

*The Chairman* : I suppose what you mean is that the Meat Board ought to act as suggested in connection with the Butter Board — that is, the butter control? — Yes, I think they are dealing somewhat on the same lines : yes.

During the addresses of counsel it became apparent that Mr. Lysnar holds one opinion as to the powers of the Meat Board, while counsel appearing for the Meat Board holds a different opinion.

We are not prepared to say that the policy of the Meat Board has, up to the present, been wrong in connection with the general treatment of this large and controversial subject. So far as the action of the Chairman is concerned, we do not think that his action in connection with items (1) and (2) has been, on the whole, contrary to his public duty or to the public interest. At the same time we repeat our observations regarding the action of the Meat Board in not replying in a businesslike way to Mr. Lysnar's letter of the 22nd March, 1924.

#### COMPLAINT NO. 3 IN LETTER OF 14TH JUNE, 1924.

The third complaint in the letter of the 14th June, 1924, is to the effect that the Board's actions favoured big trusts and combines more than the producers—except in a few matters.

We propose to deal first with the complaints about grading. The question of grading was referred to by Mr. Lysnar in his evidence at pages 130 and 422, where he admits that the Board have Inspectors going through the Dominion to see that the standard as fixed by the Board is maintained. He says that he considers that too many stock are classified second grade, and "that sort of thing."

Mr. Lysnar called John Robert Miller, whose evidence commences at page 970 of the notes. He gave particulars of certain stock having been picked by him which was afterwards graded lower than he anticipated. The stock came from Mr. Lysnar's property. Mr. Miller says that he saw at the works before they were killed only one of the tree mobs he picked. The other two mobs he did not see after he picked them.

It is, of course, possible that the sheep contained in two of the three mobs were not exactly the same sheep as Mr. Miller picked, consequently this cannot be taken as an absolute test. Mr. Miller under cross-examination admitted that Mr. Richmond is the largest operator in the Gisborne district, and that so far as Mr. Miller knew he (Mr. Richmond) did not make any complaints about the grading. It is also pleasing to find that Mr. Miller does not allege that these sheep were deliberately graded "hard" contrary to the usual custom. It is also pleasing to find that Mr. Miller's explanation of the particular grading of these mobs of stock is merely that he considered at that time the grading was exceptionally high "just at that period last year in all the works of that district." Further, that Mr. Miller did not suggest that there was any "crooked work," and he admitted that he had no accusations to make against any people connected with the works (see page 967). The only evidence regarding grading given by Mr. Richmond was that he had quite a number of experiences of getting a little more—not much more—for "seconds" and "thirds" than they got for "firsts" in the sale of meat (see page 1223).

Mr. Fraser, General Manager of the Meat Board, at page 1432 of the notes, intimated that he had seen the particular killing-sheets—he refers to killing-sheets of the sheep sent along from Mr. Lysnar's premises alleged to have been picked and graded by Mr. Miller—and they showed that there were animals weighing, some of them, 28 lb., 29 lb., 30 lb., and 31 lb., and so on, and he said that any one at all intimate with drafting or grading would know that it is most unusual to draft sheep of these grades as "primes." At page 1431 Mr. Fraser says the Meat Board recognizes that the reputation of our meat on the English market is probably one of the greatest assets that we have in this Dominion, and that the Board takes care to see that the meat is so graded that buyers at the other end will have no complaints as to meat coming forward under a wrong description.

In answer to Mr. Skerrett, Mr. Jones says, at page 812 of the notes, that it is unquestionably of importance the grading of all meat exported from New Zealand should be consistent and in accordance with the wishes and desires of the purchasers in England. He goes on to say, "Our trade in Britain has been built up