

showed that the great bulk of the shares held in the various lines trading to New Zealand were held by foreign shareholders; and it seems to me that, that being the case, the future trade of New Zealand is going to be placed in a very dangerous position unless some steps are taken to at least control one large line.

27. *Mr. T. A. H. Field.*] Do you think the position is so acute and critical that this American Meat Trust will increase their holding to any considerable extent supposing nothing were done by the Legislature for, say, twelve months?—No, I think for the coming year we are fairly safe, because the available space in the works of New Zealand is so limited that they have not got the field for operation. They cannot be as dangerous as they were last year. Mr. Kingdon told me himself that his company wanted 750,000 carcasses of mutton and lamb from New Zealand, and they meant to have it.

28. And the Meat Trust people actually talk in plain terms that they intended to get control of the business?—Yes. The probability is that when Mr. Kingdon was talking to me he was talking to one whom he thought was simply a freezing-company manager who, like a good many in New Zealand, simply want to earn their salary as easily as they possibly can, and who have no wider interest or any sentiment about the matter, because he certainly talked very freely to me as to what the intentions were, how they were conducting the business, and how they were getting control.

29. *Mr. Anstey.*] You said your firm lost £20,000 last year?—Yes.

30. And presumably your rivals also lost in paying the prices they did?—Yes.

31. And that your own farmers got more than the value of the stuff?—Yes.

32. Would it have been a hardship if they got less?—I do not know about a hardship, but they are going to get less.

33. You mentioned about Sims, Cooper, and Co. not paying taxation?—I was referring to the large American firms at Home.

34. You said that the best way would be to sell the meat on the hooks here: would that be convenient to the small farmer?—It is in our case. We have taken as many as five. Our man takes charge of them. It would be an inconvenience to us, but if the farmer asks us to kill his stuff at per pound we never refuse any man.

35. By selling on the hooks you would not buy on the hoof—everything would be bought by the pound?—Yes.

36. Do you know of Sims, Cooper, and Co. getting any advantage in regard to the resale of meat not released—they would not get any advantage in connection with our beef?—No, and yet they are buying beef as much as any one else.

37. Can you explain that?—No, only in order to get a connection.

38. They get an advantage over the lamb?—Yes.

39. Do you think they get any advantage in regard to offal?—No. I do not know what arrangements Sims, Cooper, and Co. have got with reference to the various freezing companies, but when working with us they got no advantage over offal, hides, skins, or anything else.

40. Have they not got any advantage in the sale of offal?—No. I do not know what they are doing with other people. If they have not other arrangements it is not their fault.

41. Do they get the tallow handed back to them for sale?—No. I am, of course, speaking for our own works.

42. *Mr. Reed.*] In the Argentine do they have auction sales of fat stock?—All I am going by with regard to the sales and values ruling in the Argentine are extracts which I get occasionally from the *Argentine Times*, in which the prices of all produce are quoted. You will see them occasionally published in the *Pastoralists Review*. The July number was the last I got, but I also get monthly from our London office particulars of prices and shipments from the Argentine, but just how the stuff is sold or how the market values are assessed I could not say.

43. *The Chairman.*] We were told there was a rebate on those prices?—That I could not say.

44. *Mr. Pearce.*] The giving of high prices in order to make the opposing freezing companies suffer a loss is quite the method of the American Meat Trust?—From the past experience of the Argentine it is so.

45. In connection with Sims, Cooper, and Co., you said you found out they were trading with American capital: can you give us any substantial evidence of that?—No. I can give you the history of the concern as I got it from Gilbert Anderson and Co., confirmed verbally when I was at Home. I also knew they traded through Gilbert Anderson and Co., who gave them a letter of credit to operate in New Zealand for £10,000. Mr. Sims himself terminated the arrangements with Anderson and Co. He went across to America and came back with a Morgan credit, as Mr. Anderson said.

46. You are perfectly satisfied that they are trading with American capital?—Yes; I cannot find any other source but that: I have inquired far enough. I was able to trace their business up to a certain point—up till the trading with Gilbert Anderson and Co.

47. We must know for certain whether a firm is trading with American capital, and you are satisfied they are trading with American capital?—Yes.

48. *Mr. Scott.*] But you could not prove that?—No; but I think they could be made to prove that they are.

49. *Mr. Pearce.*] Did Mr. Anderson tell you the amount they came back with?—No. It must have been a very large amount. Of course, the American system would enable them to carry on with a smaller credit than the other systems. If we get bills for sixty days, and we desire to get the goods we have to pay cash, but in America it is not so. Approved firms can lift the goods and meet the bill at the end of thirty or sixty days after selling the goods.

50. And Sims, Cooper, and Co. left Gilbert Anderson and Co. when they got this other credit?—Yes. The business was quite satisfactory up to that point. Immediately after that the company blossomed out into the huge buying concern it is to-day.

51. You also made a statement about Birt and Co.—that they approached you openly as agents for Armour and Co. to buy meat?—Yes; on the 24th April, 1914, Armour and Co. wrote me the following letter:—