

Mr. D. W. WESTENRA examined. (No. 2.)

*The Chairman* : Your full name, Mr. Westenra ?—Derrick Warner Westenra.

And your address ?—Farmer, Dunsandel.

And you represent ?—The Canterbury Agricultural and Pastoral Association.

Do you wish to make a statement ?—Yes, sir, I would like to say a few words. It is a most extraordinary thing, to my mind, that there should be such a difference of opinion between the North Island and the South over this business. I myself, as you know, being a fatterer, am greatly interested in this matter, and I am not going to go blindly into the question of giving Armour and Co. a license. I have gone into this question with shrewd business men in the City of Christchurch, and outside Christchurch, and I have said to them, " You know what the position is with regard to Armour and Co. You know there is a difference of opinion about them having a license. You know what is going on. Give me your views." And they have said to me, " Why not ? " That is what I cannot understand. Why should not Armour and Co. have a license ? If they do not get a license it simply means that they will deal with the cards under the table. We want their cards on the table. We want that with respect to every company that is dealing in stock in New Zealand : we want their cards on the table. The Government would then have all the facts before them, and they could say, in this particular case, at the end of the twelve months, if it does not suit, " We will strike you off the list." You have them absolutely at your mercy. I have also gone into the question in the country districts. I have spoken to farmers in the Dunsandel district, which is my district, and I have also spoken to farmers in the Ashburton district and other country districts—all of them fattening districts. I have spoken to these farmers in the same way, and the majority have answered " Why not ? " I am quite sure that if the question was put properly before them, if they were shown the true meaning of the whole matter, they would practically all of them be in favour of giving Armour and Co. a license. They are under the impression that Armour and Co. want to build works in New Zealand. That is not a fact. All they want is simply a license to allow them to trade in New Zealand with the rest of the other companies who are doing so.

*Hon. Mr. MacDonald* : They want a meat-exporter's license ?—That is it exactly. Well, so far as trusts are concerned, it simply amounts to this : if we do not encourage trade from outside it simply means that we will have trusts of our own here. The large companies at present operating in New Zealand will become trusts if there is no outside competition. They will grow until they become trusts in themselves. We know that for a fact. We know what is going on. We are getting rooked in every possible manner in regard to our meat. Now, what I want to point out is this : that in giving a firm like Armour and Co. a license to do business in this way they deal f.o.b. with the farmers instead of c.i.f. with the companies. That, I think, is a strong argument that we should do business with Armour and Co. straight out, and have free trade. I say that, as far as we are concerned, we are on sound lines, because their cards will be on the table, and if the Government are not satisfied with them they can strike them off the list. I think that is all I have to say.

*The Chairman* : Do I understand you to say that if Armour and Co. do not get a license within the law they will do their business in New Zealand outside the law ?—I do not say that they will do so. They have kept within the law hitherto. I do not suppose that they will go outside the law, but we know that things of that sort do go on.

*The Chairman* : It is just as well for the Committee to understand that.

*Mr. Jennings* : If a buyer for Armour and Co. was to offer a farmer, say, 2s. per head more for his stock than the other buyers are offering, I presume he would sell his stock to Armour and Co.'s buyer, even though he may happen to be a shareholder in the local freezing company. He would not refuse Armour and Co.'s offer ?—I do not think he would for one minute.

*Hon. Mr. MacDonald* : Are you a sheep-farmer ?—I am a sheep-farmer absolutely. I have been fattening all my life, and I am in a fattening district.

As a sheep-farmer are you supposing that the Slaughtering and Inspection Amendment Act, 1918, will protect the farmers to the fullest extent necessary ?—Undoubtedly. What I mean to say is that I would not have gone into this matter if I had not gone before shrewd business men before I took it up.

Of course you are asking for free trade in New Zealand : I quite understand that. And the farmers are looking to the American market. You do not know whether Armour and Co. have suggested that they are going to deal with the American market ? You do not know to which country they are going to export ?—That I could not say.

*Mr. Lysnar* : You say that Armour and Co. do not want to build works. How do you know that ?—I am quite satisfied about that.

How are you satisfied ?—For the simple reason that they come here to do business with us with the cards on the table. I am satisfied about that, because if they make any mistake about it out they go.

But how are you satisfied ?—I am satisfied in my own mind. I am satisfied that they want to do business aboveboard.

You have no official information from Armour and Co. ?—No.

*Mr. Hawken* : You say there is not sufficient competition. Do you find that in Canterbury there is not sufficient competition when it comes to the buying of your stock ?—Yes, that is so. The buyers put their heads together. They have beaten us pretty badly. I know a good few cases about which there has been trouble over that. I have on different occasions taken my sheep out of the yards and sent them to the works, and have done much better by doing so.

That is with respect to sheep which go through the yards ?—Yes, sheep sold through the sale-yards ; and I know who is at the bottom of it.

Have you any company that overshadows the others in the expansion of their business ?—Yes.

What company is that ?—The Christchurch Meat Company.

That is the New Zealand Refrigerating Company now ?—Yes.

And for that reason you think it would be a great advantage to have Armour and Co. compete with the Christchurch Meat Company ?—I certainly do. You would open up a fresh channel to where you would get a fresh market. We would be getting a new country to deal with,