

satisfied with less than the extreme prices they were getting, and which was equal to 4d. a pound higher than the New Zealand or River Plate lambs. America coming into the war has evidently facilitated these proposals, and evidently pressure is being brought to bear to get the Americans to stop penalizing this market. An interesting cable came through from New York, in which the American Trust offers to forego any excess profits, and to sell at minimum rates of profit, abandoning—according to their statement—twenty millions per annum, provided the American Government give them the distribution of the meat in the States. It would seem, therefore, from the trust's own contention that they must have made something like sixty millions since the war, and they are prepared to forego all but normal profit provided they are able to wipe out all the co-operative and farmers' companies in the States."

Then, referring to a statement that Sims, Cooper, and Co. are doing the bulk of their business through the New Zealand Refrigerating Company, this is an extract from a letter from Gilbert Anderson and Co., dated 18th May, 1916:—

"The New Zealand Refrigerating Company only handle a percentage of their output; Sims, Cooper, and Co. and other buyers are doing the larger part of their business under this company's brand."

HENRY JOCLYN GILL examined. (No. 6.)

1. *The Chairman.*] You are managing director of the East Coast Freezing Company?—Yes, at Whakatane.

2. And the works are in the course of being erected?—Yes.

3. Is it a co-operative freezing company?—Purely a farmers' co-operative company.

4. And your share capital was raised locally?—Yes.

5. Have you had any financial assistance as well as share capital?—From the Bank of New Zealand.

6. The whole of your capital is local capital?—Yes.

7. Have you had any experience of the Meat Trust operations in New Zealand, or have you given the matter consideration?—Yes, buyers have been operating largely in the Bay of Plenty districts during the past season—particularly during this last season.

8. How do you think it will affect you as a co-operative company?—Well, it promises to greatly diminish the stock which we have confidently expected to get through our works.

9. *Mr. Anstey.*] You mean, take the stock away from your works?—We anticipate that. We have not started freezing yet, but in conversation with buyers in the case of Fletcher and Co. they led us to believe that their works at Westfield were only an incident in their meat operations. It was meat that was their object, and there was a possibility that they might freeze at Whakatane. In the case of Sims, Cooper, and Co., they said that their meat would go from the Bay of Plenty to Wanganui. They could afford to carry the meat that distance, and it would pay them to do so. Our works are in an isolated district. The nearest works on the other side would be Kaitaraha, roughly, a hundred and fifty miles distant, and Horotu, an equal distance on the other side, so we have a very big district to work upon if left to ourselves.

10. Have you thought out any scheme for combating the Meat Trust operations?—No, not as a company.

11. *Mr. W. H. Field.*] I suppose all the meat-dealers are of the same mind that the American companies are operating in New Zealand?—That is so.

12. And will be thankful for any means adopted for putting an end to it?—Yes, we realize it is a menace to the smaller freezing companies in New Zealand. If we are not to get a fair run in competition, their capital is such that we cannot stand up against such an organization as the American Meat Trust.

13. Did any of the buyers admit that they were operating for the American meat companies?—No.

14. Whom did they say they were working for?—For the New Zealand Refrigerating people. They took large quantities of stock out of our district, particularly at the end of the autumn, at prices which our farmers could not have received if they had sent them into the Southdown Freezing-works, and on which the farmers would receive the Government prices.

15. Could you give us an idea as to the proportion of stock bought by those buyers as against the *bona fide* local buyers?—Well, it is difficult to say what you call "*bona fide* buyers." Taking the firms of Sims, Cooper, and Co. and Fletcher and Co., I should say that three-fourths of the stuff from the Bay of Plenty district has gone to those two firms.

16. And those firms, in your opinion, are practically American firms?—We believe so.

17. I suppose in your district stock is increasing very largely?—Yes, principally beef. It is a beef-producing district.

18. *Mr. Talbot.*] It is simply a supposition that Sims, Cooper, and Co. and Fletcher and Co. are buying for the American Meat Trust?—I have no definite evidence.

19. Both firms send their stuff to Wanganui, to a New Zealand company there?—Fletcher and Co. would send theirs to Westfield.

20. You do not know that they are getting any secret rebates to induce them to send their stuff there?—No.

21. They would send their stuff past your works to Wanganui?—Yes; that remains, of course, to be proved, because we are not in operation yet. In conversation with their buyers we understand they will do so.

22. As time goes on you will have room for several other works, taking the radius?—Yes, in time other works will be erected, but we have hopes of keeping the district in the farmers' hands and of erecting branches ourselves.