representing the Dunedin Chamber of Commerce, I wish to acknowledge the courtesy that has been extended to the Chambers of Commerce in inviting them to be present here to take part in your Conference. I regard it as an indication of breadth and inclusiveness on the part of the promoters of the Conference. I wish to make a few observations from the business man's point of view upon the various questions that surround the first and second resolutions. In the first place, I should like to say that the ordinary business man thinks that, first and last, the farmers have been exceedingly well cared for in the matter of this frozen-meat industry. In the first place they have been very well cared for by the shipping companies, who not only have provided in a magnificent way for the growing requirements of this trade from time to time, but who also by capital and otherwise have assisted the farmers very seriously in the problems that they have had in setting the various freezing companies upon their feet, and the freezing companies themselves seem to have done nobly for the farmers. Not only are most of them co-operative concerns, but even those which are not might be said to have done noble work for the farmers. Look at it in this light: The average dividends and profits earned by the freezing companies have not been large. In cases where they have been the very largest, the most that could be said in any case perhaps is that the original capital has doubled—I think there is a case of that, but not more than one, I think. But the farmers have had their values far more than doubled by the freezing companies, and in that way it could be said that the values gained by the freezing companies are not more than commensurate with the values earned by the freezing companies for the farmers. Then these splendid concerns built up by the freezing companies are at the disposal of the farmers for the marketing of any line of sheep, large or small. It almost strikes an outsider with admiration to see the extent to which the farmers' interests have been safeguarded and protected in connection with this business. Even the smallest lots are individualized and treated separately. I am not saying that is altogether a good thing. I am rather inclined to think that the pooling of these small lots ought to be of great advantage. Small lots are troublesome from the beginning to the very end of the business. They are troublesome in every respect: they are troublesome at the freezing-house; they are troublesome in the discharge of the ships, and in the cold-meat store, and everywhere else. Delays take place through the individualizing of these small lots, and keeping them separate one from another, and exposure is very often the result in London. A small lot waiting for its barge is put out into the sun, and deterioration takes place; so that I think the pooling of these smaller lots would be an indication that the organization of the trade was advancing. I should like to indicate one or two other matters which are not here mentioned, bearing upon points surrounding these first and second resolutions. I venture to say that it strikes the ordinary business man, looking at this business from outside, that one of the reforms which seems to be called for in connection with it is that each one of these freezing companies should have its own office, its own establishment, in London, for the purpose of looking after its interests there. Nothing has struck me more in listening to the whole discussion yesterday than this: that all the difficulties, and troubles, and complaints connected with this business seem to be at the other end. At this end the difficulties of the business have been conquered, and there is no cause for complaint. The complaints are all at the other end. Then, it is there that the chief attention of the freezing companies and those handling this business is required, in order to see that the distribution and the marketing is brought up to the same degree of perfection that the freezing, and shipping, and preparation, and so forth have been brought up to here. I do not see how that can be done unless by those who are chiefly interested in the business being on the spot there to look after it. I was much struck, sir, by a sentence in your speech yesterday, in which you said that the New Zealand farmer when his stuff came to London could not look after it himself. That is quite true. But the nearest that he can come to that should be done, and I take it that the nearest is this: that those freezing companies in which he is interested, and to which he hands over his interests in his carcasses, should be in London to watch, and to study, and to find better methods of handling, and marketing, and distributing, and everything else connected with the trade—shipping, including redress of grievances that may be alleged from time to time against the business as conducted at the other end. There is another reason why I think every freezing company should be represented in London by its own staff, and should handle its own meat, and that is that a lot of business which a freezing company handles is sufficient to be treated in that way, and is too great to be treated in any other way. Look at it this way: I suppose it would be only an average freezing-house the value of whose produce would be, say, half a million pounds a year. When there is £400,000 or £500,000 value to be handled in one spot, the concern chiefly interested

has got to be there, and to take that business in hand itself. I do not think there is any business connected with the colonies where that amount of value is intrusted to any other body than the virtual owners, who stand to make profit or loss out of the operations that are being carried on; and in a sense it is not at this end but at the other end that the profits and losses of the freezing companies are made. It depends upon the price they get in London, and whether they get the uttermost price and the best conditions, as to whether the business is going to be profitable at this end or not. The volume of these companies' capital is sufficient to pay the expenses of such an establishment, and at present where is the commission on this £500,000 going? It is going to build up the goodwill of some concern in London, while it ought to be going to build up the goodwill of the concern which is making the profit or loss upon the carcasses. To show that it is going to build up the goodwill of another concern, take an instance like this: I am acquainted with a case where a producer from this colony went to London with his account sales for produce in his hand, and he said to the agent who had sold the produce in London—an agent of high-class standing and the best repute—"I want to know who bought this produce of mine." "What do you want to know that for?" said the agent. "I want to go and see him, and talk about it, and ask him some questions," was the reply. And the answer was, "No; that information belongs to us; that is our affair." Well, whether that be true or not, I think that most people, when they come to consider it, will admit that it is the business of the freezing companies handling these cargoes to know all that is to be known about them not only up to the time of their being sent Home, but up to the time they go into the consumer's hands, and make an absolute study of the business from the beginning to the end. The whole expense of this, I again say, may be very easily covered out of the commissions which are at present paid for the handling of the produce. Perhaps in some respects the principal matter standing in this Order Paper of ours is the question of control. Much has been said and thought about the control of the meat trade. I think Mr. Murray in speaking yesterday finally disposed of that, and showed the impossibility of anybody controlling the sale of the meat. There is no room, in my opinion, for control, but there is in some minor respects, at any rate, I think, room for regulation rather than control. For instance, it has been notorious in connection with this meat business (I have happened upon it in London over and over again) that in one week they will have as many as four steamers arriving from New Zealand with large quantities of meat. Now, sir, there is nothing that staggers the market so much as these heavy arrivals all at once. We have heard already about the particulars of the shipments afloat being known in London. Well, any merchant will bear out what I say, that statistical information does not always affect the value of produce. Very often when the statistical position is going up, and up, and up, the value is going down, and the opposite is often the case too; but there is one thing that does affect the price—and most affects the price of a perishable article—and that is the congesting at one point of more than can be handled by the ordinary appliances for handling it; and it is when these huge arrivals take place, when everybody is wanting to sell, that the most severe pressure is put upon the market, and that the lowest prices are reached. I therefore suggest as well worthy of consideration of the trade whether you could not do the same with meat as with butter and cheese—make it arrive in London in periodical shipments every five, or six, or ten days, or whatever may be considered necessary, for so many months at a time—at any rate, deliver the stuff in London gradually.

*Mr. M. C. Orbell* (British and New Zealand Meat Company).—In this recommendation I notice that one question—it is a very important one—has not been referred to, and that is with regard to the carrying or shipping of our mutton and lamb. I am surprised it was not referred to yesterday. I do not think any gentleman referred to it at all. We know that the shipping interest looms very largely in connection with this trade, and without their assistance we cannot expect to regulate the trade as it ought to be regulated. I must refer a moment to the cold-storage question, because the shipping companies are greatly interested in the quantity of stuff we have in our works here. It has been argued that we want more cold-storage. My opinion is that if the stuff is frozen, and taken away as it matures, there will be no glut in these works or in the London market. We have accommodation in the colony for one-third of the output of New Zealand; in Canterbury we have about the same, and in London very nearly the same. In view of those facts, I think that as to the stuff, if taken when frozen and sent forward judiciously, there will be no complaint about storage. I am convinced that if that were done, as I say, there would be no glut. I think that in great measure the glut last July was caused by the shipping companies—they were in a measure responsible. The shipping companies are the only people who can assist us in this matter. They have assumed control of the shipping from the very start, and very wisely so. I think that the freezing companies can do more for us now than any other proposition, but with the aid of the shipping companies. I do not believe you can propose any scheme that may not interfere with some vital interests of other associations—mercantile houses, and so on. There is very little hope of carrying out any such thing to advantage. I agree that the freezing companies should make arrangements with the shipping companies, but I do not believe in their contracting for five years to carry stuff; I think that is a very wrong and unwise policy. I have no doubt that the shipping companies will fall in with ordinary business proposals, but we find that last year there were five vessels loading up all at the same time, running round the colony at the same time: that showed that there was more stuff in the works than there should have been. Had the stuff left the colony when it should have left, there would have been no five vessels leaving the colony at the one time, and no glut in the market. I think the freezing companies should take the initiative in this matter. At the Conference in Wellington Mr. Nelson said that the freezing companies were the custodians of the trade, and the sheep-farmers had to listen to what they had to say; that the freezing companies had to lay down the lines on which the farmers went, and stick to them. I say the freezing companies can do a great deal for us in connection with the shipping companies. I am surprised that the committee last night did not say something about the shipping

companies. They must know that the shipping companies are much interested (more than people imagine) in the freezing companies—perhaps that is why it was lost sight of; but, at any rate, I hope that the shipping companies will come forward now and do what they can to put the meat trade in a better position.

*Mr. A. H. Turnbull* (Canterbury Chamber of Commerce).—Mr. Chairman, I should like to congratulate the committee appointed late yesterday on the recommendations made, and put before us this morning. I claim to know this trade from the producer's point of view, as well as from the merchant's and from the freezing company's point of view. I think the speeches yesterday displayed a littleness and a lack of knowledge of the conditions that the people concerned should have been ashamed to bring before this Conference. In regard to the recommendations of this committee, I think it is remarkable—but it is only what we might have expected from the gentlemen appointed—that they have got the gist of the matter so quickly, have got the salient features which called for attention. I would like, sir, to refer to one or two trifling matters very briefly. One speaker said the Argentine could accurately foretell what quantity of meat was going on the market. To illustrate that, I might quote the estimates cabled out from time to time, which were vastly different from the actual shipments. [Figures quoted to show this.] The Argentine, apparently, are in no better position to forecast their shipments than we in New Zealand. With regard to the recommendations made in connection with the freezing companies: Sir, it is to the freezing companies, and to these alone, that the producers can look for remodeling and reorganizing the trade. The freezing companies represent the producers. Even if they do not, and are proprietary companies, then their interests end in securing all the advantages they can to the colonial shippers, because that redounds to their own interest. Bills of lading are also a most important matter. What is known as "clause 21" in the bills trading to the west coast I consider most objectionable. It is, indeed, generally considered of such an objectionable nature that the Australian Government has overridden it—has made a special provision that no conditions should be outside its own paramount clause. Of course, we know that the colonial offices have increased their rates very much, owing to heavy losses, but nevertheless I say that the trade now is as clean and well looked after as it can possibly be. So much better has supervision become in the payment and analysis of claims that whereas 75s. 9d. was at one time the rate, insurances can now be effected at 2½ per cent., and that not only includes the risk from the time the meat is delivered at the works up to two months, but also two months at the other end. That shows that matters in that connection have been very vastly improved. The question of c.i.f. & e. contracts is also a very important one. It is to be regretted that last year a much larger proportion of the meat was not sold in that manner, because the people at the other end would then be more interested in keeping up the prices. I also agree that discharges should be better looked after. In regard to insurance and quality claims: We in Canterbury know nothing of these, nor do the companies in Wellington. Quality claims are practically a thing of the past in regard to Canterbury and Wellington. The quality claims for last season would be covered by 1s. per cent. Where careful grading is done, and first-class meat sent, good prices are obtained, the buyer is satisfied, and the transaction is ended. If you do not send first-class meat, or do not attend to the grading, the whole of the shippers must be penalized; and therefore the Canterbury and the Wellington companies deserve the very highest commendation they can possibly obtain from the producers for the efficient manner in which they have standardized their grading, resulting in their paying higher prices to the producers here. I do feel—and I speak as one knowing all points of the trade—that the matters of importance in the trade should be arranged by the freezing companies in conclave assembled from time to time. A suggestion was made that no contract should be made for a long term for freights. The people making the suggestion do not know anything about the business. Do you mean to say that any company would build high-class ships, such as we have now (for the longest voyage in the world, and the losses are extremely light)—would any company, I ask, build ships and put them in the trade without long contracts? The trade cannot be hawked about from year to year; the idea is utterly absurd.

