

their controlling a larger quantity of mutton and lamb. I had an opportunity of discussing this phase with some of the trust managers at Home, and one, who had over three hundred shops under his control, frankly acknowledged to me that it is impossible for him to extend his business any more because of the shortage of mutton and lamb, and that they were desirous of doing an extended business with New Zealand in this respect. I am aware it has been officially suggested that the key to the position is the supply of beef which it was claimed the American meat trusts control. This, according to my investigations and observations, is neither justified nor correct. If we look at the total quantity according to the official figures for last year there was a total of 8,390,561 carcasses of mutton and lamb imported into England from all sources. Of this quantity, we find that 64 per cent. of it came from New Zealand—viz., 5,407,222; and it is to be noted this quantity would have been still much larger if it were not for the fact that the meat was held up in the freezing-works in New Zealand for want of shipping. The Argentine only exported a total of 2,311,451, being less than half New Zealand's quota. Of the total beef imported into England from all countries last year, there were 3,346,188 quarters of beef, as against a total of 15,797,728 quarters consumed there from all sources. Thus it can be noted that the bulk of beef consumed by England is home-grown, or practically she produces four-fifths of her total beef consumed. Consequently it will be seen that even if the trusts controlled the whole of the three million quarters of beef imported (which they do not) it would not be a serious factor as against a total of fifteen millions consumed, when it must be borne in mind that the Meat Trust had little or no control over the English-grown meat. I would here draw the attention of the Committee to some figures quoted on page 18 of the report of the Royal Commission set up by the Commonwealth of Australia on the meat-export trade, and dated 14th November, 1914, where it gives an analysis of supplies to the Smithfield market for the year 1913, extracted from the Annual Report of the London Central Markets, which showed that the supplies were: United Kingdom, 21·4 per cent.; Australasia, 60·3 per cent.; North America, 0·02 per cent.; South America, 13·2 per cent.; Continent, &c., 5·1 per cent. Thus you will see that the South American supply, which is mainly Argentine, only represents 13·2 per cent. of the total Smithfield meat trade, including frozen and fresh-killed, while Australia and New Zealand represent 60·3 per cent. of that trade. You will readily see that the 13·2 per cent. would be a very small item for these huge trust organizations if they controlled the whole of it, but they only control about 70 per cent., and their object is to get control of Australasia's proportion—60·3 per cent. Of that 60·3 per cent. it must be borne in mind the greater portion represents New Zealand produce.

There is another bogey which is put forward by the trust operators—viz., that New Zealand's portion of the total trade is so insignificant in comparison with their total turnover that it would be foolish to try and fight them. I would suggest that this aspect should not deter either the Committee or the Government in the slightest degree, for there is in fact no real danger on this head so long as we realize that we can baffle the trust so far as New Zealand trade is concerned if we prevent the trust controlling our produce, and after all this should be our sole aim. We are not concerned with what the trust gets in the United States or Argentine—we are only concerned in what they do with our New Zealand produce, and how the trusts may operate on the English market to the detriment of the marketing of our New Zealand produce; and it is only the interference of the trust in our New Zealand trade, and their ramifications on the English markets, that affect us, and the position can be weighed up very simply. Last year, according to the London Board of Trade's official figures which are published, the total imports of meat into England from all countries was valued at £36,484,143, and the same figures show that the value of imports of meat from New Zealand totalled £11,238,092, thus showing that our imports of meat into England are not so insignificant as the trusts would suggest when they state that their turnover is equivalent to £250,000,000 and our trade is only worth about £7,000,000. The £250,000,000 has, I suggest, no bearing on the question whatever. It is extremely doubtful if there is any justification at all for their claim to handle this huge value of meat, for when you remember that the total imports into England was only valued at £36,000,000 there are very grave doubts as to whether the turnover will be any way near that figure. I may here draw the attention of the Committee to the fact that the Board of Trade values New Zealand's last year supplies of meat at £11,238,092, while, averaging the total payments of the New Zealand Government for meat up to the 30th June last, the figures show that the proportion paid to the farmers for last year's meat would represent £7,684,884; out of this the farmer pays all f.o.b. charges excepting any excess storage, which represents about  $\frac{1}{2}$ d. per pound, and would bring the net amount received by the farmers to less than £7,000,000. Assuming that he received £7,000,000, it would show that the New Zealand farmer is being paid £4,238,092 less than the Board of Trade considers this meat is worth when it lands in England, or 60 per cent. more than the farmer has received for it. Of course, the only outstanding charge would be the freight and actual landing-charges at London to be taken into account; and while I recognize that this phase has no direct bearing upon the questions under consideration, yet it has been suggested that the farmers are receiving extra-high prices for their meat, and it is only fair to say that this is not justified if the figures are closely scrutinized and compared with the prices realized by farmers who exported meat on their own account prior to the war, and it will be found that the farmers are not to-day receiving  $\frac{1}{2}$ d. per pound more for their meat than they could have got by shipping on their own account prior to the war. A farmers' committee, set up in Gisborne, went very carefully into this phase and obtained data which clearly showed this. At the same time it must be borne in mind that the war has forced up the cost of production very heavily to the farmer, and the extra  $\frac{1}{2}$ d. per pound he is receiving for his meat would not cover this.

*Trust Methods:* Dealing with the methods adopted by the trust in New Zealand, I have little doubt but that you will have had a considerable amount of evidence on this head. I will shortly say that they adopt a system of controlling the means of transport, the retail market, and the purchasing ahead of store stock in large quantities for future deliveries, and then selling back