

77. *The Chairman.*] It strikes me that, with the expansion that takes place when a frozen keg is thawed, the keg cannot be so tight; and the question of storage in the Old Country, if the butter is not stored in freezing-chambers, might materially affect the quality of the butter?—One objection to freezing is that the hoops fall off. There is not the slightest doubt that freezing does cause the hoops to fall off.

78. Would it not be better to send the butter Home in boxes?—I emphatically say yes. I am a firm believer in boxes, as against kegs, but I do not think the butter does get damaged in any way when it gets Home, as it arrives Home in cold weather. If you shipped butter in April or May, getting Home in June or July, of course that would be a different thing. Butter that lands in London after the end of March is generally sacrificed; but up to that time, the cold weather lasting until the end of March, the question of packing would not affect it. Butter sells at £20 per ton more if put into the market before the cold weather disappears. I have brought up some papers in connection with that particular point. In August, 1889, Normandy butter was quoted at from £4 to £5 12s.; Danish, £4 16s. to £7 9s.; and New Zealand, £3 to £4.

79. And that would be New Zealand butter of good quality?—Yes. Of course, you will find only a very small amount of New Zealand butter in the market then. It has been butter shipped away from here in June.

80. *Mr. Walker.*] Do you know in what shape this Danish butter reaches London?—In kegs. I do not anticipate the same difficulty occurring again in getting butter away. I have got papers here to prove to you conclusively that the amount of damage done to the butter was caused by its awaiting shipment in Wellington. I have not a shadow of a doubt as to this. I have already alluded to the fact that large shipments of old butter were going Home early in the season, and the particularly mild weather experienced at Home had led to a general fall in the price of all butter, this augmented still further the special fall in anything sold as New Zealand butter. There is no doubt the quality of the butter this year, especially in the latter part of the season, was not as good as it might have been. We had a very dry summer, and in Taranaki particularly so. Only a few weeks ago I was around the butter districts, and, in talking the matter over with the dairy-farmers, I gathered that the cows were particularly short of anything in the way of green grass. I have no doubt at all that was one of the reasons that tended to diminish prices at the latter part of the season. In the early part of the season I got satisfactory prices. I did not get as high in any case as I got last year. I did reach as high as £5 10s. for one particular shipment, and a few other parcels were sold at £5 and over. Last year the minimum price I got was £5 8s., except for some sold in June at £3 10s. or £4, and, of course, that was quite out of the season.

81. *Major Steward.*] Could you give us any recommendations? Is there anything that this Committee could recommend to the House or Government which you think would tend to put the trade on a better footing or remedy any difficulties that exist?—I have none, I think.

82. *Mr. Walker.*] Have you seen a letter in the *Otago Daily Times*, written by Mr. Davidson, general manager of the New Zealand and Australian Land Company, from Victoria?—I have it in my pocket; I have not read it.

83. He attributes the low prices a great deal more to the inferior quality of the butter, and he points out that our dairy people are not sufficiently careful in the practice of the art of making butter. He attributes the low price to the want of quality a great deal more than you apparently do?—Well, I would allow a certain portion of the reduction is owing to that, as previously intimated to you, but, as then stated, any inferiority in quality is attributable more to the dry and poor pasture than to bad making.

84. There is another question: it is asserted by him that the Australians have beaten us?—I deny *in toto* that they have beaten us.

*Mr. Walker:* This is what Mr. Davidson says. [Extract read.]

*Witness:* What is the date of that letter, sir?

*Mr. Walker:* 19th June.

*Witness:* You will recollect I told you several thousand packages of very old butter went Home in the early part of the season. If you were to turn up the papers you would find we had cablegrams out from London stating that New Zealand butter was being sold at £1 8s. and £2, and Australian at £5. I believe at that time I had some thousand or two packages of butter in the London market, and I do not think I could give you any better information than the fact as to what they were sold for. It was about the end of last year, about Christmas time, we saw these cables. I have here in my advices the following prices: 1,448 kegs sold at an average of £4 5s. per hundredweight; 290 boxes sold at an average of £4 13s. 2d. per hundredweight. Now, that lot, I suppose, represents 1,500 or 2,000 packages. Out of that lot there were probably not more than fifty packages sold at under £4.

85. *The Chairman.*] Showing the unreliable character of the cable messages?—Yes.

86. Who is responsible for that?—I do not know. What I want to point out is this: that no doubt it is perfectly correct what Mr. Davidson says. There may have been thousands of packages sold at from £1 8s. to £1 10s., but it was the old butter of last year. It was not butter made for the London market at all. It was butter brought down for Sydney, and never sent there.

87. An instance has been given of two packages being forwarded here, and unfortunately one had to remain on the wharf, and the one that remained on the wharf was sold for so much less than the other?—I may say that I did not ship any butter in Shaw-Savill's boats. All my butter went in the monthly steamers of the New Zealand Shipping Company, so that it was all detained here a great deal longer than it need otherwise have been, but notwithstanding that I believe my prices are better than anybody else's. I will give the reason afterwards. With regard to these two cases, I will tell you about them. The "Tongariro" was to have left here about Christmas, on the 26th December, and I had some twelve or thirteen hundred packages to go by her. The packages came down, but the vessel could not take them. They had to wait for the "Aorangi," which went a month later. The "Aorangi" came in shortly after the "Tongariro" left, and she took in the butter