*Mr. Orbell*.—The Australians do it now.

*Mr. Turnbull*.—Yes, and suffer for it. You have to pay extra freights from Australia from ¾d. to 1d.

*A Voice*.—Only ½d. now.

*Mr. Turnbull*.—I contend that the shipping companies have treated the freezing companies in this colony, and through them the producers of this colony, in a most liberal manner, and they have gone to an expense altogether beyond what might be reasonably expected. There is one other point in dealing with this storage accommodation in connection with the shipments which has been lost sight of, and that is this: that there is very large storage accommodation in the principal cities of the United Kingdom, and also that a considerable proportion of our trade has gone to the west coast. It is a very valuable trade for our colony, and I do hope the shipping companies will take that into consideration, and insist on having better accommodation on the west coast, for our trade there has grown immensely during recent years. [Statistics quoted to show this.] In connection with the mutton used there, it is, I may point out, a class of meat we are very glad to get rid of without loss. That trade wants looking into and improving, and I recommend it to the freezing companies to ascertain how and in what manner it can be extended and improved.

*Mr. F. de C. Malet* (Christchurch Meat Company).—I rise to mention a fact that may be of some interest to some of the members here, but not news to others resident in this district. The information may be of interest, as I say, to the Conference. Some years ago the Christchurch Meat Company found it necessary to institute a London office, and that office has been working now for some time with a highly paid gentleman at the head of it, who has been connected with freezing companies in this country. Our officers and staff at the London office are well up to their



work, and we have found the office exceedingly useful. Of course, it is the most satisfactory—far and away the most satisfactory—way of doing our business. I am not reflecting on the agents now, but I think ours is the best system to stick to. We have over a million of stock (about 1,300,000) passing through our hands, and in dealing with that we are a buying company, and therefore conduct our own business, and the business of our clients as well. Of course, we do not own the 1,300,000; we merely deal in it. I am sure that the establishment of a London office has led to the most satisfactory results. I leave the Conference to draw its own conclusions. Other companies might do the same thing if they chose to go to the expense. We have had no difficulty in handling our produce, and a very large amount of it, in a most satisfactory way in our own London office.

*Mr. C. A. De Lautour* (Gisborne Sheep-farmers' Frozen Meat Company).—The information given us by Mr. Malet is of great interest, but, of course, what is possible in the case of a great company is not possible in the case of other and smaller companies. At the same time, I have felt for a long time that combination to the extent that it was possible is eminently desirable; and I see no difficulty whatever (I think I may say so) in a complete organization of the freezing companies of the North. But whether our common interests can be sufficiently identified as to make that a colonial organization of freezing companies can only be found out by our meeting on a common platform and discussing among ourselves.

*Mr. J. G. Wilson*.—Hear, hear.

*Mr. De Lautour*.—I agree with Mr. Wilson that the resolution so far as it goes may be of great advantage to the producers of New Zealand. We all might fancy the addition of this matter or that, but if the foundation is firmly established, under the influence of this Conference, of a complete understanding between the freezing companies of New Zealand, and of the definition at least of common ground on which there can be union, this Conference will have obtained very valuable results. I should not like it to go forth even as a suspicion that the freezing companies are unwilling to organize and meet together. Certainly that is not so of the freezing companies with which I have any connection or have had the pleasure of meeting. We have found quite recently that all the companies of New Zealand have been able to meet, with exceptions which probably were quite justified in the case of your Canterbury companies, on common ground; and, although we had not much time to consider other matters of grave importance to the farmers, I have not the least doubt myself that in all matters indicated in this resolution, and in many other matters that might be added, we can attain very valuable results for ourselves as companies and for the farmers of New Zealand. Take our own instance, standing isolated at Gisborne, with such a question of insurance, convinced that the farmers are not getting value for what they are paying at the present time, and that they are not sufficiently protected for the money they are paying, what can we do as an isolated company? We have put out overtures, so far as we have ventured in our humility to do so, to all other districts, and gradually a feeling has grown up that an organization is a necessity not only on insurance, but on other matters. It was with great reluctance that I had to vote against the resolution yesterday, proposed in a modified form by Mr. Vavasour; but I had to do so simply because it affirmed the principle of control by holding over at this end—a principle that, so far, I am not converted to. I listened with great interest to everything that was said yesterday, but nothing fell from any speaker that convinced me that holding over in New Zealand, creating a vacuum which would be immediately filled by our competitors, and educating those who at present deal in New Zealand goods quite permanently, to go elsewhere, could be of advantage to the farmer. Still, I am open to be convinced, and perhaps something of weight may be said later on. I rose to say that, so far as the company I represent is concerned, I welcome organization, and we will do everything in our power to advance it; and if we are able to define common ground, that is the great object of this Conference. It is clear from yesterday's proceedings that you are not on common ground, but all climbing on your own platforms. As I might say, there was no queen-bee of sufficient potency to draw you all together after her.

*The Chairman*.—I shall now put again clause 1 [Carried unanimously], and formally move the adoption of clause 2 of the report, which really follows on clause 1.

*Mr. R. D. D. McLean*.—I second that.

*Mr. W. Murray* (Christchurch Meat Company).—I do not purpose to detain you long by speaking to this motion. I think it only right that I should voice for my company, the Christchurch Meat Company, our glad willingness to meet the wishes of the Conference, and, if possible, to find common ground. I may say that, in common with Mr. De Lautour, we probably realize more fully than it is possible for an outsider to do the great difficulties of finding common ground. The interests of the various companies and the interests of the various districts are very complex; probably only those who are in close touch with the work can understand how difficult and complex many of the problems are. At the same time it would be wise, I am quite convinced, to meet, in order that we may endeavour to find out where and how far we can work combined for the benefit of both companies and producers. I merely rise to say on behalf of my company that we shall do everything we can to facilitate such a Conference.

*Mr. J. E. Makgill* (Auckland Farmers' Freezing Company).—In rising to speak to this second recommendation of our committee, I do so from the position of representing a freezing company, but entirely a farmers' freezing company. From that position I can speak freely as a producer entirely. I think, in this matter of the permanent committee which is suggested to be set up, it was an exceedingly good suggestion; only I think it would be better if we put it in this way: that we made the meeting of the delegates from the various farmers' associations, agricultural associations, farmers' clubs, and so on, an annual matter, and from that Conference have our committee annually elected. To my mind the position is this—speaking entirely as a producer—and I think it explains to a large extent the position taken up by many of our delegates: We as

farmers have not given this trade, which is so vital to our interests, the consideration or attention that we should have done. This position, I consider, has been to some extent brought about by the very fact which we perhaps are slow to realize: that the companies who have built up this industry have done it so very thoroughly and satisfactorily that we have been lulled to sleep. We have been satisfied, and therefore have not taken sufficient interest to get to the bottom of the trade ourselves. I think that really is the position. It is our ignorance, in fact, that has caused us to suddenly spring into a state somewhat of excitement over our reverses which took place last year. If we appoint a committee, it should be a committee which will act not only as collecting information, but as an educative body to the farmers throughout the Dominion. We should have a Conference much more wide than a permanent committee set up to watch these matters. We should have a permanent Conference, an annual Conference; and from that Conference appoint the committee to go into the minor details, and report—report to the different associations that sent delegates; and in that way, to my mind, the country will gain vastly in educative points in this trade—such points as are mostly required amongst the farmers. It is such a very large question that it is utterly impossible to really get to the bottom of the matter unless one gives one's life to it. It is an always-changing trade. It is impossible for the farmer to attend to his own business and attend to the trade as well. At the same time, I think, if we increase our knowledge, we shall find that we are being looked after fairly and satisfactorily. I do not say there are not very many points that cannot be improved—there are; but I think such improvements will be brought about by the farmer taking an intelligent interest in the business, and pointing out what seem to him to be errors, and being educated as to what they really are, and seeing whether these errors are simply due to misunderstanding on his part. The methods were mentioned of the American organizations, and I think we do not want those methods; but at the same time I feel that there may be—it may be due to my imperfect knowledge of the trade—some light gained here, some improvements to be brought about by more co-operation in dealing with the position. We should watch the possibilities of such organizations, and it is for us farmers to do that, and to encourage the companies who are doing the business to organize. Of course, this is what we are doing now; but we are very apt to let it remain at that, and say, "Oh, well! we have passed that resolution, asking the companies to meet." I think we should certainly keep an eye on them as far as we can, to see that they are carrying out what our wishes are. But, as to a trust, or anything in that line, as it is understood by the American methods, we certainly do not want that. Still, I think there is that point, and I think it is a very great point: that we are a little apt to go on in confidence. Things are fairly good, and we see threatenings from various points, but we do not wake up to what is necessary to be done. Britons are usually like that—they wake up after the battle is done; and I think we should aim at waking up a little before, and keeping a sharp eye on what aggression there may be. The whole crux of what I have been getting at is the suggestion that we should alter this second proposition from a "permanent committee" to make the Conference an annual one, with the power to appoint a committee.

*Mr. Roberts.*—I second that.

*Mr. J. McQueen.*—A committee set up is usually set up by a body or association that continues in existence. We should first form an association, I think, and then form a committee. We have met here on this occasion, but there is no provision for meeting again, and yet we propose to appoint a permanent committee. Well, a permanent committee is always objectionable. I think the committee should be appointed temporarily, and asked to report at some date. I think it would be a good idea if we arranged to have the committee appointed once a year.

*Mr. C. H. Ensor.*—Could the committee appointed last night give some idea of what they expect this committee to do, as proposed to be set up? Are they supposed to watch the interests of any certain part of the community? It seems to me that it is a pretty strong federation that we are setting up with these freezing companies.

*The Chairman.*—I may mention, gentlemen, that I have been asked by several representatives of freezing companies to state that in the event of clause 1 being carried it should be suggested that the representatives present here should meet at the luncheon adjournment in the little room adjoining this, and discuss the question of the advisability of holding a Conference, the place where it should be held, and who should be the convener. I think, if they discuss those questions now, it might save months of correspondence. It wants some one to take the initiative, and they can decide among themselves who shall be the convener of the meeting.

*Mr. Wilson.*—They would be able to report to the Conference before leaving this town.

*The Chairman.*—Of course they *could* do so, but it is in their hands entirely whether they do so or not.

(On the motion of Mr. J. C. N. Grigg, it was agreed that the time-limit for the remainder of the proceedings should be five minutes.)

*Mr. Makgill.*—My suggestion is, That an annual Conference of representatives from any farmers' organizations throughout New Zealand be held, from which the committee be elected, to consider the replies of the freezing companies.

*Mr. John Talbot* (South Canterbury Farmers' Union).—This is a committee that could be set up for, say, one year—that we should carry on this Conference, and then possibly elect a committee again. I think that is a much better plan than setting up a permanent committee. It would give more life to the discussion. A permanent committee would probably shelve the whole thing, and there would be the end of it. Let the committee in the meantime take all the steps it considers necessary, but do not let us have it a permanent committee.

*Mr. F. de C. Malet.*—I suggest that the committee should be appointed by the Conference, and that will meet the objections raised to a permanent one; the committee to stand for a year.

*Mr. N. Kettle.*—Would it meet the case if the word "permanent" were taken out?

*Mr. Makgill.*—I do not feel inclined to accept that. I should prefer to put my amendment.

*Mr. George Sheat.*—Does Mr. Makgill wish that this Conference should consist only of farmers' representatives? What good are we going to do?

*The Chairman.*—Evidently he does. However, I put the amendment.

Amendment lost.

*Mr. F. de C. Malet.*—I move that the word "permanent" be struck out.

*Mr. Hall.*—I second that. The word "permanent" was inserted because there was not much prospect of having an annual meeting. I sincerely hope we shall have an annual one. I think we should certainly have some term for the office of the committee, and later on somebody may move that this meeting be convened within twelve months.

