

In passing, we observe that it may not at an early date have impressed itself upon the minds of the farmers and others who sought and obtained legislation on the 1918 lines, or upon the minds of those who were in charge of the financial and lending institutions in this Dominion, that the value of premises the use of which (to enable them to be economically operated) requires a meat-export slaughter-house license had been adversely affected by the passing of this legislation. That is a matter, however, which does not concern the Minister of Agriculture. It was his duty to consider the application, and to consider the application, although made by a mortgagee, as fairly and impartially as of it had been made by an owner.

*In our opinion the Minister made reasonable inquiries, took reasonable steps, and gave the matter due and reasonable consideration, and came to a fair and reasonable decision, and in consenting to a transfer of this license did not act in any manner contrary to his duty.*

We have already shown that Mr. Lysnar, at that particular time, and owing to the political situation, occupied a very powerful position, and if the Minister of Agriculture had been weak, or if the Government had been weak, and had been inclined to take the line of least resistance, there might possibly have been some suggestion of placating Mr. Lysnar by either directly or indirectly using the provisions of the Act of 1918 as a Mortgages Extension Act, or trying to induce the Minister to use it as such.

In dealing with the kindred question, *as to whether or not the Minister has acted in any manner contrary to the public interest*; we point out first, that it was stated by witnesses called on both sides that two freezing-works were sufficient for this district. We also point out, further, that Mr. Nolan, the chairman of directors of the Kaiti works, saw no objection to Vestey's dismantling Taruheru and transferring their operations to Waipaoa. It is also true that this was the individual opinion of his co-directors, although there was no formal resolution of his Board.

We further point out that the directors of the Kaiti works did not consider the purchase of Waipaoa by Vestey's as a thing to be fought against, because the Board of the Kaiti works formally approved the action of Mr. Nolan in refusing to join with Mr. Lysnar in a crusade to get the sale to Vestey's stopped. Mr. Cederwall deposed to this. (See pages 1188 and 1189.)

We have seen that as a result of there now being only two works in the district, the freezing rates have been very considerably reduced, which is a very decided advantage to the farmers and the district generally.

The question of the financial position of the district, the financial position of the shareholders, and the financial position of the guarantors more nearly concerns the question of the Minister's actions in relation to the public interest than the question of his actions relating to his duty. If in the course of carrying out his duty he had caused irreparable damage, in one direction or another, then there might be some ground for the contention that his action had not been in the public interest.

Evidence was given which clearly showed that a great number of the guarantors were in a most embarrassed financial position, and as to the possibilities that might have ensued if the bank had not sold at as high a price as it did get, and, in consequence, had taken drastic steps against the guarantors.

We point out that in our opinion no monopoly has been created, as might have been the case if the facts had been as Sir Francis Bell was allowed to believe.

We also point out that the position is certainly no worse from a public-interest point of view than if the bank had sold these works to a manure-manufacturer, or to some firm who dismantled them, thus leaving only two freezing-works in the district.

Mr. Lysnar stated frequently he could not object to the bank selling the works so long as it was not sold to a trust.

We do not think that either the public interest or the interest of the producers of Poverty Bay, or of the other residents of Poverty Bay, or of the Dominion, have suffered in any way through the Minister having consented to the transfer of this license to this firm.

We further state that, in our opinion, if the sale had been arranged by the directors of Mr. Lysnar's company on behalf of the 530-odd shareholders of that company, there would have been no serious complaint about Mr. Nosworthy not having given due regard to the public interest.