

on in a manner contrary to the public interest, it would have justified the Minister in refusing his consent. At the next page he was asked:—

It is only a matter of opinion, after all, but I am going to ask you this: Supposing you had happened to be the Minister for the time being, would you, on the knowledge that you then possessed, have consented to the transfer of the license?—Yes, I would. And perhaps I might add something to that. I would have consented because I had been unable, during the period of Vestey's carrying on business in New Zealand, to find anything in their methods which would warrant the taking of such a step as refusing to agree to the transfer. And as they had not been guilty of any methods which would warrant such a step, I would not have been justified in assuming that if the license were transferred they would commence to exercise such methods; or if they did we could stop them.

Have any facts come to your knowledge since the transfer which show that you should stop them?—No.

Have any facts come to your knowledge showing injury to the farmers of this district consequent upon this consent having been given?—If facts came to light which showed injury to the farmers of the district, and which consequently would establish that the works were being carried on in a manner contrary to the public interest, then there would be justification for refusing to agree to a renewal of the license.

Mr. Nosworthy made it his business to find out what the views of the Meat Board were in respect of this particular matter, and, as we have mentioned at another place, the Meat Board had, on the 12th September, after full discussion, decided that it saw no reason to object to the transfer to Vestey's.

Among the facts of which the Meat Board had knowledge was the fact that there had been negotiations between certain of the directors of Mr. Lysnar's company with Vestey's about the acquiring of these very works by Vestey's from the company, and one of the members of the Board, at any rate, had been asked by various directors, and by—as he put it—a good many shareholders, what the Board's view of the position would be if such a sale came about. At that time those parties were desirous that no obstacle should be raised against the transfer. These directors and shareholders had been told that in all probability the Board would have no objection to such a transfer. And why should the position alter because it was a mortgagee who was seeking a transfer of the license? *The transferee was the same.*

Mr. Jones, the Chairman of the Meat Board, had also found out the views of the chairman of the Kaiti Company, which it will be remembered is a rival and a co-operative concern. It is also the large company of the existence of which Mr. Lysnar presumed Sir Francis Bell was aware.

Mr. Nosworthy had then been Minister of Agriculture for some four years. He had come in contact with Vestey's previously, because there is ample evidence that when they acquired the business of Nelson Bros. the Minister had not made merely perfunctory inquiries about the company and its operations, but had actually called the head of Vestey's interests in New Zealand to Wellington, and had put him through a searching examination, including the answering of questions raised by Dr. Reakes. From time to time after that the Minister of Agriculture consented to the issue or renewal of this company's licenses. The Minister also mentioned that he had other sources of information regarding the circumstances surrounding this matter.

It is alleged that Mr. Nosworthy acted in a manner contrary to his duty in consenting to the transfer. In considering this matter we must not allow those feelings of sympathy which we have for the unfortunate shareholders, who have suffered so severely in this ill-starred and ill-managed venture, to interfere with our judgment. Our sympathy is all the deeper because we know that many of the shareholders come from the hard-working and industrious farming class.

It is difficult to arrive at an opinion as to what Mr. Lysnar's real views were about the powers that the Minister possessed under the Act of 1918, because neither Mr. Lysnar's actions nor his expressions of opinion are consistent upon this point. Mr. Lysnar states that he agrees with Sir Francis Bell's interpretation of the law upon the subject. Sir Francis Bell says, at page 1542, "The question of the withholding of the license was a departmental matter, and was entirely at the discretion of my colleague."