*The Chairman.*—I put the motion, That the word "permanent" be struck out from clause 2 of the report of the committee.

Carried.

The Conference then agreed to adjourn the debate until the close of the address by the Minister of Agriculture.

*The Hon. Mr. T. Mackenzie* (Minister of Agriculture).—Mr. President and gentlemen,—Like Mr. Paterson, I thank you for giving me an opportunity of being present. I have had, as you know, in former years the pleasure of taking part in conferences here in connection with agricultural matters, and in that connection I might say that many of the names of those who took part at that time are still on the list of representatives, but it is their sons who are taking their places, and the fathers have passed away. One is pleased to see that Sir John Hall is represented here by his son, and Mr. John Grigg, Mr. Ensor, and many others. It is an indication to us that the work in connection with agriculture is being well carried on by worthy sons of worthy men who have passed to their rest. I now come to deal with some of the points that have been raised—not that I for one moment suppose it is within my power to add much to the excellent information that has been given by those closely associated with the trade. You have been dealing with many important questions and problems that will take the very best ability and the greatest experience to solve, if they are capable of being solved beyond the point reached at present, so far as the industry is concerned. You have the questions of control, of pooling, of the difference between wholesale and retail prices; the question is also raised as to providing increased storage here and at the other end, and also that there shall be a board to dominate prices; the question of insurance also has been raised, and damage claims. I shall in my remarks deal with them as I pass along. The question of the history of the industry has been touched upon, and it is indeed gratifying to New-Zealanders to know that it has prospered to the extent that it has prospered; and one who has watched the development of that industry cannot but feel that those who have been associated with it, both the farmers and the freezing companies, have done noble and excellent work, and the conditions of the distribution on the part of some firms in the Old Country are excellent, no matter what may be said to the contrary. There are freezing companies in this Dominion who have by their close attention to their work developed the industry to an extent hardly possible under any other conditions to develop it. Their grading has been excellent, both as to weight and quality, and therefore any antagonism that might be thought to exist between one section interested in the meat business and another section handling the meat and distributing it should not have a place at any gathering; you are here to work together mutually for the further development of your interests. In 1884, Mr. Thomas Brydone, who was really one of the main founders of the trade, I remember, had a great discussion, and he computed that about 300,000 would be the entire surplus of sheep sent from this country. I wonder what he would say to this last year's figures of nearly twenty times that amount! At that time he said that the London importation was ten million carcasses (or hundredweight); but from here we are sending more than five million carcasses of meat. I believe that I am right in saying that if the frozen meat imported into the Old Country since the establishment of the trade is about 140,000,000 carcasses, this Dominion has sent nearly half of that. It is computed that the freezing-works of the world now are able to turn out no less than half a million tons of frozen meat yearly. I read a very interesting paper by Mr. Critchell, an authority on the subject, saying that the value of the frozen food imported into Great Britain was £338,000,000 sterling. And yet Mr. Brydone and Mr. James Davidson, another worthy promoter, and others in the early days were laying before their friends what they thought necessary to reform the trade, on the basis of a possible 300,000; and it is interesting to find that the very points you are now discussing were the very points they were discussing. Mr. Brydone said on one occasion that the great glut was caused by reason of the irregularity of shipments. And by reason of the same thing last year you got an enormous glut—because in London you received in one month as much as had been exported during the preceding three months. Now we come to deal with the points raised here and at recent meetings. It is held that it is largely a question of supply and demand. Sir George Clifford took that view a little time ago in discussing affairs in connection with the frozen-meat industry. I am not able to take that view of the situation. It seems to me that if we had free trade, free international trade, and supply and demand, there would be an entirely different position in this country at the present time. The free operation of the law of supply and demand is just what does not obtain. Do you mean to tell me that the dominating influence is not held by the meat-brokers of the United States! That is shown by the report of the Commission presided over by Lord Robert Cecil, stating that, although it has not influenced the price in London, it is a fact that that trust is influencing the prices of meat in the provinces. Do you mean to say that we have supply and demand exemplified when we cannot get access to numbers of markets on the Continent of Europe at the present time, in countries which have absolutely consumed nearly three-quarters of their own flocks within recent years! I refer to France and Germany. In Germany in 1873 the flocks were nearly twenty-five million; now they are less than seven million and three-quarters. France in 1873 had thirty-two million, and she is down to seventeen million;

and there are a hundred million fewer sheep in the Continent of Europe at the present time than there were thirty years ago. In many part of France they are paying 8½d. to 10½d. for horse-meat. It is not a question of supply and demand at all; there are restrictions of trade which are preventing our getting better prices. Again, in this system of claims for quality and damage, allowances are sometimes made which enable men to undercut others, and that has also an influence on prices. I shall not enlarge further upon that, but come now to the point raised of concentrating your meat in the Old Country. I know that it is felt that some better system of distribution might be adopted there. Whether that is possible or not it is for those more experienced in the trade than I am to determine: it is some ten years now since I was actively engaged in the trade in England. We have it from a gentleman speaking here that he considers regulation rather than control is essential. But during my time in the Old Country, ten or twelve years ago, I was much impressed with the unsatisfactory condition of the selling of meat at that time, and I thought it necessary to establish some centre through which the produce of New Zealand should go. You will remember that in those days the system of selling meat on the Smithfield Market was to place it in the hands of salesmen charging 2 per cent. No doubt much of the parcel reached the ordinary value, but it was sold often in driblets, and great dissatisfaction resulted. It was contended that the whole amount obtained for the sale was not credited to the vendor. Be that as it may, I did not do much trade on those lines. Afterwards I followed the line of selling my meat *ex ship* c.i.f., and nominally I obtained for the people here the market value. I use the word "nominally" advisedly, because owing to the system of claims we often had claims for quality as well as damage, and the rates were correspondingly high and the returns lessened. There was great difficulty in getting for my clients the values I thought satisfactory after deductions were made, and it appeared to me that some central place was necessary to dispose of New Zealand meat. I searched about, and there was a site of 18,000 sup. ft. near Smithfield, and the Metropolitan Railway connected it with the docks. I submitted a scheme I had carefully thought out, which I believe would have placed our meat trade on a satisfactory footing, and have brought a satisfactory return from the investment. I laid that scheme before many men travelling Home from New Zealand; but not one, with the exception of Sir John McKenzie, gave it any attention. He was very enthusiastic, and said that if I came out to New Zealand I should have means placed at my disposal to carry out the scheme. Unfortunately, Sir John's health was not restored, and other circumstances arising, the scheme fell through. Still, I have information as to places where the meat can be well held, and the full results brought out to the people here. The question was raised by Mr. Kettle and by Mr. Hampson regarding the ability of the Old Country to continue to receive the increasing quantities of frozen meat produced by New Zealand. Mr. Kettle thought the six million (it is a little over five million really) might be increased to ten million, and our friend from Nelson stated that he was quite satisfied that the Old Country could take a very great deal more, and he gave us the humorous story about the man saying that our shipments might fill only one shop. Now, my opinion is that we have pretty well reached the normal consuming-capacity of the Old Country at the present prices. I think that ten million carcasses is about the limit, because we exceeded that, and we know the result. But what have been the increasing amounts that Great Britain has been receiving in the shape of frozen meat? In 1904 her total imports were seven and a quarter million carcasses; in 1908 they were over nine million carcasses, and in 1909 over eleven million carcasses—an increase of nearly four million carcasses in a little over four years. And our other markets are not as good as they were formerly. South Africa took a great quantity from the Argentine and Australia; but that has almost entirely ceased. In 1904 it took from the Argentine—I think it was—over six hundred thousand carcasses, or thereabouts, and now it is down to ten thousand; and from Australia there is a decrease, but not so great. Now, the point one emphasizes there is this: If we can from New Zealand, from our twenty-four million sheep, send more than half the normal quantity of sheep to Great Britain, where are we to be in the face of the Argentine and Australia, with flocks aggregating six or seven times what we have—something like 165 million sheep? I therefore think that the outlook for the frozen-meat trade under present existing conditions is not too bright. We, of course, know that if there is great industrial development at Home, there will be a greater consuming-power—but before I deal with that let me mention a point in connection with the grading. Although there are not perhaps now so many claims for "not up to quality," it is an undoubted fact that in many instances has been brought about by freezing companies refusing to sell; and I know it is a serious fact in connection with our dairy-produce that they have succeeded in introducing a clause which allows them to determine the value by Home arbitration; and that is an exceedingly unsatisfactory thing. I now come to an important point, which has been very much touched upon at this meeting, and that is the question of damage, which Mr. Ewan Campbell has asked me to deal with. My friend Mr. Kettle stated there were firms at Home combating it. I hope there are. Mr. Vavasour stated that it was impossible to sheet it home, but during my experience in the Home market I did not find such a great difficulty sometimes in sheeting home the real position. Mr. Chamberlain said that if we solved this matter we should have done a very great deal of good. We were told by Mr. Turnbull that the conditions were very much altered; and yet we have it from Mr. Lysnar that 12 per cent. of the mutton their freezing companies are sending Home is assessed as damaged, and that there is little against which damage is not claimed. Regarding the question of insurance rates: Eleven years ago cover could be obtained at 45s., although in some instances there was a higher rate charged. I know myself of a cover made for £25,000 at 45s. If this question of damage is being rectified, what justification have the insurance companies for increasing their rates from 45s. to 50s., and to 65s.? Here we have a state of things emphasizing unsatisfactory conditions with regard to the claims made on frozen meat. To illustrate this I shall give half a dozen examples of a varied nature within my own experience. First,

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

been able to read, the same method exactly is still continued of assessment, which is unsatisfactory in the highest degree, and it should be corrected. I am quite sure that if the freezing companies resolve to correct it, they can do so. I know of the existence of this so well because I occupied the dual position at the time, and that enabled me to get a double insight—I was managing the insurance company that had to pay the claims, as well as selling the meat. With regard to the future prospects of the trade: I think that, with certain alterations of a wider nature than mere local circumstances, there is a fair promise. The world has been going through a depression originating at New York in 1907. I think there are no disastrous results left behind, but the trade of Great Britain suffered, and our trade suffered. We notice now signs of a revival of trade in connection with imports and reimports in Great Britain. [Figures quoted.] This is a very hopeful sign. I might here refer to what is the basis of what is going to lead up to a worldwide prosperity, and that is the extraordinary increase in the world's production of gold. It was that that saved the situation in America, when 20,000,000 sovereigns were sent from Europe to relieve the situation. Owing to the increased production of gold in the world, the bankers of Europe were able to continue their obligations without interfering much with that money. The world's increase of gold is abnormal. I was reading in a paper the other day that since 1881 until now the world has produced as much gold as it did from the time of the discovery of America in 1492 by Columbus until 1880. The sum produced during the last twenty-nine years as against the other was £1,381,000,000, as against £1,384,000,000, which will be the amount at the close of the present period. That is going to give a great impetus to trade, and if we can bring about—what I sincerely hope to see brought about—a better system of access for our produce into other countries, we in this country and the Old Country will share in the increased prosperity. We know that these are most debatable points; but when we recognize what is involved in the matter in this respect, that for our foodstuffs the only market is Great Britain, and when we know that the total quantities now being produced, together with our rivals' quantities, are likely to be more than they can succeed in consuming, unless an abnormal development of trade takes place, then we realize that there is cause for grave consideration. If Great Britain shares in the world's prosperity, and employs her people, there is no doubt there will be a vastly increased consumption. If we get some system of preferential trade established, we shall see a great amount of prosperity not only in connection with the Empire, but in part we shall share it here. To show you our difficulties at the present time, and how alarmed our competitors are, I may refer to the action of the Germans when the question was being discussed by our statesmen that there should be freer trade within our Empire. What did that leading paper say the other day in Germany? Will the nations of the world, it was asked, stand silently by and allow the British people to bar the free access of their German goods to British ports? If they dare do anything of the sort, it was said, those ports will have to be pierced with a German sword. No wonder that Mr. Balfour was indignant at that extraordinary statement. Have we not the same right to extend trade facilities to our own people that any other nation has? We see the Germans negotiating with the United States of America at the present time, and forming treaties with other foreign Powers; and if these things go on it must be apparent to us that we have to adopt some form of combination to fight other forms of combination. I am strongly of opinion, therefore, that much of our prosperity is to be discovered by the prosecution of a system of preferential trade. Of course, the Germans may complain. They did when Sir Wilfrid Laurier extended the concession to Britain; but he replied, "If you extend to us the same privileges that Great Britain extends to us we shall certainly be only too happy to extend to you the same trade relations." I was going to refer to the question of retail prices at Home. There is a very excellent report of the proceedings held some time ago in connection with the differences between the retail prices and the wholesale prices for meat. It is a very exhaustive report, furnished by the British Parliament, and there is no great disproportion in some instances. I know that one company will sell a whole carcass at 1d. advance on what they pay for the whole parcel, and send it some distance out of London. When you see prices quoted for London shops, you must not be led away by that. Go into the slums, and see the rates at which the meat has to be thrown away after it has thawed. I think a great deal can be done by regulation. I do not know who is going to organize, as suggested, at the other end. It is a very big contract. I, personally, on behalf of the Government, may say that I shall be only too happy, as far as lies in my power, to assist any decision you may come to. I am desirous not only on behalf of the farmers, but on behalf of those putting their money into our great industrial enterprises, to see that they are a success. But we must combine against combinations. It is an undoubted fact that the Meat Trusts have already a great hold. If half the things written about them are true, it looks as though they would extend that hold to a point certainly injurious to us. But I would note this: If all these various interests in Chicago can bury their little private prejudices and unite, is it impossible for those of us in this country to bury our private prejudices, and unite on a more common ground for the purposes of placing our produce under better conditions regarding the regulation, and shipping, and storing of the meat? I am delighted to hear from the representatives of the frozen-meat trade that they are prepared to discuss this subject with the farmers' representatives. I am sure this Conference will result in great good. Of course, the farmers may not have placed their case so well as the freezing companies—they are not so accustomed to placing their cases before the public; but that note will be taken, and that efforts will be made within the lines of public utility, I have not the slightest doubt. I must apologize for keeping you so long, and thank you for the kind and patient hearing you have given me.

