

100. You think it would be desirable, then, to load at the four centres?—No, I did not say that. I am not prepared to say what the ports should be. The point I sought to make was that there is no need to load a boat at eight ports. There are about sixty to seventy loadings in New Zealand during the year, and they could be grouped in a way which would avoid the necessity of so much tramping around.

101. *Hon. Mr. Ngata.*] You would not eliminate some of the ports?—Not necessarily. Possibly some of them might be eliminated, but that was not an essential part of the proposal.

102. *Mr. Langstone.*] That means that the people at Home would have to despatch all their cargo for one port, provided they had a cargo of dairy-produce to pick up at that port?—I do not think that would be implied. If it were known that certain boats would work certain ports they would take cognisance of that fact when loading.

J. B. MACEWAN examined. (No. 11.)

1. *The Chairman.*] Whom do you represent?—I represent the proprietary factories, and I wish to give some evidence as an exporter and as a merchant. I have been somewhat puzzled as to what evidence I could give you to-day which might be helpful; but what I will say will be in direct opposition to this Bill, for reasons which I will try to explain briefly to you. We are opposed to compulsion in any form—

2. *Mr. Forbes.*] Who are “we”?—The proprietary factories and merchants and exporters. We are opposed to compulsion in any form unless in a national emergency. We are opposed to Government representation in any industry which is soundly and firmly established. You know, possibly better than we business men know, that influence in, say, political circles is very far-reaching. You sometimes are forced to consider basic conditions from a political point of view and not from a business or financial point of view. Briefly, these are our main objections to representations unless in case of emergency. If we are at war, or possibly if an industry gets into a bad state, for many reasons we say that possibly the Government or the House would be justified in taking a hand in it until it is well established again, and then quietly withdrawing. Many of us here have been engaged in this business for many years. We see round us men who are in different positions. I believe we are all proud of our participation in the development of this industry. Some of us, you will have heard, have been connected with it for thirty or forty years; some for shorter periods. We claim that the dairy business is highly organized. For many years we have had central control of shipping. We have had a London Intelligence Department; we have had a High Commissioner’s Office; and we have had the numerous British firms who have had representatives in this country and who have supplied regular information for the guidance of our factories. As for the Government’s part, you all know what they have done. We have had compulsion in certain domestic matters—compulsory grading, compulsory branding. We believe that these are all within the scope of control or compulsion. But when you go into the markets or the world we say you must act carefully. You must consider the fundamentals, and you must consider what objection you are likely to meet. Speaking first from the point of view of the proprietary interests—you will understand that these concerns are entirely different from the co-operative factories which you have throughout the country—we claim that the proprietary factories represent a very important unit in the carrying-on of the dairy business. You all know that during the last few years—I think that possibly you members of the House realize it more than most of us do—there has always been a shortage of money in the hands of producers for the development of their farms and their herds, and so on. In the proprietary factories we say to our suppliers, “We will provide the capital for the buildings and plant. We will undertake the management, and we will pay you prices to be arranged from month to month or from season to season.” This permits the farmer to conserve his own resources. He is not called upon to pay for any shares or for the building of the factory or the equipment thereof. He retains all the money which he earns or controls for the development of his own farm. His time is not taken up in going away from the farm to control other business matters. That is left to those who have studied and made themselves fit. That is briefly the service which the proprietary factories claim they give to the suppliers of this country. I think it is a fair thing to claim that the product, as manufactured by these proprietary concerns, belongs to them and not to the producer. There are thirty-eight factories throughout this country run on proprietary lines. It is estimated that for the coming season they will manufacture from 12,000 to 15,000 tons of butter and 1,000 tons of cheese. This Bill proposes that a Board shall be at liberty to take away the control of the marketing of our own product, of our own goods. We claim that that cannot be done in a British country unless in a national emergency, and I hope you will agree that that is a fair claim, for the reason stated. We say that we are prepared to sit around the table with all the important units. The producer always come first—must come first. We will take the merchants’ interest in this country; we will take the exporting interest; and we will take the importing and distributing interests in Great Britain: we say we are prepared to sit around the table with all these interests, and by good team work and by working in harmony we believe we can make greater progress during the next five years than you can under such a Bill providing for control or compulsion. My evidence will be along the lines of supporting this statement—that we believe that better progress will be made by working in harmony and by team work than by compulsion or control. Take the experience of the last eighteen or twenty years; we have made very substantial progress. The question of marketing I leave to another phase, but we are always willing—I am speaking now for the interests which I have mentioned; that is, proprietary, exporting, and merchants—we are always willing to work harmoniously and vigorously when necessary with the other interests, and especially those of the producers. I fail