

they were to take over one-half of our purchases up to any price we chose to pay for them. They were prepared to take them and pay us our freezing and other charges. They were so satisfied with that arrangement that they wanted to increase the quantity and take over two-thirds or three-fourths, but we would not agree. I may say that at that time Sims, Cooper, and Co. represented themselves to us as being an English firm—not an American firm. We asked them who were their financial bankers, and they said the London Produce Company were. I sent Home for the share-list of the London Produce Company to find out their strength, but I found it was really only an agency company. I hand in a copy of the share-list I received. They were doing an enormous business, I take it, in 1913. According to Mr. Cooper's statement they were doing about £2,000,000 worth of business in New Zealand and Australia, and I hand in the share-list of the company which they say were backing them. It is follows:—

LONDON PRODUCE COMPANY (LIMITED).
 Capital: £50,000 in £1 shares. Registered 17th December, 1910.
 First Director, A. E. Cooper.

17th December, 1910: H. de H. Whatton (gent.), 10,000 shares; Wm. Whittingham (wool-merchant), 10,000 shares.
 28th May, 1912: Directors, A. E. Cooper and A. Sims.

3rd June, 1912: Directors, the above and A. Dalley, Manager.

8th October, 1913: Shares allotted—Mrs. Annie M. Sims (6 H.V.), 10,000 ordinary; Mrs. Margaret Cooper (6 H.V.), 10,000 ordinary; 10s. paid, 10s. uncalled.

The Mr. Whittingham is a big wool-merchant in Bradford.

3. Is he a partner in the London Produce Company?—Apparently he is, to the extent of 10,000 shares. We made further inquiries, and found that the firm were actually trading with American capital, and we cut off business relations with them immediately. We have traded with other American firms here—F. J. Walker, acting on behalf of Cudahy and Co.—and we have had offers from Armour and Co.—not their present general manager in New Zealand, but from Birt and Co., of Sydney, as agents for Armour and Co. Armour and Co. are now established in New Zealand, with their head office in Christchurch. This was prior to the outbreak of the war, and prior to the establishment of the company here we had quite a number of offers for meat, but never sold to them. We have done business with Walker and Co. on behalf of Cudahy and Co., but I think that is the total of our business relations with Americans or with companies supposed to be Americans. I may say, further, that this time last year I was in the Old Country, and it was my business to investigate the meat business there as much as I could. I was very much impressed with the tremendous hold that the American companies have upon the market there, not only in Smithfield, Glasgow, and Liverpool, but right through the west of England, and very much so in the west of England, Bristol and Cardiff. I found also that as competitors they were placed in a very much more advantageous position than we were, inasmuch as only a portion of their output was sold direct to the British Government, and under the terms of their contract they apparently had the right to ship the balance of their output to the Old Country, which was sold by them on the market, whereas our meat was regulated. I am referring to their South American meat. Our own meat, irrespective of whom it was bought for, was controlled as far as the wholesale salesman, but not controlled after that. The price fixed at Home was 10d. and 10½d. per pound, but the retailer could charge whatever he liked, but there was no control in any way as far as the American meat was concerned. In the west of England I know the American houses were offering to sell New Zealand meat as follows: "Yes, you can have one carcase of New Zealand lamb at 10½d., provided you buy two Argentine lambs at 1s. 0½d." There was quite a quantity of meat sold that way. Of course, seeing that the whole of our own meat was controlled, the Americans had the opportunity of placing us in a very unfair position, in addition to which I found the Americans were to some extent evading the contract with the British Government by sending some of the meat to New York and shipping it across the Atlantic. I saw evidence of that being done myself. The same thing with regard to South America was talked of in Bristol and in Liverpool. The object was to evade the contract. That was Argentine meat sent to New York. Apparently their contract was for a certain amount of given space in ships from Argentine to England, but the space between Argentine to New York was not controlled, and the space from New York to England was not controlled. The contract with the British Government was 5½d. for beef, and they were getting 10d. for it in London by shipping it to New York and reshipping again from New York to Britain, by which means they got the enhanced price. With regard to the operations of these people in New Zealand and in Australia, I think they are pretty generally known, and as far as I can see at present the small trader in New Zealand who has been in the trade now for twenty or thirty years past, is being very rapidly eliminated, if not entirely so. The trade is becoming confined to the hands of a few, such as Sims, Cooper, and Co., the Christchurch Meat Company, and two or three other big operators. In our district the small trader has gone out entirely, and the business is confined, apart from our own company and the Gear Company and the Meat Export Company, to Sims, Cooper, and Co.; and the same thing appears to be rapidly taking place right throughout New Zealand. We have so far refused to do any business for them, but, to use the words of Mr. Kingdon the last time I saw him, "I am waiting for the time to come when you will have to tell us that you require our services." I think, gentlemen, that is all I can tell you with regard to the matter.

4. *Mr. Pearce.*] Could you not give us some information in regard to the methods of buying in your district—I understand they have been buying heavily there?—Yes, I can tell you that. While they had meat from our works we were to some extent able to control their buying operations, because we were always able to say to them, "If you make the pace too hot we will not freeze the stuff for you." To get over this difficulty on their part they made us a proposal on these lines: I got a wire from Mr. Sims asking me to meet him in Wellington, and he put the