

to farmers for fattening purposes on condition that they sell back to the trust representatives when the stock is fattened; and also by the process of nomination which has been adopted since the imperial authorities purchased our meat-supplies. The arrangement by which the owner may, when it is shipped, nominate who is to receive the surplus meat at the other end for sale is, in my opinion, playing right into the hands of the trust, and it is very desirable that immediate steps should be taken to stop this. When the contract was entered into it was in all good faith and with the idea that the farmer would benefit, but as a matter of fact very few farmers indeed value this right of nomination. The bulk hardly know they have the right to nominate, and it is mainly used by the big buyers and trust representatives, because it gives them control of the freed meat at the other end. The dangerous aspect of this is apparent when it is known that trust representatives have paid more for the live-stock to the farmer than they can possibly get on the schedule prices when it is sold to the authorities. You will recognize it would pay these firms who retail the meat in England to give extra per head for stock here, knowing they will get a certain proportion of it freed at the other end, when they would be able to buy the meat from about 8d. to 10½d. per pound, and then sell it, according to cable advice, as high as 2s. per pound; and also seeing that the terms of the Imperial purchase provide that the farmer is to be paid when the meat is put on board the ocean ship, and owing to the great shortage of shipping some of the meat has to remain six months and longer before payment can be obtained. A farmer, being aware of this uncertainty, is tempted to take the cash price offered to him. It is only right that representation should be made to the Imperial authorities asking for consent to vary the contract, so that meat is paid for upon the hooks immediately it is killed. The Government pay for wool directly it is delivered, and 90 per cent. of the dairy-produce, therefore why not for meat? more particularly as they have now taken over the responsibility of ownership of the meat immediately it goes into store. The f.o.b. charges can be readily ascertained and deducted in every instance on the purchase-price paid to the farmer.

This nomination phase also acts very detrimentally in another direction, which should be observed when making any representation to the Imperial authorities. It is known and recognized that the trusts are endeavouring, with their multiple-shop system in England, to dominate and control as much of the retail business as possible there. In some parts of England to-day you can put your hand on the map and know that in those localities the whole of the retail shops are owned and controlled by the trust multiple-shop owners; and anything that tends to squeeze out the independent retailer and centralizes the trade into the trust is beneficial to the trust and detrimental to us here and the consumers at home, for directly the trusts control a dominating influence on the retail trade of England we would be absolutely at their mercy to accept whatever price they choose to offer. Our only alternative would be to open shops of our own, and immediately we did this they would have their shops alongside of us and run us out of trade, which is the method they adopted in the United States of America, for there it is known that when stock is brought to the big markets in Chicago and other centres, if the farmer does not accept the first offer made by the trust for his stock they will get no better offer, but will ultimately be compelled to sell at a reduced price to the trust. In like manner the trust uses the same methods to increase the cost of the retail article to the consumer. In the early part of the war it was officially notified through the cables that about two thousand retailers' shops in and around London had been forced to close because they could not obtain supplies, and there is no doubt this position is very largely accentuated by the trust representatives nobbling the meat through this system of nomination at this end, and the smaller retailers have had to scramble for any small balance that was not already secured by the big meat-importers. It is important to bear in mind that by Regulation No. 6, issued for the sale of frozen meat on account of His Majesty's Government in England, a selling agent is permitted to purchase meat on his own account for subsequent resale, either wholesale or through his own retail shops, and he may sell to himself at the market price, but in that case he shall not receive any commission on such sales. Now, clause 7 of these regulations is rather significant when it says, "The selling agent shall disclose confidentially to Sir Thomas Robinson the names of the buyers in other companies, in which a hundred or more carcasses of lamb or mutton or twenty-five quarters of beef are sold to one buyer. In the case of sale of smaller quantities selling agents shall, if required, place their books at the disposal of the Board of Trade in order that buyer's name may be ascertained." It is worthy of note here to observe that the large buyers must report to Sir Thomas Robinson; the smaller ones to the Board of Trade. Sir Thomas Robinson, as probably the Committee is aware, is one of a committee of three, with Sir Montague Nelson, who is head of the C. C. and D. Company, London, and Sir Thomas Mackenzie, who are supposed to act as a committee at Home in connection with the sale of our surplus meats there. Sir Thomas Robinson, I might point out, is also largely interested in shipping, and is one of six of the registered shareholders of the Federal Steam Navigation Company (Limited). It seems to me all very unsatisfactory, and that the door is opened to facilitate everything for the big operators, while at the same time difficulties are created which act detrimentally upon the small retailer, whom it is so necessary to retain, both in the interests of our trade and the consumer at Home. These circumstances all emphasize the imperative necessity of having either an individual or a committee at Home who is in no way associated with either the shipping or meat trade to control the marketing of our surplus meat, and to see that it is sold at cost price plus all proper charges, through the smaller retailers who are not associated with the trusts, which we and the consumers at Home have every cause to fear. There is an opportunity now of seriously weakening these multiple-shop owners to the benefit of our producers and the consumers at Home if our New Zealand and the Imperial Government are stirred up to take the right course of action.

Now, this brings me to the important question of the *disadvantages we are labouring under in connection with our shipping facilities*. On both occasions when I visited England I made