

was not only able to supply its own requirements for meat, but it was also a very large exporter, and the farmers engaged in pastoral pursuits were doing well. Official data shows that since the trust obtained its stranglehold the live-stock of the United States has been gradually dwindling, and it was not very long before it had to cease exporting and really became an importer of meat. In June of 1910, which is the height of the American summer period, I made inquiries of the price of meat at a leading butcher's shop in New York, and was informed that they were unable to quote any mutton, as it could not be obtained, but they could supply a special quote for some legs of mutton that were not fit for baking—only for boiling. This indicated these legs were from an extremely poor quality of sheep—what we in this Dominion would class as "potters." It is officially recorded in the stock census between 1906 and 1911 there was a drop of two million cattle and six million sheep in the United States, and, according to the Department of Agriculture's statistics, they show that from 1907 to 1917 there was a fall of over ten million in the number of cattle other than milch-cows, and of nearly five million in the number of sheep for that period in ten years, showing a decrease of 20 per cent. in cattle and 10 per cent. in sheep. According to a book entitled "Industrial Geography," published in Pennsylvania in 1914, the United States owned 16 head of cattle per square mile and 14 sheep, while the United Kingdom possess 99 head of cattle and 294 sheep to the square mile. In New Zealand the corresponding figures are 22.48 cattle and 239.31 sheep. This shortage of stock in the United States is clearly due to the paralysing tactics of the operations of the trust of the pastoral industries. In this book it shows how farmers have been driven out of business there, where it states that "hundreds of thousands of acres of American pastoral land has gone out of use during the past fifteen years, showing that the domination of the meat trade by the trust is rapidly causing the pastoralist to abandon that calling for other occupations." The same work states that "Many farms have been abandoned in New England and New York, while many more throughout the North Atlantic slope would sell for less than before there was a single mile of railroad in America."

These, I suggest, are object-lessons that we should seriously consider unless we desire the same conditions to apply to our at-present-prosperous New Zealand. It is idle to suggest that the main cause of the decrease of stock in the United States is anything less than the operations of the trust. In 1910 I had an opportunity of discussing the effect of these trusts with Mr. Thomas Edison, the great American inventor. He then strongly impressed me with the dangers of the trusts and their detrimental effect on the pastoral industries. He illustrated to me in this way: he said, "I am to-day paying 35 cents (that is, 1s. 7d.) per pound for my meat. I frankly admit I am paying for, and expect to obtain, the best cuts—cheaper meat can be obtained, but the farmer is only being paid from 3d. to 4½d. for this, which in many cases proves not to be a payable price to him." This naturally creates a feeling of dissatisfaction, and has a very far-reaching and detrimental effect on the country as a whole, making the pastoralist look for other channels of occupation in preference to producing stock. Mr. Edison pointed out that the trusts fought largely with the railway and transport facilities, and in this respect he asked me to convey to New Zealand's then Premier, Sir Joseph Ward, a word of warning against the dangers of the trusts extending their operations to New Zealand; and in order to avoid these dangers Mr. Edison considered it was as necessary for New Zealand to own ships to carry its produce from these seaports to the markets of the world as it was to own the railway-trucks which conveyed the produce from the interior to the seaport. I conveyed Mr. Edison's message in this connection to Sir Joseph Ward. Seven years after the Meat Trust obtained its stranglehold on the United States it turned its attention to the control of the Argentine trade, for in 1907 we find Swift and Co. purchase the La Plat Cold-storage Works for £350,000, and a little later Armour and Co. purchase the La Blanca works for £340,000, with the result that to-day the American-owned portion of the Argentine trade is about 70 per cent. of the total, as against 21 per cent. British and 9 per cent. controlled by Native pastoralists. While the trusts were establishing their hold of this trade they, for the time being, paid farmers an extra price, but now they have got their hold they are squeezing the farmers down, with the result that the trust controlling the main portion of the trade is acting very detrimentally upon the Argentine farmers. The trusts having secured so strong a hold over the Argentine trade are now turning their attention to Australia and New Zealand. According to Press reports of the profits of some of these meat concerns, Swift and Co. made a profit of £1,859,000 for the year ending September, 1914, and £2,817,000 for 1915, and in 1916 they declared a cash dividend of £5,000,000, and are issuing new stock for that amount at par, thus raising their capital to £20,000,000. Armour and Co. in 1916 also increased their capital to £20,000,000 by means of stock dividends equivalent to 400 per cent. In a recent issue of the *Live-stock World*, Chicago, U.S.A., it states that the latest official figures of four of the largest meat companies are as follows:—

	Capital.	Bonds.
	£	£
Armour and Co.	20,000,000	6,000,000
Swift and Co.	20,000,000	4,900,000
Morris and Co.	6,000,000	2,260,000
Wilson and Co.	5,900,000	1,640,000
Total	£51,900,000	£14,800,000

a combined capital of £66,900,000 sterling. To accumulate this huge capital these companies have never deviated from their policy of untiring effort for the extinction of free competition affecting this, either by overpowering concerted action in the food-markets, or by the acquisition at high prices of opposing undertaking which tempt the unwary to really surrender his birthright.

I think I have said enough to point out the dangers of the trust, and will now endeavour to deal with another phase in reference to the *desire* of the trust. It is important for us to appreciate and understand the real desire of the trust in endeavouring to control our trade, and in this respect during my visits in England in 1910 and 1912 I then clearly learned that the real trouble the trusts were experiencing in the expansion of their trade was the necessity of