*The Chairman.*—I have to propose a hearty vote of thanks to the Minister.

*Mr. F. de C. Malet.*—I beg to second the Chairman's motion of thanks to the Minister for his most interesting address delivered to us.

At 12.45 p.m. the Conference adjourned till 2.30 p.m.



At 2.30 p.m. the Conference resumed.

*The Chairman.*—We now come to the 3rd clause of the report of the committee, and I formally move the adoption of that clause, reading as follows: "Regarding remit No. 1, That frozen meat should be consigned and sold, as far as possible, through an organization of producers, or a Farmers' Co-operative Distributing Association, in order to bring the producer and the consumer into closer touch, and that a company should be formed for that purpose if necessary, the committee considers that the time is inopportune, seeing that there are several other co-operative companies in existence, and considers the present facilities sufficient for disposing of frozen meat."

*Mr. Albert Kaye (Christchurch).*—I have much pleasure in seconding the adoption of that clause. This Conference has brought before us many matters that we have not thought over before, and I think this question of distribution at Home is very largely misunderstood by many of our farming friends. I hold in my hand a specimen day's delivery to country buyers; it is a detailed account of one day's operations of a company in London as regards their country orders, and on this particular day they received 757 orders, and distributed in England and Wales 2,103 sheep, 2,761 lambs, 358 hinds of beef, 463 fores, besides 2,389 pieces mutton and 2,185 pieces beef. I want you to realize this—our farming friends particularly: that if this can be done by one firm, what a very large amount of attention is really paid to these deliveries into the country districts. I do not think they realize the immense amount of trouble taken at the present time to exploit these country towns. In all the principal towns most of the big operators in London are represented; and if this large amount of orders, or anything approaching it, can be filled by one company, you can imagine how the meat is being well distributed right throughout the length and breadth of Great Britain. It ought to be recognized now that there are a great many men who have gone from this end of the world who are thoroughly acquainted with the meat trade from the beginning of it to the end, and we surely ought to believe that amongst the large number who have gone there are a fair number who are honest men, and that the interests of New Zealand producers can be freely intrusted to their care; and I think that this resolution that the committee have come to is the right and proper one at the present juncture. We have not only men there on account of the large companies who have such a splendid reputation, but we have also farmers' co-operative companies who have their own representatives there, and they, at any rate, whatever they have failed in, we may suppose do their best for the farmers. I have much pleasure in seconding this resolution of the committee.

*Mr. W. G. Lysnar.*—I shall at this juncture propose the adoption of the minority report, and in doing so I think it is necessary for the Conference to appreciate the distinction between the parties here assembled to-day. I think that is the first point, and I think that a good deal of misconception has arisen at this Conference in the attitude that the freezing-works representatives have adopted, and the mercantile community, in assuming that the producers have a grievance against them. I do not intend to make any complaints or cause a war against them. We have no complaint against the freezing companies from the producers, as far as I know, and I speak as a member of a freezing company. There is no complaint against the freezing companies. But there are four classes of people interested—the freezing companies, the shipping companies, the seller or speculator, and, last but not least, the farmer. The interest of each is entirely different.

*A Voice.*—No.

*Mr. Lysnar.*—Somebody says "No." That will be a representative of the meat trade, not a farmer.

*Mr. Roberts.*—Hear, hear.

*Mr. Lysnar.*—At any rate, I can show where there is a great difference, I think. Then the second point of misconception is this: There is an idea going through the gathering that it is at this end the complaint is. It is the other end entirely that we wish to regulate. We have merely gathered here to invite and ask the aid of the freezing companies and other mercantile people interested, to extend their influence to the producers, who are not so well acquainted with the ins and outs of the trade. I ask you to show where the representatives of the freezing companies or the mercantile community have made any suggestions for reforms. They have stood up and objected to anything suggested, but they have not proposed anything in its place. They may have some suggestions to make presently, but up to this time no real aid has been offered by the mercantile people to the producers. The committee in this report practically tells us that everything is satisfactory. Now, I venture to say that is not the opinion of the farmers from one end of this Dominion to the other.

*Mr. Roberts.*—Hear, hear.

*Mr. Lysnar.*—They feel things are not satisfactory, and it is no use this Conference dispersing saying that everything is right, when we know full well that everything is far from right. If we take the discussion that has arisen over the damaged meat, and over the necessity of pooling, it must be at once admitted that something is necessary to be done; and I regret that while the Minister of Agriculture was speaking, a remark I had made and some figures I had quoted were challenged. To show you that my remarks in that respect were justified and should not have been challenged by Sir George Clifford, I have been handed a bundle of bills of lading since I came to Canterbury, and they support my case still more strongly. I have the figures here. They are all recent transactions, and I can quote the ships; and if anybody questions my statements, I have the permission of the person holding these bills of lading to show them to the Chairman. As far recent transactions, and I can quote the ships; and if anybody questions my statements, I have Canterbury Frozen Meat Company, 365 sheep shipped, 39 damaged, equals 11 per cent. My statement to this Conference was that from 10 to 13 per cent. was damaged in our district. I did not know then you were in the same position.

*A Voice.*—Who are the salesmen?

*Mr. Lysnar.*—I cannot tell that. But the Chairman is at liberty to inspect these documents.

*Sir George Clifford.*—Our company has been mentioned, and I am willing it should rest at that. But an isolated instance proves nothing. I protest against the affairs of other companies being quoted to their detriment. Isolated instances of bills of lading are of no possible use to establish Mr. Lysnar's contentions.

*The Chairman.*—I think, Mr. Lysnar, you had better quote the quantities, and not the names of the companies. I think it is a pity to mention names.

*Mr. Lysnar.*—Very well, Mr. Chairman. I have taken four companies' shipments—two companies in this Island and two further north. They are the four largest companies in this Dominion.

*Sir George Clifford.*—I say this, again, is mentioning companies, though not by name. I think that is an evasion of your ruling, and I again protest.

*Mr. Lysnar.*—I do not wish to introduce anything to cause unnecessary friction—certainly not to evade the Chairman's ruling.

*Mr. F. de C. Malet.*—He always protests, sir, that he is not doing it, and he always does it. Really, it is not fair to ask people who represent companies here, with their duties to their shareholders, to get up and justify the company before such a Conference as this.

*Mr. Lysnar.*—I now proceed. Lamb, 173, by "Paparoa"—25 damaged, equals 14 per cent.; lamb, 549, "Wakanui"—80 damaged, 14 per cent. Another company: 257, "Star of Scotland"—59 damaged, over 20 per cent.; another lot of lambs, 69—14 damaged, 20 per cent. Another company: Sheep, 646—63 damaged ("Tongariro"), over 10 per cent.; another line of lambs, 564—130 damaged ("Tongariro"), over 20 per cent.

*A Voice.*—I think you might leave the shipping companies out of it, too, in the naming of ships.

*Mr. Lysnar.*—Still another company: 112 sheep, "Turakina" carried them—12 were damaged, which equals 10 per cent.; another lot of lambs, 126, and 8 were damaged, about 6 per cent. (that is the lowest yet); another lot of 191 sheep—30 were damaged, equals 14 per cent. Now, I think, gentlemen, that proves my case, and I may say that I quoted my own averages for my own sheep that I have shipped, and I have also in Gisborne taken out—not recently, but two or three years ago—a return compiled by the largest sheepowner in Gisborne to-day, showing his averages worked out as mine did; and at another meeting, where we were assembled as a lot of farmers, I made such a statement, and two gentlemen who were large owners said their account sales did not show that. I got an order from them to get the account sales, and I proved that these did establish my statements that the damage claims were 10 to 13 per cent., although these men did not know it. I am sorry, therefore, that Sir George Clifford denied my statements.

*Sir George Clifford.*—I still deny them.

*Mr. Lysnar.*—I took these bills of lading of the different boats as they came, not picking them out, and they absolutely prove my statements to be correct, and Sir George's to be wrong. Now, I promised to show that the farmers were interested in a different way from other people. Mr. Paterson said that the average dividend of the freezing companies had not been large. I ask the farmers not to take any notice of that. I can tell you our own experience, and it applies to other companies if they have worked on the same business lines, and they work probably on better lines. We started with a capital of £15,000, and we own works worth nearly £100,000, and we have not paid a dividend of over 5 per cent.; and yet last year we made a total of £32,000. That was our earning last year.

*A Voice.*—How did you treat the farmers?

*Mr. Lysnar.*—Our articles limit us to 5 per cent.; and I say, if that is applicable to one company it is applicable to other companies, especially when those companies are on better business lines than the Gisborne company. Then there is the question of the shipping companies' interest: To-day we are paying 50 per cent. freight rates more than we used to pay. And we may take a lesson from the experience of Australia. They are the same distance from London, and they ship less meat, yet at the present time—at any rate, within the last eighteen months—they are getting far and away better rates, and that puts them at an advantage as compared with us. Negotiations are pending, and it is within practical reach that we shall get on to the Australian basis of freight rates, and it is to be regretted that the sheep-farmers of this Dominion have tied themselves up with long contracts. It is not in the interest of the farmers to do this. It is the producers and not the freezing companies who pay the rates. If we got on to the Australian basis, £37,000 would be the difference to the Gisborne freights. These mercantile people, such as Mr. Kettle's company, get from 10 to 15 per cent. on our freight rates.

*Mr. Kettle.*—That is an absolute untruth; it is absolutely wrong, and I deny it *in toto*.

*Mr. Lysnar.*—I have your own accountant's statement in Gisborne for it.

*Mr. Kettle.*—I absolutely deny it.

*Mr. Lysnar.*—Well, I can only say that your accountant said that it was so. Either you get it, or somebody else gets it. Some people in this room know quite well that the mercantile people are getting 10 per cent. on the freights.

