

is your opinion the freezing-works should be locally owned, or that no foreign capital should be allowed to be used in the erection of freezing-works?—I have presented that memorandum, the statements in which I am prepared in a general way to endorse. It is a competent survey of the whole question, the details of which I do not wish in any way to be committed to. I think the statements contained in that memorandum are perfectly reasonable.

23. Would you say that was a step in the process of gradually squeezing the trust, by compelling all freezing-works to be locally owned?—Yes, I should say it is a necessary step in that process, but I would not advocate it as an isolated step.

24. But you said you had to meet process by process?—Yes, I would include that in what I said.

25. And would you suggest that that step should be taken by legislation?—It would have to be—I do not see how it could be done otherwise.

26. Where are the headquarters of your firm?—In Dunedin in the past, but Wellington has been made the head office this year. I live in Dunedin.

27. In regard to the firm of Sims, Cooper, and Co., do you know what position they were in ten or fifteen years ago?—I know it just as everybody else may know it, but I have no special knowledge of it.

28. *Mr. Anstey.*] You suggested that the individual farmers should themselves operate against the trust. You said the farmers were rather selfish in looking after their own interests, and quite oblivious of the future. Could you mention any way in which the farmer could help himself? You are aware that a farmer has to go into the yards and buy his stock in competition with others, and he must sell his fat stock to the highest buyer. Can you suggest anything that the individual farmer could do without assistance from the Government?—I am sorry if I have been understood as indicating that the farmers are any more selfish than any other persons. Every one connected with trade thinks of his own interests, but I said that I thought the time had come when one has to put personal interests on one side and take a broad view and cultivate a larger mind in regard to this matter. With respect to making a specific suggestion as to how the farmer can cultivate the larger mind, and how he can take a more unselfish course, obviously it is not for me to say, and I would not attempt to do so; but I would emphasize the fact that if the farmer is going to say, "I am going to take advantage of this new competition and get out of it what I can in the meantime; I am going to thank the Americans for coming here and putting up the prices—that is good enough for me," then I think he is taking a course which, so far as his action is concerned, will ruin the business.

29. Can you suggest anything he can do himself?—No; that is his problem.

30. You said the producers should combine against the Meat Trust: can you suggest any way in which the farmers can combine against it?—They have combined and set up farmers' unions and freezing companies, and if they are sufficiently earnest they can find some way of combining into a federation for the purpose of resisting the Meat Trust. Even acting through the Farmers' Union and freezing companies they can take a hand in this matter.

31. But not particularly as individuals?—Certainly as individuals: it is individual action which must make the combination.

32. There is a paragraph in the memorandum which you have produced which says that the trusts and large operators do not make a profit out of any economy in handling; but is that your experience as a merchant? Do you think the small trader could serve the public as cheaply as some one operating in a large way?—No, as a general rule I should say not.

33. The memorandum states, "The competing-power of trusts and monopolies does not depend on their economy, but on special and unfair fighting-powers"?—I think it means "*only* on their economy." It depends more on their unfair fighting-power.

34. You think there is some advantage in operating in a fairly large way?—Yes, undoubtedly.

35. You suggest there is no harm in combination provided it is under proper control?—Yes.

36. The memorandum states that there is a great deal of advantage gained by the giving of concessions: would you suggest that concessions of all kinds are improper?—In the individual sphere it is quite true that all large interests must look to being better treated than smaller interests, but when you are acting together and making a combination you have to devise conditions which will be fair to the small operator and fair to the large operator.

37. Still, there must be some concession to the large operator?—In the individual sphere, yes; but it may be that in one sense it will have to be sunk.

38. Supposing concessions are necessary, is it not quite possible that a portion of those concessions can be handed on to the producer or consumer, or both?—Yes, I should say so.

39. Supposing a man went to a butcher's shop to buy half a sheep, would it not be possible for that butcher to sell that half-sheep for less in proportion than to the person who wanted half a pound of chops?—Yes.

40. Then the concession would reach the consumer in that case?—Yes, in that case and in most cases.

41. Is it not quite possible and justifiable that a concession could be given in certain cases—for instance, if Sims, Cooper, and Co. buy largely and more cheaply, is it not a fact that they could pay the farmer more?—Yes; but if it is helping the Meat Trust it is the worst thing that can happen to this country. I am sorry to say that I am not prepared to indicate the position that the State ought to take in this matter. I have not sufficiently considered it.

42. It may be said that you are of the opinion that concessions under proper control are not illegitimate?—Certainly not; but I do say that if they be the means of assisting the Beef Trust in this country they are the worst things that could happen.