

ments Home that caused them to refrain from shipping to London again. Referring to this past season's experiences, there are, to my mind, two or three reasons for the cause of the great fall in butter. One was undoubtedly the drought in Sydney last year. People held their butter back, anticipating very high prices. I know people told me when I offered 9d. and 10d. to them, "Oh, we won't sell for that, we will get 2s. for it." They held on and held on, and what was the result? They could not get more than 5d. for it. Wet weather came on the other side, and as soon as rain comes on there, as you know, milk is plentiful. I believe, one man in Masterton had 800 packages, upon which he anticipated making an enormous profit. He went to Sydney and tried to sell them, but could not get any offer at all. He sent them Home, I think, in the "Coptic;" the butter was all old and should never have gone to London at all. I was offered a parcel of 3,000 kegs for 3d., and was told I might get it for 2½d.

71. It was simply grease?—Of course it was, but it went Home as butter. I am sure there must have been 3,000 or 4,000 packages sent Home from here at the same time, all the previous season's make. A great portion of it was salt butter. We should not send salt butter to London. They can get any quantity from America or anywhere else, but they cannot get fresh butter. There is no use trying to sell salt butter; I have tried over and over again, and have found they will not give payable prices for it. I maintain that was one of the reasons for our prices being so much lower than they were the previous year. It went Home to London in large quantities, larger than before, and it was bad. Well, "give a dog a bad name and you may as well hang it." There is another thing that took place in England which militated against good prices—that was, the particularly mild winter there. My agent wrote me saying that, had certain classes of butter arrived to a market such as they had the previous year, they would have got from £20 to £24 per ton more for it. I have compared their quotations for Normandy and Denmark butter for the corresponding periods of two years, and I find that what they say is correct. There was at least a difference of from £20 to £30 per ton in the prices of those two years. That is a thing which cannot be avoided, no matter how good we make butter here. If the weather is mild at Home the supply of butter is plentiful, and, of course, we cannot expect good prices. Now comes another point, which, of course, can be remedied by ourselves in New Zealand. You were talking to Mr. Ferguson about this storing of butter. Until this year there has been practically no butter-storage required here. Though it may come to merchants in large parcels, these are collected in smaller lots by the factories and storekeepers, and probably from various farmers and producers. The majority of that butter will not be more than two weeks old.

72. It could be more?—No, I do not think so. It ought not to be. The difficulty we have to contend with is getting it away. The reason is this: that last year, instead of shipping to London, it was thought there would be a good market in Sydney, and the butter was allowed to remain in the private vaults. Vessels came to get dairy-produce, and when they came there was no dairy-produce to go. You will understand this: You can put dairy-produce into a chamber that has meat in, but you cannot put meat into a chamber prepared for dairy-produce, because the temperature is so much higher in the latter than the former. Practically, these ships had to go away empty. It is an absolute fact that people have come to me—I remember one case in particular; a good lady came and booked her butter for London, and she came a week or two afterwards and said she was going to send it to Sydney. I went to the shipping company, and they demurred as to cancelling the shipment. I told her, and she went down to see Captain Rose, the agent of the shipping company, and he agreed to let her off. She shipped her butter to Sydney, and did very well out of it. She got 1s. per pound for it. She came into the office on another occasion crying bitterly. She had again sent her butter to Sydney, and only got 2½d. per pound. She said she was going to ship to London this year. Had the people here shipped the butter to London there would have been no question about not having space. Last year the ships provided space and they had no butter to take. This season the shipping companies said to dairy-produce shippers, "We will ship meat, because we have guaranteed freight, and if there is any room we will take butter. If there is no room you will have to go without." That is practically what was done this year. The butter came down here in large quantities from Taranaki and the Wairarapa, mostly Taranaki, and there was no space available for it. What could be got away was got away at an increased charge, which was unfair to the producer, from the producer's point of view. The space was all in the hands of the meat export companies, and we butter-shippers had to buy space from them. I was told that if I could get space a man would give me 7s. 6d. per keg. I paid 2s. myself, and in one instance sold it to other merchants for 3s., and then under conditions that were really most scandalous. They had to send the butter to Christchurch, pay 3s. 8d. per ton for freezing, as well as other charges. It came to something over 1d. per pound, the original freight being 1d., and thus it was doubled. I fully believe that butter was lying here for a considerable time waiting for an opportunity to have it shipped.

73. Three-eighths of a penny would have been paid by the original holder of the space as a charge on the freezing of meat?—The butter had to be frozen. There was such a quantity of butter going last year that ships declined to take it unless frozen. They said "If you put this butter with the meat it will increase the temperature, so it must be frozen." Thus the bulk of it had to be frozen.

74. It does not damage the butter to freeze it?—Experience leads me to say no, though a lot of people will tell you that frozen shipments of butter have gone bad. I have never had any expression of opinion, either one way or the other, as to whether any butter sent by me was damaged owing to its having been frozen; nor have I been able to observe any difference in prices realised on that account. When I was at Home dealers told me freezing did not damage it.

75. *Mr. Walker.*] Do they thaw the butter before they sell it, or does it just come straight out of the stores?—It all depends how long it is out before it is sold. It is allowed, I believe, to thaw naturally.

76. When you were in England, did you see any butter that had been frozen?—No, I did not.