*Mr. Kettle.*—That is absolutely wrong.

*Mr. Lysnar.*—That means that 12½ per cent. would represent £37,000 the mercantile firms would lose on the Gisborne freights. By amalgamation, wool rates have been reduced to an enormous extent, resulting in a loss to the shipping companies of £202,500. No wonder they object! I shall content myself, however, by saying that I think we should ask the Conference to approve of this motion—it is only a safeguard to the producer; and we should ask the shipping companies, and the freezing companies, and others here assembled to approve of this report, and not disapprove of it. It does not affect them one iota, and it will help the farmer immensely. There are other matters I should like to bring out and show that there is real cause for complaint;

and I say that there are some things in respect to which we must look to the Government for; but I shall not take up more time now—I shall take another opportunity to deal with that later on.

*Mr. J. D. Hall* (Canterbury Agricultural and Pastoral Association).—I second that, Mr. Chairman. It falls to me to second that amendment, seeing that I am the other member of the minority committee. I never felt greater regret than when I sat to deliberate with that committee last night, when I had beside me men with much riper experience than mine, and whose opinion I valued, and yet I could not agree with them. I really think it is more due to a misunderstanding than anything else that the report came down in the form it took in regard to this particular paragraph. The point to which we took exception is the statement in clause 1 that the committee considers the present facilities are sufficient for disposing of the frozen meat. It all depends on what you call "facilities." I do not think there is anybody in this room (except that fearless gentleman, Mr. Turnbull, perhaps) who will attempt to show that the insurances and the methods of adjusting claims, &c., are satisfactory. I cannot subscribe to that part of the report; and it has necessitated the desirability of bringing down something further, and that is what Mr. Lysnar drew up last night, and which I now beg to second. You have heard the statements that have been made by the Hon. the Minister with regard to what took place within his knowledge. You have heard the statements with regard to the damages supposed to occur, and unless I am perfectly well satisfied that those statements are incorrect, and that the damage is incorrect, and that we have not to pay higher rates this year in consequence, I cannot say that the present facilities are sufficient. If they are not sufficient, I think it is part of the duty of the associations and unions representing farmers, great and small, to do all they possibly can to see that they are rectified and remedied. In regard to section (a)—that we consider the reform can be best brought about by arranging with an institution carrying on its business on co-operative lines, whose interests cannot come in conflict with those of the producers, for the sale of the produce in England on a more equitable basis than at present: We did not contemplate that we should inaugurate another institution, and go out to seek capital. We quite recognize that in that we should have a very uphill game to fight, and it would be doubtful if we could accomplish our object. But we did think it desirable that information should go forth to the farmers who have lambs to sell that this, in the opinion of this representative meeting of farmers and business men, is the method by which they will obtain fair prices for their produce; that it will be sold under conditions in London which are as little defective as possible; and that is what they may fairly and reasonably ask to know. If it happens that this report of ours is misunderstood to the extent of thinking that we are going to set up an institution, or depot, or office to control the prices or regulate the trade, I should like to say straightaway that you are absolutely mistaken; and I think Mr. Lysnar will bear me out in that. There is one point about the matter, too, and that is this: When it was first suggested that this Conference should be convened, it was some time before November, and the president of my association did not think it desirable that the meeting should be convened hastily, that the matter should be considered hastily by the Canterbury Association, and we had to wait for a month for our Show to be over; then we had to give ample time for you to consider whether it was desirable you should be represented, and now we have come towards the end of January, and the season is far advanced; and if we are to wait the result of the deliberations of the freezing companies, which I understand will take place, further time must elapse, and the season will be still further advanced. I think that if a committee could be set up (I do not mind how it is set up) to go into this question, and let the farmers know what are the best lines on which the farmers can conduct the sales of produce, it would be an excellent idea. If it is thought that there is any suggestion that we should interfere with the local buyers, that is not my opinion. The more we see of them, the more we like them; we welcome them every time; we will give them all they want—except our lambs at a reduction.

*A Voice*.—Do not interfere with us when we want to organize for our own protection.

*Mr. Hall*.—Well, the farmers have not had a very rosy time lately. A million of money from this country means a shortage somewhere. We are already thinking what we shall have to lend money at in March. We shall really have to raise the rates. Take a farmer with a little block of land, who is liable to have his income reduced by a drop of 30 per cent. I have to move in connection with insurance matters later on, and it would be absolutely inconsistent that I should concur in the report of the committee saying that facilities are sufficient, when I am going to move later on that they are not.

*Mr. Borthwick*.—In reply to Mr. Lysnar, sir, I think it is only fair that I should say why it is we cannot all make such good profits as the Gisborne Farmers' Company. I have had experience of putting bullocks through those works with 20 lb. of fat, and through our own at 65 lb. fat. Wool is also sometimes kept by that company, and they state openly that they do it, and therefore do it honestly, but it is a source of profit to them to no inappreciable extent in the course of the year. And so with other matters.

*Mr. A. L. Joseph* (Christchurch).—I have great pleasure in supporting what Mr. Borthwick suggests. I am a farmer and a freezer, and I have frozen with the Gisborne Farmers' Company, and I know they are not a liberal people to the farmers at all. They keep their pelts, and out of that they have made £10,000 or £12,000—made at the expense of the farmers; and as far as their freezing is concerned, it is not equal to that of any other good company in New Zealand.

*Mr. W. Murray* (Christchurch Meat Company).—Mr. Lysnar has made some sweeping charges relative to the amount of damage on carcasses of frozen meat. He made it clear that these statements also applied to the Canterbury meat. Sir George Clifford very properly took objection to the manner in which Mr. Lysnar brought forward those remarks. Now, we have heard a great deal about damage, and I do not for a moment wish to say that insurance matters are quite on the lines we should like to see them, and we hope in time to have them better; but in view of the sweeping charges as to 10, and 12, and 15 per cent. damage on carcasses, I can only inform you

that quite recently, acting on the experience of the results obtained from my company's own business (as my chairman, Mr. Malet, mentioned, we handle something like, 1,300,000—no small percentage of New Zealand's staple output)—I say, acting on the experience we have gained in connection with this business, only some few weeks ago my board decided after full consideration to carry a very appreciable portion of the damage risk ourselves. Now, gentlemen, I only mention that: I do not go into particulars. Is it likely, if we had been face to face with such a great problem as Mr. Lysnar has indicated, that we should not have found some solution long ago? Mr. Hall has stated, in speaking to the motion, that in framing this minority report and placing it in front of us he never for a moment contemplated, and it was not contemplated at all, that fresh capital should be sought to form a fresh company in order to carry out the objects of the resolutions as they come forward. Well, if some fresh organization is not formed to bring about all these marvellous reforms, might I ask Mr. Hall if he thinks it right, and proper, and a fitting thing that this Conference should be asked to put its *imprimatur* on any particular institution conducting freezing business at present?

*Mr. Hall.*—Certainly not; I merely say that any company doing business on those lines should be supported by the farmers.

*Mr. C. H. Ensor.*—Mr. Murray said something about marvellous reforms. Well, he was speaking very strongly on the damaged-meat question, and I hold here an account sale for lamb sold last October in which out of 566 carcasses there were eighty damaged carcasses. Now, that seems to me, as a grower of lamb, a most extraordinary thing, that that amount of damage should take place with the carcasses landed at the other end. I give the freezing companies here the best credit they can deserve for handling the farmers' produce in a most systematic and careful manner. I think the organizers of those companies, the people who run those companies and have made those companies, deserve every credit for forming and carrying them out in the way they should be done. Our meat is handled perfectly, I think; we hear no complaints at this end; the only complaints are those which come from the other end, such as damage claims for eighty out of 566. That seems to me a great loss to the men who produced those lambs. After they take the trouble to rear and land them in London, and then have them rejected! They were stored, in this instance, by the Union Cold-storage Company for one month, which is a very large storage company, holding storage in a great many parts of the world. While talking about storage, I might say that the cost of storage at the other end is very nearly double what it is here, and I cannot see any reason why it should be practically double. It should cost no more to erect stores at the other end than it does here. We store our stuff here on the railway-line. We can send stuff from Belfast to Pareora if we like, and meat may be sent from the freezing-works to Hornby, and stored there until it is wanted. If the meat can be moved about and stored in this country, why not at the other end? Why should stores be built on expensive ground at the other end, and a double amount be charged? I am certain it can be stored here and there practically at the same price.

*Mr. H. D. Vavasour.*—I quite agree with the last speaker and with the minority report, and with the sentiments of it. As I have stated before, there is very much to be looked into in the conducting of the meat trade in England. I was corroborated by the Hon. Mr. Mackenzie, and every word that he said in the matter he put far more emphatically than I did, and I am not going over the ground; but I may say that when I was Home in 1880 I went fully into the matter, and I was asked to give my opinions on the matter by the Press Association. I said then that the insurance companies complained that certain firms were in the habit of making a good thing out of those claims, consequently the rates had to be high. Some companies had threatened to refuse to insure frozen meat, thus raising the rate. The average rate was 42s. 6d., running up to 60s.: if the meat was properly looked after all the time the rate should not exceed 25s. The trouble is that the meat is not properly looked after. The Americans do it. I am perfectly in friendly relations with the companies in New Zealand, especially with the Christchurch Meat Company; but I can only say that my experience is this, and it is corroborated by the Hon. Mr. Mackenzie: that we have a grievance as sheepowners that the meat is not properly looked after at the other end. It is for the benefit of the freezing companies and every one else if some steps are taken to have the trade properly supervised in the Old Country.

*Mr. Kinross White* (North British and Hawke's Bay Freezing Company).—I think, sir, that a good number of the claims for damage that have taken place during the last season have arisen through the enormous amount of meat thrown on the London market at the one time, and that the facilities were not sufficient to cope with it. We have clean bills of lading so far as our works are concerned; but this year the claims for damage have exceeded the premiums by a few pounds, and I have had intimation from London that the premiums for this year will be required to be raised on that account; but I believe that this year claims for damage will not be so excessive as they have been in the past. I have only been running a freezing company for twenty-five years now, and I know the difficulties there are in building up a freezing company, and I have seen a great number of freezing companies go down in New Zealand. I think it is wrong altogether for any gentleman to say here that freezing companies have been making excessive profits. So far as we are concerned, I think about 2½ per cent. would be our average in that long term of years; and how many freezing companies in New Zealand are there who have gone right through without getting into pretty tight pinches from time to time?

*Mr. A. H. Turnbull* (Canterbury Chamber of Commerce).—Mr. President, I am not shipping as many lambs as Mr. Lysnar, but I claim that I know a good deal about the subject. The fact that you can insure for 2½ per cent. for two months, as I explained before, surely shows that the rates are fair enough. However, I quote the report issued by the Department of Agriculture, which has an important bearing on the subject. The grading in Canterbury and Wellington leaves nothing to be desired, and the farmers and the freezing companies in Canterbury, and the carrying companies, are all working in the very best interests of the trade, and the producer is fully

represented, as the boards of the Canterbury companies show. [Mr. Reakes's report quoted at length.] I hope the committee which has been set up to-day to represent the producers in this colony, in the shape of the freezing companies, to some extent, will take these things into account, and take such account as they think fit to remedy whatever is wrong, and that is the way in which they can do a very great deal. To my mind this is the most important point: As producers we have to see that our grades are kept up, and then there will be much less trouble in regard to damage claims.

