

wisdom of their fellows in sanctioning the formation of the Meat Control Board, which has undertaken the control of the marketing of our surplus meat products. It is pointed out that, although the Board has been in existence for a considerable time, it has really accomplished very little. Extravagant claims, it is stated, have been made on its behalf. The shipping companies have made reductions in their freight charges, allegedly as the outcome of the pressure the Board brought to bear upon them. But these reductions, it is further stated, were overdue, and similar concessions were made at the same time in Australia. The meat companies are being taxed to provide the funds necessary for the upkeep of the Board, its income being about £20,000. Then it is pointed out that, since April, "mutton and lamb have fallen by 1d. to 1½d., and New Zealand beef is not even quoted on the London market, but there is nothing said by the Board, no explanation offered, no advice tendered." Following the establishment of the Meat Board prices advanced slightly, but the Board's critics say that the advances would have been made in any event as a result of the improved demand, and it is contended that "the Board can never control the meat-market; it cannot even regulate the shipments of meat." As a general principle the less interference there is with the commerce and trade of the country the better, but there may be circumstances under which trading can be regulated without disadvantage to the public. Combination between the producers on co-operative lines has admittedly proved their salvation in a financial sense, but, with it, there has hitherto been perfect freedom of action in the methods the co-operative companies have adopted, both for the marketing of produce and their trading methods, where they have engaged in trade. When it comes to pooling all the produce handled by these companies for export and the control passes into the hands of half a dozen directors, who become dependent upon the advice and business acumen of perhaps one man, a very different situation arises, and one that calls for careful consideration and much serious thought. While it may have rendered some useful service the Meat Control Board has still to justify its existence. However necessary State control may have proved during the war it cannot be regarded as either desirable or suitable for peace times. Sir Arthur Goldfinch, the governing director and chairman of B.A.W.R.A., has given it as his considered opinion that, whatever success may have attended State control in war time, "it offers no encouragement whatever to the renewal of such ventures in peace time. . . . Could State control be so applied as to increase the production of commodities? Would it conduce to the fairer distribution of commodities throughout the community? Would State control help us to avoid devastating disputes about rates of wages? Would State control do anything to prevent the horrible disturbance created by trade cycles, the succession of booms and slumps which hurt every class of the community, but are most hurtful to the classes who depend for their bread upon continuous employment, and who, through no fault of their own, may find themselves entirely destitute for long periods of time?" The answer to these questions may be found in the experience of Queensland, which has experimented more largely in the State control of industries than any other British country, and has a far larger percentage of unemployed than any of the other Australian States. The projected wool pool is objected to and condemned by financial authorities because (as they contend) it is "utterly impossible" for the "airy schemes" propounded by the would-be "State controllers" to work out as they desire. The contention is one which should be seriously considered and reviewed, in the light of the experience gained, and to be gained, from the operations of the Meat Control Board, which, as we have already said, has still to justify its existence. Legislative sanction must be obtained before further pools can be formed, and, as unanimity is required before the Government will proceed with the measure, and that is not yet forthcoming, it is scarcely possible that the Dairy Control Bill will be passed into law this session. An important factor in deciding the attitude of the Government will be the discussion which took place at yesterday's meeting of the National Dairy Association. After an interesting and instructive debate the meeting decided to accord its support to the Bill, and this, no doubt, will exercise an influence on members of Parliament even though some of the opponents of the Bill represent dairying districts. The supporters of compulsory pooling are largely influenced in their attitude by the fact that handling charges have, in recent years, substantially increased while deliveries to the English markets are irregular and, as a result of the conditions prevailing, it is believed the markets are more or less manipulated to the advantage of the wholesale dealers. Whether there is anything in this idea or not it is difficult for the layman at this distance to decide. No one can blame the dairymen for combining to handle their products to the best advantage; but differences of opinion occur when State aid through legislation is sought. There is no doubt but that the dairymen have a strong case; there are, however, grave doubts as to the wisdom of giving the leaders of the movement the statutory powers they are asking for unless there is a time limit to the compulsion or a means is provided whereby the dissolution of the pool can be secured without legislative sanction in the event of there being a sufficiently strong section of the dairying community desirous of securing the termination of the pool. While it is the duty of members of Parliament to facilitate by legislation the organization of our primary industries, they also are under an obligation to afford adequate protection to the rights of minorities engaged in those industries as well as to give due consideration to the public interests.

HERBERT EDWARD PACEY further examined. (No. 10.)

*Witness:* When I discontinued on Friday I was combating the report that the fluctuations in the prices of dairy-produce had to a serious extent been due to speculation and other forms of gambling. I submitted that the fluctuation was partly due to the supplies position not being understood owing to the dominant quantity having temporarily changed from the Northern Hemisphere to the Southern Hemisphere. I also represented that the fluctuations were partly due to dumping into Britain, due to marketing conditions in other countries being unfavourable; to increased production in Ireland, Sweden, and the Netherlands; and to financial and economic conditions. I submit that there is not any evidence that fluctuation has been due to improper practices, but rather to conditions beyond control. It has been represented that part of the trouble has been due to shipping conditions, and it is proposed to remedy those shipping conditions by a system of shipping-control. I do not think there is any objection to a Producers Board being formed to make shipping contracts and to supervise shipping, but I think that an attempt to exercise shipping-control or regulations under the conditions which are now before us would be hurtful rather than advantageous. Before the war we had regular loadings of dairy-produce, sailings at least once a fortnight, and if we can get back to those conditions it will do much to place the industry on a satisfactory foundation. The dairy business was not the only interest which was troubled owing to inadequate shipping during the war and during the reconstruction period. There has been considerable improvement already, and I am of opinion that the continuation of that improvement by a natural process will prove the remedy. At the same time, if it is thought that the appointment or election of a Producers Board to make the contracts would contribute to a more speedy solution of the difficulty, I should not have any objection to offer, but I think that that Board should endeavour to avoid the loading of the same boat at so many ports. In the past we have been collecting dairy-produce at many ports, some of the boats starting at Auckland and finishing at Dunedin. The result has been the occupation of the time of the ships collecting butter on the coast, and reducing