

Regarding No. 3 above : Except for supplying periodical reports of market prices and a few other minor items, the Board has really done nothing to assist the producer. They have stiffened up the grading, and, speaking for this district of Poverty Bay, have done so to quite an unreasonable extent, so much so that considerably more than half the sheep and lambs that have gone through the works this season are reported to me to be second grade. The justification and excuse the freezing-works give is that they are grading up to the standard requested by the Meat Board, who have an officer periodically visiting the works to see that the standard is kept up to, but without regard to the killings of the district as a whole. I can with confidence give particulars of my own killings.

I have been killing stock in the local works for over twenty years past, and never before have I had such bad results. More often than not my own managers have picked the sheep and lambs in the past, but this year I had the best possible expert that was available in this district to pick them, so the ability of the judgment of the person who picked them cannot be reasonably questioned, and in addition this season has been a better average year for good feed and fattening-conditions than for several years previously.

It must be borne in mind that when stock is classed as seconds the buyers give a lesser price : in most cases for lambs up to 1d. per pound is deducted, which is an advantage to buyers and a loss to producers.

In May, 1924, I put 1,064 wethers into the freezing-works : 583 were classed as primes, 447 as seconds, and 34 rejects. At $\frac{1}{2}$ d. per pound the loss on the seconds compared with the primes equals £41 9s. 9d., and the loss on the rejects is £30 18s., or a total of £72 7s. 9d.

In February, 1924, I put in 910 lambs, the result being 396 primes, 502 seconds, and 12 rejects. March, 1924, I put in 829 lambs—313 primes, 505 seconds, 11 rejects. In May, 1924, I put in 1,685 lambs—397 primes, 1,203 seconds, 85 rejects, equalling 66·3 per cent. of seconds. The loss at 1d. per pound on these was £269 17s. 9d., and the loss on the rejects £85 15s. 6d., or a total of £355 13s. 3d., which shows a total loss on the above sheep and lambs of £428 1s.

I do not suggest there should be no rejects or seconds through accidents or other causes, but there should be nothing like the above, and when this loss is spread over all the sheep in this district it is a very serious position. As a matter of fact, I am credibly informed that on the average in the district the loss is greater than in my own cases quoted.

I have the permission of Mr. W. Richmond, who is one of the largest individual buyers of meat in New Zealand and particularly so in this district, to state that he considers, in his judgment and long experience in the handling of meat, the grading as insisted on by the Meat Board in this district is unnecessarily stringent, and is strongly opposed to so many being graded seconds ; but the freezing-works justify themselves by saying that they are carrying out the directions of the Meat Board.

Another matter bearing on this is the deletion from the shipping contract of the clause which has been put in all shipping contracts prior to the establishment of the Board, which provided for a reduction of freight if a favourable opportunity offered by any other lines in the trade. This clause was a protection not to the shipping firms, but a proper protection to the exporters, and has been deleted from the contract.

Another nominee of the Government, Mr. A. E. Harding, a member of the Board, had stated at a meeting he held in Gisborne, as justifying the Board's action in excluding the "Admiral Codrington" from the trade in New Zealand, which I will refer to later, that this was done because the company had cut the freight rates in the preceding year.

I had an opportunity of meeting Mr. Harding a day or two later, and asked him if he and the Board were against the cutting of freights in this way, and he said they were because it broke the contract. I further told him he would be doing the Dominion a service if on the next occasion he spoke he told the people of New Zealand that he and his Board were against the cutting of freights.

I attach letters and telegrams marked "B1" to "B7," dated between the 21st April, 1923, and 26th June, 1923, between the Poverty Bay Farmers' Meat Company and the Meat Board regarding the cutting of freights which the Board objected to being done, as is clearly shown by this correspondence.

On the 9th April, 1924, I wrote a letter to the Press on this matter, a copy of which I sent to Mr. Harding (and copy of which is now attached marked "C"), and publicly requested him, if there was anything incorrect in the letter, to correct same. He has not done anything in the matter, so I ask with all respect that you regard the contents of the letter enclosed as being correct and true in all details.

Regarding No. 4 above : In justification of this allegation I attach [marked "D"] hereto a letter dated 14th September, 1923, to the Chairman of the Meat Producers' Board from the Poverty Bay Farmers' Company (Limited), asking the Board to investigate the proposal for the proposed sale of the company's works to Vestey Bros. on the grounds that it was against the public interest, &c., because they were such a huge combination with a recently increased capital of £8,750,000, &c., and asking that the Board fulfil the promise it made to the executive of the New Zealand Farmers' Union that they would stop overseas concerns acquiring any further interest in New Zealand freezing-works, or that new works should not be erected by any other than New Zealand interest, and that the Board had decided that in the event of such purchase or purchases, or erection of freezing-works by overseas interest without the approval of the Board it will take such action as will prevent such interests controlling the meat going through such freezing-works.

I enclose also a letter [marked "E"] from the Chairman of the Poverty Bay Farmers' Meat Company (Limited) to the Chairman of the New Zealand Meat Producers' Board, dated 26th September, 1923, asking the Board when it would be convenient to hear the company to deal with the question of the suggested sale to Vestey Bros.