*Mr. J. G. Wilson* (Wellington Farmers' Union).—Mr. Hall said he thought the original report was passed under a misapprehension. I may say that it certainly was, so far as I was concerned. I read the proposal which you see on the paper as No. 1 to mean that this Conference should recommend that a further company should be started. I could not see my way to support that; I thought there were quite sufficient companies now; there are too many, I think, as a matter of fact; it would be better to have fewer men in London than more selling our mutton; and on that ground I could not support it, unless further argument showed it to be necessary. But I should be very glad to see that the minority report was passed, for this reason: In the butter trade every person who does not go to London, and does not see the way the butter business is conducted, thinks always that his butter is sacrificed by his agent. The butter people thought the best thing to do would be to put their hands in their pockets, and send a man Home on their own account. We did so; we pay £1 per ton in my company, which sends this man Home to live in London and report upon any subject upon which we write him. He there represents the interests of the producer, and is distinct from any person in the shape of merchant or agent, and we look to him to tell us of the abuses, and of the advantages to be gained by any alteration in the trade there. Every year or two he comes out to New Zealand, and meets the people who subscribe towards this fund, and gives them a confidential report; and by that means the farmer is really in a position to know how his trade is being done in London. That is a subject which the ordinary farmer does not know here. I think it would be a very good outcome of a Conference of this kind if the farmers would really put their hands in their pockets (they are quite well enough off to do that). They ought not to go to the freezing companies or the Government, but they should send Home a man of their own, to be a confidential adviser and watch their interests. The producer would then have expert and confidential advice as to what was being done, and then I think a great many of the misunderstandings that have taken place in the end would be disabused altogether, and very likely we should get a better system of doing business. That was the idea I had in suggesting resolution No. 2 in the report; and we could find out from the farmers themselves if they are willing to send Home a man. There is a great deal of suspicion in the minds of the farmers which could be allayed, I think, in this way: A good man could be selected, who should be well paid for his work, and many of the ideas the farmers have now that they are underpaid for their produce would be disabused. For that reason I should like to see the farmers support the proposition to send Home a man of their own.

*Mr. J. McQueen* (Southland Farmers' Union).—Sir, we had a committee of twelve appointed, and there are two reports, and I think we might very well adopt the report of the committee as a whole. The questions raised in the minority report should be separate motions. With regard to the question of insurance and damage: Up till this last year the question of damage has been for a great many years a very minor one. The claims for damage have been very slight; and, although I have been shipping on my own account a little from year to year, my attention was scarcely called to the damage, it was so little; but, as in every case where there is a slump in the market—in grain or any other produce—you will have a large number of claims made for damage at that time. The people will try and make a better bargain than they really had by raising claims. Now, it seems to me unfair that account sales should be selected, and the percentage given of the damage. I would like to ask what was in the ship—what percentage of meat was damaged in the whole ship. I could quote instances where all the meat was damaged, but it would be unfair to quote that as an example of the state of the cargo. When the trade gets back to its normal, which I believe will be this year, from that time onwards, and during the time of normal conditions, you will have very little trouble with claims for insurance. The temptation is always there for the buyer to make claims, but the seller or the insurance company ought to see that these bogus claims are contested.

*Mr. A. E. G. Rhodes* (New Zealand Shipping Company).—I did not intend to speak at all, Mr. Chairman, but I should like to say, as far as the New Zealand Shipping Company is concerned, they have heard of no considerable claims for damages in their ships at all. As for 14 or 15 per cent., they have never heard of it. The rates in Australia were claimed to be very much less than here: as a matter of fact they are 3d. less. I might mention that I have just telephoned to the New Zealand Shipping Company, and have found that the average damage in its ships is a few broken shanks, and nothing like the damage mentioned by Mr. Lysnar.

*The Chairman*.—I shall now put the minority report.

Motion lost—12 for, 25 against.

*The Chairman*.—I shall now put clause 3 as it stands in the report of the committee.

Carried.

*The Chairman*.—We now come to the last clause, "That it be a recommendation to the committee to consider the question of cool-storage in London," &c.; I therefore beg formally to move this.

*Mr. H. D. Vavasour*.—I second that.

Carried.

*The Chairman*.—In carrying this recommendation of the committee, clause 2 provides, I may point out, that a committee should be set up. I think we had better deal with that now, and I shall therefore ask you to nominate a committee.

*Mr. A. Chamberlain* (Canterbury Agricultural and Pastoral Association).—I beg to move, That the committee elected yesterday act as a committee for the ensuing year.

*Mr. C. H. Ensor*.—I understand this Conference is to receive a report from the freezing companies, and—

*The Chairman*.—Do you second this motion, Mr. Ensor?

*Mr. Ensor*.—No, sir.

*Mr. R. H. Rhodes*.—I second the motion.

*Sir George Clifford*.—I think probably it would be better to hold a fresh election for this committee, so that perhaps more producers might be better represented, and perhaps the freezing companies not quite so strongly represented. I therefore propose a fresh committee.

*The Chairman*.—I second that. I think that would be advisable considering that the committee has to confer with the freezing companies.

Carried.

The following gentlemen were then nominated for election on the committee: North Island—J. G. Wilson, N. Kettle, J. A. Macfarlane, R. Reynolds, A. H. Russell, Isaac Gray; South Island—J. Talbot, C. H. Ensor, W. D. Stewart, E. W. Relph, R. Evans, J. D. Hall, H. D. Vavasour, A. H. Turnbull, J. P. Newman, F. Waymouth, D. D. Macfarlane.

*Mr. Hall*.—I have to suggest that the election should be by ballot, and that ballot-papers should be sent out to the persons invited to this Conference. It is the most important part of the business that we have transacted during the whole of the Conference, and I think it is worthy of a little more attention than it will get between now and 5 o'clock.

*Mr. Makgill*.—Do you not think, Mr. Chairman, that it would be a good suggestion to make this committee elected by the agricultural and pastoral associations in both Islands?

*The Chairman*.—That would take so long.

After some further discussion it was resolved that no director of a freezing company be eligible for the committee.

*The Chairman*.—As only six names have been nominated for the North Island—viz., Messrs. Wilson, Kettle, Macfarlane, Reynolds, Russell, and Gray, I have to declare these gentlemen elected.

*Sir George Clifford*.—I am glad to be able to report that, without a single dissentient, and without a single dissentient argument, the representatives of the freezing companies decided to hold a meeting for the purpose of considering the request of the Conference; that they further appointed the Canterbury Frozen Meat Company to convene the meeting, and as soon as the boards have time to consider the problems put before them they will convene that meeting. Naturally it will require some little time before it can be done, but I can assure the Conference that no unnecessary time will be lost in bringing the matter forward.

*The Chairman*.—We now come back to the original Order Paper, down to remit No. 8, to be moved by Mr. Vavasour.

*Mr. McQueen*.—I should like to know if remit No. 14 could be discussed first, inasmuch as the various gentlemen who were interested in this have to retire in a few minutes.

*Mr. Lysnar*.—It is quite impossible to rush matters through in this way. Remit No. 14 requires a great deal of discussion.

*The Chairman*.—I think we had better take Mr. Vavasour's motion first.

*Mr. H. D. Vavasour* (Marlborough Farmers' Union).—I shall not detain you more than a few minutes. Remit No. 8 refers to the fact that not sufficient attention has been paid to the matter of shipment to ports other than London. I think there should be more consideration given to this matter. Take, for instance, Manchester, where they have almost unlimited storage—a store half a mile long and three or four stories high; and it is quite a different trade in Manchester from London. In the manufacturing counties, the bulk of the stuff is thin stuff, and it will very easily take our second-class trade. Then, again, there is the Continental trade; that ought to be worked for all it is worth. There was a Conference held when I was in England in 1908, but since then we have heard nothing about it. I simply move that the committee set up by this Conference take into consideration the advisability of making shipments to other ports than London.

*Mr. F. de C. Malet*.—I second that.

*The Chairman*.—I now put the motion, gentlemen.

Carried.

*Mr. W. G. Lysnar* (Gisborne Farmers' Union).—I have to move remit No. 10, "That steps should be taken to regulate shipments as far as possible from New Zealand, to suit requirements and stocks held in London and afloat." I would suggest this: that we should utilize our storage-space at the end of the season. We should not do anything to check the flow of frozen meat as it matures, and we cannot expect the freezing companies to keep their rooms overloaded all the time; they must keep a certain amount of room. We could fairly ask the freezing companies to assist the producer in this matter. It is to the interest of the freezing companies to get clear of the stuff as quickly as possible. Where there is a glut the freezing companies for a consideration could give extra storage, so long as they had the room. That would be an advantage, particularly at the last of the season—to hold the freezing-works full as long as possible, and simply eke out the shipments. If we at the end of the season can hold in our storage-rooms in this Dominion one-third of our output, we can help to ease down the rush at the other end. If this had been followed during the last depression, it would have helped matters considerably. I think too much altogether is being made at this Conference, and by the mercantile section of the Conference, of the depression. The grievances we want to get right extend over years back, not simply during the last period of depression. We should not attempt to check the flow, but I say that for a consideration the freezing companies might hold over the stuff at so-much per month, and in that way at the end of the season one-third of the total export could be held for two or three months. I think, too, this Conference should impress upon the farmers the necessity of the farmers themselves trying to



regulate the trade. They should regulate their feeding to extend their killing as long as possible. That should be a suggestion to the farmers of the Dominion. They should fatten early and then fatten late, so as to extend the killing season as long as possible. I think this remit No. 10 may do good and can do no harm.

*Mr. W. G. Foster* (Wellington Meat-export Company).—Do you propose that the farmers should place the stuff they kill in the hands of the companies to hold as long as they like?

*Mr. Lysnar*.—No; so long as the market requires, in the farmer's own judgment. Let the companies say to the farmers, "If you wish storage, we are going to stop killing at a certain time, but we will store for you for so-long." At present the freezing companies bustle the stuff out as quickly as possible into the ship.

*Voices*.—No, no.

*Mr. Malet*.—I rise to a point of order: The mover resumed his seat and then got up again, and I do not think this motion has been seconded.

*Mr. Lysnar*.—I was answering a question. I am subject to the ruling of the Chairman, of course.

*The Chairman*.—The motion has not been seconded.

*Mr. C. H. Ensor*.—I shall second that motion simply for the reason that I consider, if we want to make use of the storage here, let us do so. Sir George Clifford told us there was storage for two and a half million sheep, which is half the output of New Zealand, and if we want to make use of that storage let us do so.

*Sir George Clifford*.—Yes, but there is no freezing company which denies storage to any reasonable amount; but you must put a maximum or a minimum number which they can be compelled to take. It would never do to keep the freezing-chambers chilled for a number of sheep which would be out of all reason so far as the cost is concerned.

*Mr. Murray*.—I can confirm what Sir George Clifford has said, that in Canterbury so far as my company is concerned we have been able freely and readily to meet all the demands made upon us in the past; there requires to be no resolution so far as this district is concerned.

*Mr. Borthwick*.—I have never been refused storage yet by any freezing company in New Zealand.

*Mr. Kettle*.—I think the remit is fair and reasonable as it is worded. I am rather surprised at Mr. Lysnar talking about the farmer holding back his stock, when he knows very well that it depends upon the feed how long the stock can be held back. It is different in Canterbury, where you are feeding upon turnips. In the North we are dependent on grass, and we have to send forward the sheep when they are ready. If the dry season comes in, we find that the farmers must and do rush their stuff into the freezing-works, and beg the works to take it before it gets beyond freezing quality. I should suggest that it would be very reasonable to expect every freezing company to have storage accommodation according to its killing-capacity. I think that is reasonable, and it would get over all the difficulties of storage. It is not a good thing to hold stuff in New Zealand in store, because we all know that every week it deteriorates.

*The Chairman*.—I should like to ask how it is proposed to regulate shipments. We do not recognize the Government or the freezing companies as controlling authorities at all. How do you propose to regulate the shipments?

*Mr. Malet*.—If you read the resolution you will see that steps should be taken to regulate the shipments as far as possible. But when this Conference rises, who is to take action to give effect to this resolution? The resolution is incomplete. This is an abstract statement, and instead of being a Conference this will soon be a debating society. Surely there must be somebody appointed to give effect to this resolution.

*Mr. McQueen*.—I think we should not allot that work to any one; it cannot be done; the motion should be passed as it is. I suppose Mr. Lysnar, as a North Island representative, might think it would be a good idea to hold back the South Island meat until the North Island meat is marketed. We in the South Island do not like to keep the sheep eating our dry feed any longer than we can help; we want to get rid of them, and we are quite ready to take the market value; we want them frozen as soon as they are ready.

