

Mr. PLATTS : So they are.

Mr. YOUNG, M.P. : Have you knowledge of tenders being called locally?

Mr. FISHER : No. No tenders have been called locally, as far as I remember, for some considerable time.

Mr. YOUNG : By whom is that telegram to Mr. Massey signed?

Mr. FISHER : By Mr. Warnock, public accountant, Auckland.

Mr. ANDERSON, M.P. : To whom were the orders given?

Mr. FISHER : To E. W. Mills and Co., of Auckland, and Cruickshank, Miller, and Co., of Auckland, who were recently bought out by Mills. We ask for an inquiry because grave charges have been made against us. The Commissioner and a certain section of the Natives supporting him have made very serious charges against us. Surely they are entitled to an inquiry even if we are not. We say, let there be an inquiry and have these unpleasantnesses cleared up. Until recently there was no friction between the Natives and the traders. To the present day the most influential and enlightened Natives deal with the stores. If they had not received fair treatment they would not, I think, be doing that.

A. F. AMBRIDGE (manager for Jagger and Harvey), stated: In the Cook and other Islands Annual Report dated 1st July, 1919, the Resident Commissioner states: "A combination of four or five traders has for a long time past been strong enough every season to fix the price the Natives must accept for their fruit. . . . Hitherto, if the Natives objected, the traders had been able to reduce them to subjection by cutting off the supply of fruit-cases, copra-bags, &c., and they have always held a stronger card in a practical monopoly of steamer and schooner space." This statement would give the impression that all the fruit produced by the Natives was sold to the traders; that no fruit was consigned to New Zealand by the Natives, either directly on their own account or through the traders, and that all the fruit-cases available were in the hands of the traders, who, if the Natives refused to accept the price offered by them, retaliated by cutting off their supply of fruit-cases.

The foregoing statements made by the Resident Commissioner are incorrect, for the following reasons:—

1. For many years past a number of Natives have been accustomed to obtain fruit-cases from New Zealand and ship their fruit to auctioneers there to be sold on their account.

2. A great many of the fruit-auctioneers in New Zealand have for many years shipped fruit-cases to Natives here, and when the fruit is received in New Zealand it is sold at auction and the cost of the cases is then deducted from the proceeds. The balance is then remitted by post-office money-order by the auctioneers to the Natives concerned.

3. The traders when shipping fruit have always allowed their clients, both Natives and Europeans, the choice of either selling their fruit on the wharf in Rarotonga or consigning their fruit through them to any auctioneer whom they may select in New Zealand. A reference to their books will show that a large number of Natives have for many years elected to consign their fruit through the stores, and when the account sales are received from New Zealand the original is handed to the Native shipper, who either draws the cash, or, as in a great many instances when they have already obtained advances of cash and goods against the fruit, their accounts are credited with the amount of the account sales. It will thus be seen that the Natives have always been fully alive to current prices of fruit in New Zealand, and when they sell fruit to the traders here they do so for the reason that they consider the prices offered them warrant their selling locally, and not because they would otherwise be deprived of fruit-cases, as stated by the Resident Commissioner in his report.

4. With regard to the purchase of fruit in Rarotonga, we would point out that two of the biggest traders, rather than take the risk of shipping fruit to New Zealand, sell the whole of the fruit purchased by them on the wharf in Rarotonga to New Zealand merchants, who pay them the small commission of 6d. per case, and for this commission they have to make arrangements for the fruit, attend to the marking and shipment, employ men to tally same as delivered, and see the shipment through the Fruit Inspection Department, &c. In the face of this it is not reasonable to suppose that traders would endeavour to induce the Natives to sell at a low price to the advantage of the New Zealand merchants, as this would mean considerably less business for the traders than if the Natives received fair value for their fruit.

The traders take this opportunity to give a flat denial to the statement of the Commissioner in his report that "The Natives complain that for a time last season, for example, the fruit-growers had to accept 1s. per case." The lowest price paid was 2s. per case for fruit only, which, with cost of case added, was 4s. 6d. on wharf. Had the Commissioner taken steps to verify his statement by asking the traders for information, which would have been willingly given, this utterly incorrect statement would not have been published. He, however, elected to accept the unsubstantiated statement of some Natives, which, if true, would be a reflection on the stores.

In explanation of the Resident Commissioner's statement that the traders offered 2s. 6d. for fruit and the Natives demanded 5s.: In March, before any offer was made by the traders, the Natives decided that 5s. per case was to be the minimum for fruit for that month. This price did not include cost of case, nails, cartage from bush to wharf, and other incidental expenses, which would have amounted to 3s. 6d., making in all 8s. 6d. per case on wharf at Rarotonga; add freight to New Zealand, 3s., and you have a total of 11s. 6d. per case for the fruit landed on the wharf in New Zealand. To this must be added auctioneers' commission and other charges. Basing the value of fruit on past experience of other years, for this particular time of the year, this price was unwarranted. But to meet the Natives in the situation the traders freely offered the Natives cases in which to ship the fruit on consignment through them at the Natives' risk. The Natives then informed the traders that under the agreement which they had signed they were forbidden to ship on consignment through the traders, which practically amounted to a boycott on the stores.