*Mr. Lysnar*.—In reply to the Chairman's question, my idea was that the producer should regulate that, but the accommodation should be given to the producer by the freezing companies.

*Mr. J. C. N. Grigg*.—Any of the freezing companies will give that space. We have always given space to the farmers when they wished to store. You cannot compel anybody to store, but it is to their own good to store. You might as well ask the London people to clear the stores so that there will be space for the meat; they do.

*Mr. Lysnar*.—In reply to Mr. Kettle: I think Mr. Kettle could not have been following my remarks in the first instance when he said that we have to consider the weather and the feed. I realize this; but I say we should not stop the flow of our stock. That was the principle upon which my remarks were based: as the flow comes in, it must be dealt with; if it is possible to hold back the carcasses for a while, so much the better, but it is not possible to hold back the stock indefinitely. I regret that Mr. McQueen should make such a ridiculous suggestion as he made just now, and try to point out unnecessary difficulties.

*Mr. Malet*.—Pardon me, sir, but this is Mr. Lysnar's third reply.

*The Chairman*.—We shall now take the motion.

Motion lost—For, 10; against, 14.

*Mr. C. H. Ensor* (Canterbury Agricultural and Pastoral Association).—I have been asked to propose remit No. 11, "That it be a recommendation to the Conference that a representative be appointed to represent the New Zealand producers at the Vienna Congress next September, with the view of opening Continental markets." I dare say you know there was a Congress held in Paris to promote the interests of the refrigerating industry, to bring before the Continental people

our frozen produce. In September, 1910, a Congress will be held in Vienna, and it was thought desirable that a representative should be appointed from this meeting to represent New Zealand's frozen-meat produce. At the last Conference, in Paris, there were two thousand delegates, and the President of the French Republic was the President of the Conference; so that you will see that a large amount of interest was taken in that Conference. At that Conference the Argentine producers made themselves very conspicuous by issuing in great numbers a smartly got-up pamphlet descriptive of their products, and this was issued by the Argentine Government. All those delegates in this way became interested in the frozen produce of the Argentine. For this Vienna Conference I should suggest that this Conference asks our Government to also issue pamphlets, and possibly send a very influential representative to the Conference as well. I therefore beg to move remit No. 11, and add a suggestion that a recommendation be sent to the Government to send, if possible, the Minister who attends this Conference to-day (the Minister of Agriculture, the Hon. Mr. T. Mackenzie).

*Mr. R. D. D. McLean* (Hawke's Bay Agricultural and Pastoral Association).—I second that. We should certainly not be behind the Argentine in being represented at the Vienna Conference.

*The Chairman*.—I should like to support the motion. If New Zealand sends a thoroughly competent representative, he should not only advertise in the way of pamphlets, &c., but the Government should also have a model freezing-chamber with frozen mutton in it. I might just mention that as soon as the Conference was over the French Government raised the tariff by 2d. per pound.

*Mr. Malet*.—I understand that all the proceedings of the Paris Conference were conducted in French, and about 95 per cent. of the people did not understand a word of French. I hope, if the Government sends a representative to the Vienna Conference, we shall see that he understands German. I think it is perfectly certain the proceedings will be conducted in German.

*The Chairman*.—Still, there are thirteen languages spoken in Austria now.

*Mr. Malet*.—But one language will be selected, and our representative should know that.

*Mr. Ensor*.—I think there were interpreters at the French Conference, and the reports were reported in English, French, and other Continental languages.

*Mr. Malet*.—Still, I do not think the translated views of Mr. Jones would carry much weight; it would be the same old sausage-machine grinding out all the speeches.

*The Chairman*.—I shall now put the motion.

Carried.

*Mr. J. D. Hall* (Canterbury Agricultural and Pastoral Association).—In moving remit No. 12; "That it be a recommendation to the Conference to inquire into the rates and conditions of insurance against damage," I have to say that I think the question of insurance, and the consequent cost to the shipper, is of so much importance that I have written out my remarks, and I propose to read them as far as possible in the time-limit, and then hand them in to the reporter.

*Mr. Hall* then read the following:—

The position under which the producers in New Zealand have to make arrangements to insure their produce is such as to satisfy any one who has considered the matter that they are made apparently for the purpose of benefiting the purchasers of the produce, and those connected with the trade in England, and are at the expense of the producers in New Zealand. If this is not the case, it is impossible to understand why the producer here should submit to a continual rise in the premium on the insurance, which is due to circumstances which occur at the other end of the world, over which he has no control, and which benefit him not at all. I think it must be admitted that the remit with reference to insurance is one which appropriately comes from those representing the farming community, and that those representing the freezing and shipping companies are not in any way interested, while the only interest of the buyers is to receive from the insurers in the event of their being able to substantiate a claim for damages. In this connection it must be understood that the local c.i.f. buyers represent persons whose interests are to a certain extent identical with our own, with the exception that the prices quoted by them here are the result of sales effected in London under such conditions as preclude a fair price being obtained for our meat. Otherwise, when they insure here, they have apparently to pay the same rate of premium as is paid by the ordinary producer, unless indeed they are businesslike enough to make special arrangements with regard to their insurances. From the farmers alone must we look for support in removing the defects which exist and in improving the methods that are at present adopted. A brief glance is perhaps advisable at the value of the produce shipped and the amount paid annually in the form of insurance premiums, which is shown by the following table. Mutton, and lamb, and beef shipped during 1909: 1,835,647 carcasses mutton, 3,163,977 carcasses lamb, 310,834 quarters beef. Value for insurance, say, £3,600,000.

|  | £       |
|--|---------|
| This year's current insurance rate, 65s., less 10 and 5 per cent. ....   | 100,000 |
| Rate (Lloyd's) for 1909, 45s., less 10 per cent. ....  | 72,900  |
| Difference .....   | 27,100  |
| Add survey fees for insurance damage, which companies do not pay now—say, half quantity shipped is surveyed, at £2 2s. per 1,000 carcasses ..... | 10,500  |
| Difference in insurance for 1910 against 1909 .....  | £37,600 |

It is impossible to accurately estimate the amount paid, as the rate of premium varies in accordance with the risk estimated from the position of the insured—e.g., the C.C. and D. Com-

pany have a special cover at a rate considerably lower than the other shippers, the favour in this respect conferred being because the company is a businesslike institution, which has means to protect its produce against unnecessary damage, and also against "faked claims" for imaginary damage on a falling market. The favour is also perhaps partly due to the fact that this company carries half its own risk, and by so doing inspires a certain amount of confidence in the insurers that reasonable precautions will be taken against damage being sustained. The very nature of the insurance business necessitates the rate of premium being fixed in accordance with the losses sustained in previous years, and there is also a necessity on the part of the insurance companies of incurring as little unpopularity as possible in disputing claims and requiring conclusive proof of the amount of damage that has been sustained. The nature of the produce as the subject-matter of the insurance also presents grave difficulties in resisting claims for damage, as the question as to whether such claims should be allowed or not must to a very great extent depend on the opinion of men skilled in the trade, and who act as experts in estimating the amount of damage which has really been sustained. The old method, on the occasion of a claim being made for damage to meat against the insurance company, was that surveyors should be appointed respectively by the persons making the claim, who were generally the buyers, and the insurance companies, and it was very often the case that a surveyor employed by one party one week would be in the service of the opposite party in another week—a method which is hardly conducive to impartial and honest adjustment of the claims. For the future the insurers now stipulate that they will only pay the expenses of their own surveyor; so, unless the shipper likes to take the insurance surveyor's award without employing anybody on his own account, he will, in addition to the premiums mentioned, have to bear the expense of paying a surveyor on his own behalf, the estimated increased cost to shipper being £10,500. From the above it will be seen that the farmers consigning their meat for sale in London have more often than not an insurance effected for them about which they know nothing, except, perhaps, that they see an amount deducted as the insurance premium in their account sales, and the ordinary farmer does not trouble himself much about the rate of this premium, nor does he ask the reason why it should be so high. Isolated, and to a certain extent apathetic, he does not trouble himself about the matter, and allows himself to be imposed on because individually it is not worth his while to resist the rates charged. It is in the hope that we may rouse and inspire the farmers—the men who work on the land that the rest of us may be well nourished—so that they may arise and use the powerful levers of co-operation for the purpose of removing some of the glaring defects that exist in the trade, and insure the adoption of methods which confer some reasonable protection on shippers at a moderate expense, that this remit has been sent forward. What my association considers desirable is to bring directly before the farmers the fact that the conditions under which their meat is dealt with at the other end of the world are so rotten, vicious, and antiquated that they have to pay nearly double the amount in premiums in insuring their produce which they would otherwise have to pay. If this is petty tinkering with the channels of communication, then let those who think so by all means continue to submit to the old methods; but if the farmers as a class will support the motion, and if they will assist financially if necessary, there is no reason why the present devices and tricks should not be exposed and removed, and a policy against all damage at a reasonable rate made available for the shippers. In dealing with existing defects it is perhaps desirable that the method of loading the meat in New Zealand should be made a matter of inspection by some recognized authorities, as the present method, in which there is an entire absence of such inspection of the ships' holds in which the meat is carried, after such holds have been used for all sorts of cargo on the outward voyage, is hardly conducive to a satisfactory condition under which the meat is carried Home. In addition to this, it might also perhaps be desirable that a careful and efficient supervision of the discharging of the meat from the railway-trucks or stores into the ships should be made compulsory. Improved covers, also, protect meat, and therefore by all means they should be adopted. These defects are, however, trifling compared with the conditions under which meat is discharged and put into stores in London; and so far as can be gathered from informal reports which reach us here, it is a mere chance whether reasonable precautions are adopted when the meat is taken from the ship and placed in store, and more often than not it is then exposed to conditions, such as carriage through London in open lorries and carriage up the Thames in lighters without any insulated storing-chambers, which must inevitably have a prejudicial effect on the meat, and create damage in respect of which a claim is generally made on the insurance companies. With regard to methods which might be adopted for the purpose of insuring more reasonable precautions against damage, it would perhaps be more appropriate that this should be referred to the committee of inquiry which has been set up to deal generally with the matter, and for the present it should suffice if I merely suggest that the whole question of insurance of the farmers' meat should be intrusted to an association of meat-producers, which should arrange for an inspection here of the ships' holds and supervision of the loading of the meat, and that on the arrival of the meat in London its discharge from the steamers and carriage to the cold-store should also be a matter of inspection. If this were done there would probably be no serious difficulty in the association taking out a general cover with Lloyd's, and giving the shippers the benefit of that cover and of all discounts allowed in connection with it, and at the same time charging them with the expenses of such supervision and inspection in the form of a small fee charged on every hundred carcasses shipped. There does not appear to be any reason why such an arrangement should interfere with the business of agents here and in London who have meat intrusted to them for sale, and, even if it does to some extent raise the agents' charges by the payment of an additional fee, the farmers' contention is that, whether he is subject to advances from such agents or not, the rate of insurance premium he is now asked to pay is exorbitant and excessive, and he is clearly entitled to insist that, as he eventually pays the premium, he is the man who should have an opportunity of saying whether or not anything should be done to bring about a reduction in insurance rates.

The following portion of Mr. Hall's speech was not read, but was handed to the reporter with the request that it be inserted in parentheses at the end of the verbatim report of his remarks:—

There appear to be only two methods which are likely to bring about a material improvement in the present methods, and they are (1) voluntary organization on the part of the farmers, and (2) the enactment and enforcement of corrective legislation both here and in the Mother-country. To most of us, I think, it would be preferable if it could be arranged that the method of combination amongst the farmers should be adopted, and I cannot think that if the farmers were approached in a proper manner they would fail to respond to such a suggestion, and to bear the very trifling cost of providing funds for the purpose of insuring reasonable protection of their interests. It is well that they should know that their wishes are, if not indeed law, entitled to very considerable respect, provided that they are brought before the persons with whom they are dealing in such a manner as to satisfy the latter that if they are not prepared to accede to a reasonable proposition on the part of the farmers, the latter are strong enough and businesslike enough to take the matter into their own hands and make such arrangements as will result in their obtaining elsewhere what they want. If, however, it is the fact that they are so widely scattered as to preclude their combining for the purpose of asserting their rights, then it is only reasonable to ask that the assistance of the Government should be invoked for the purpose of protecting their interests. It does appear to be an eminently reasonable and businesslike proposition to ask that the farmers should submit to a levy on their meat shipped sufficient to provide the expenses of supervision, survey, and inspection, when they can by so doing effect a saving of £37,600 for one year. This, it must be remembered, is only the direct saving effected in the annual premiums paid, but, in addition to this, allowance must be made for the depreciation in prices which is caused by London buyers being able, by reason of successful claims for damage, to place meat in respect of which such claims have been paid on the London market at a very much lower price than could be the case if full prices had to be paid for such meat. It is, of course, impossible to accurately estimate the difference to the producer which is caused by an operation of this kind, but in the opinion of most people connected with the trade it is far in excess of the amount lost in connection with the premiums. Devices and tricks of this kind perhaps come naturally to the persons engaged in this class of business in London, and it is due perhaps to such proceedings that the persons adopting such methods have been described as thieves and wolves, whereas the poor farmer is their prey. This, to my mind, however, is hardly an accurate description, and it would more appropriately state the case if the tradesmen in London were, according to their lights, described as astute business men, and the farmers here were rated as incompetent and unbusinesslike.

*Mr. J. D. Hall.*—I therefore beg to move formally the adoption of remit No. 12.

*Mr. G. Jameson* (Canterbury Agricultural and Pastoral Association).—I beg to second that.

*Mr. A. Borthwick.*—Mr. Chairman, Mr. Hall read his remarks so quickly that it was very difficult to follow them, and consequently it would be difficult to pick out any particular points to reply to.

*Mr. J. C. N. Grigg.*—I think the best plan will be to consider them when printed in the report. I propose to submit remit No. 12 to the committee.

*Sir George Clifford.*—I do not think Mr. Hall's remarks as typed and handed to the reporter should be printed when not read. As a matter of fact, I heard only one sentence, that there was no inspection of the ships' holds; and if everything else is so remarkable and astonishing as that I think it would be undesirable to print the remarks; certainly they would not represent the views of the Conference.

*The Chairman.*—I second Mr. Grigg's motion. I think it would be desirable that remit No. 12 should be a recommendation to the committee.

Carried.

*Mr. Hall* (to Sir George Clifford).—I said, inspection by efficient and recognized authorities.

*Sir George Clifford.*—Well, the inspection is by an efficient and recognized authority.

*Mr. Hall.*—I think that is a matter of opinion, Sir George.

*The Chairman.*—I have now to announce that the ballot for the South Island representatives on the committee has resulted as follows: Messrs. D. D. Macfarlane, J. D. Hall, J. Talbot, A. H. Turnbull, R. Evans, and F. Waymouth. The six gentlemen nominated for the North Island—viz., Messrs. J. G. Wilson, N. Kettle, J. A. Macfarlane, J. Reynolds, A. H. Russell, and Isaac Gray—are declared elected, making up the twelve members of the committee.

*Mr. C. W. Reid* (Canterbury Agricultural and Pastoral Association).—I now move remit No. 13, "That it be a recommendation to the freezing companies to use stronger covers." We get many complaints about torn covers and consequent discoloration of the meat. I have heard reports of stronger covers being used at Home with very satisfactory results, and I hope the freezing companies will not think we are interfering with matters that do not concern us when we make this suggestion to them.

*Mr. J. D. Hall.*—I have to second that motion. One instance of using stronger covers has been furnished by a shipment of prime lambs on exhibit at a particular show, and the comments on those covers were very eulogistic. I think it would be desirable for the committee to go into the matter for the purpose of telling the farmers whether the covers are worth the extra money.

*Mr. W. Murray* (Christchurch Meat Company).—I might say in connection with Mr. Reid's remarks that some years ago I obtained some thousands of stronger covers. These were sent Home to see whether any good results could be attained. Curiously enough, this particular consignment sold at a fraction less than a shipment of corresponding quality sent with fair average covers; but that was merely the luck of the market perhaps. This is a matter that has been very fully considered by all the companies, I understand—certainly by my own. Some two years ago, in

response to requisitions made to us, we wrote to our London house, and put the position clearly before them, and pointed out the statements made with regard to better covers alleged to be used elsewhere, and asked them to furnish us with advices as to whether we should take steps to expend the large sum necessary in providing stronger covers. After some months—some considerable time, at any rate—our people replied, and they forwarded a large batch of private letters addressed to our London house by the heads and managers of various meat firms with whom we had business dealings. Without one single exception we were told that we should be ill-advised to spend any serious sum in improving the cover we were using at the present time. As one man put it, "We want your meat; we don't want your shirts."

*Mr. G. Jameson.*—When I was in England a few months ago I saw in many country butchers' shops carcasses that were dirty and unsightly, and the butchers all unanimously said the damage was caused by want of proper covers, and that the thin covers used nowadays are not sufficient to protect the meat during carriage from London to the country places.

*Mr. E. R. Webb.*—I have here one of the covers used for the Argentine carcasses—the quality of material which Belfast is going to use about March. Every one remarks on the excellent condition in which the Argentine meat arrives in London. This cloth is not more costly to buy than the cheesecloth now used here, but it may be more costly to put on, because it rolls up. I have had experience of special lots of meat sent Home for exhibition, in which the carcasses were covered with this cloth, and with sacking as well, and the shipments earned the highest encomiums.

*Mr. W. Murray.*—The cover which Mr. Webb is recommending has been used by my company for four or five years, and by another company with which I was connected for four years.

*Mr. Borthwick.*—And we have used it also for many years.

*Mr. J. D. Hall.*—Oh, come! this is not an advertising medium for the companies.

*The Chairman.*—It has been moved and seconded that it be a recommendation to the freezing companies to use stronger covers.

Carried.

*Mr. W. G. Lysnar* (Gisborne Farmers' Union).—I now move remit No. 14, "That legislation be obtained compelling all freezing-works to grade up to a uniform Government standard, and to have the meat valued at Home by the High Commissioner's staff, in the same manner that butter and cheese are now graded and valued." I do not propose to say much in regard to this remit. There is no suggestion in it except in regard to grading. There is a distinction between classification and grading. There is at present dissatisfaction, and it is necessary that something should be done to regulate the uniform classing of meat throughout the Dominion. I do not say it is possible to classify it throughout the whole Dominion, but it is possible to classify between each Island. I do not propose to suggest that; that is entirely a matter for experts. To start with, it should be classified North Island and South Island, perhaps; but, as I say, that is a matter for experts. What is wanted is something to protect the producer at this end. It is not unfair to ask the freezing companies to do this; from the freezing companies' point of view it need not make one iota of difference to them. They have as many as forty classes in one shipment at times; but the Government grader should come along and put his stamp on, and say, irrespective of the classification, what grade of meat it is, exactly the same as is done with butter and cheese in this Dominion. There is no question that those associated with these three articles of product in this country will realize the strength and advantage of the classification of those articles by the Government. It not only protects them here against their own workmen and their own factories, but it protects them at the other end, which is the most essential thing of all. It assists in having a uniform value. There has been a suggestion of pooling; but how could you pool without some system of grading for that person who is not connected in any way with the interests concerned. I am not at the moment prepared to say whether I think pooling is right or wrong; I am inclined to think it right, but I have no matured mind on that point. The producer wants something to check the factories: I do not say they are doing anything wrong, but I do say that each factory has a distinct grade of its own, and its grade is not known by others; and the grades should be on a uniform basis. The object of the remit is to protect our agent at Home. In butter the system of grading, and the High Commissioner valuing, is appreciated at Home, and the contracts are made to sell upon the High Commissioner's prices; and if we can do that with our butter, why not with our meat? You will be told that butter is a different sort of article, that it does not vary: I tell you that it does, it varies very much; it is got up differently, and it is of different colours. But that makes no difference; it can be graded all the same. It is a protection to the person at Home to have it graded by the Government and valued by the High Commissioner. If your representatives get the High Commissioner's value at, say, 4d., and you get a return for 3½d., you can at once have a check. I can tell you this: that I am associated with both the butter and the cheese trade, and I am aware that twice within the last five years the agency of the butter-factory has been changed, for the simple reason that the agent at Home did not realize the High Commissioner's values. Now, I realize that I am talking to the freezing people. I notice the chairs are practically empty of a great number of members, and I can only tally up about six or seven farmers in this room; and I think therefore it would be better to withdraw this motion. But let me just mention it on broad principles, and suggest that the recommendation to the Government for grading should be made. I therefore ask leave to withdraw this motion, Mr. Chairman.

*The Chairman.*—Very well.

*Mr. A. H. Turnbull* (Canterbury Chamber of Commerce).—I think that meetings of this sort have an influence for good between the organized bodies attending them, and they should not be allowed to lapse of themselves. I should like to see this meeting adjourned to, say, June, July, or August, when the delegates or others appointed could attend. However much we may differ from each other, the results of meeting must be good, and it would be a mistake to allow this meeting

to lapse without fixing a date on which the next meeting could be held, and asking the bodies interested to send delegates. I propose that this meeting should be adjourned till towards the end of June or July.

*The Chairman.*—Would you make it a recommendation to the committee?

*Mr. Turnbull.*—Oh, yes! if the committee can act in that matter.

*Mr. A. L. Joseph.*—I beg to second that.

*Mr. A. E. G. Rhodes.*—It has been suggested that the meeting should be held in August. A good many people have urgent private business in Christchurch in August.

*The Chairman.*—I think the committee will take into consideration the urgent private business that members will have in August. It has been proposed that a further meeting of the Conference be held in the winter at a suitable date to be arranged by the committee.

Carried.

*Mr. De Lautour* (Gisborne Sheep-farmers' Frozen Meat Company).—I have to thank the Conference and the association for their kindly hospitality and courteous invitation.

*Mr. Barugh.*—I second that very heartily.

*Mr. Talbot* (South Canterbury Farmers' Union).—I also have to thank the Agricultural and Pastoral Association, and also Mr. Macfarlane. The Conference has accomplished the object of bringing the freezing companies and the producers face to face, and it has done a great deal of good in the way of furnishing explanations and information; and I think it must be admitted that the association was justified in calling this meeting, and that they should be thanked on behalf of the farming community.

*Mr. R. D. D. McLean* (Hawke's Bay Agricultural and Pastoral Association).—I have much pleasure, on behalf of the North Island delegates, in indorsing what the previous speakers have said. We have had a very pleasant time, and I feel confident that Mr. Hall, who was one of the original promoters of this movement, will during this year have every reason to congratulate himself on his enterprise.

*Sir George Clifford.*—I move a very hearty vote of thanks to the Chairman.

Carried by acclamation.

*The Chairman.*—I beg to return thanks for the vote expressed for the association. When we decided to embrace all the different interests there was some hesitation whether we should take in the freezing companies and the Chambers of Commerce—it was said that their interests are not altogether the same as the farmers; but I am very glad better counsels prevailed, and that we have had representatives from all the different interests in New Zealand. It is, I think, a very good thing to have open communication between the different interests involved. We have never had such a Conference as this before. When I opened the Conference I hoped I should be able to congratulate you at the end upon good work done. I did not expect a great deal to be done; and the work of the Conference is better than I ever expected. We have brought the freezing companies together, which is work of a practical nature; and I am sure we shall see good results from that. The members of the agricultural community have been pleased to come into contact with the representatives from all parts of New Zealand, and the Conference will do us all good. I have to thank you, gentlemen, for being present here, and also for the vote of thanks you have accorded to myself.

At 4.45 p.m. the Conference adjourned to a date to be arranged by the committee.

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