freezer-the same class of sheep exactly-or is there a difference in the price according to the value of the sheep?---If I were offered to-day a mob of sheep that would average 80 lb. I would

give more for that mob than for a mob averaging only 60 lb., assuming that I had knowledge that one would average 80 lb. and the other 60 lb. That is to-day, while tallow is high.

97. I do not mean considering tallow at all; I mean for freezing, not for boiling-down sheep. Which sheep do you get most profit out of in the London market?—That is a variable quantitative that would depend upon the London market. To illustrate that, I cut up every sheep I had last year over 60 lb. until the last two months of the season; then I began to freeze them up to 70 lb., and if sheep had been scarce I should have frozen up to 75 lb.

98. We are told to breed sheep of 65 lb. and yet they are the last the freezers take up; and we have been educated up to believing the 65 lb. sheep are the best sheep in the London market?-That is only going over the old ground again. At one period big sheep may pay and at another

period smaller sheep may pay.

99. Mr. Lethbridge.] You say that it would not be of use to brand sheep in New Zealand. If the brands were put on by Government officers and all mutton was passed by veterinary surgeons as perfectly healthy, would that be an advantage?—We have that now, but I do not attach the slightest importance to it. It is piling up expenses. Government inspection costs us £1,000 a year in all our places. The sheep-farmer goes on piling up all these expenses and the

sheep has to pay them eventually.

100. What about Government grading?—Government grading would be a most preposterous thing to attempt. The difficulty first is as to who is capable of grading sheep. That is a most difficult thing to decide, even for the companies' own requirements. But if we get an army of Government graders they would assume that they were Heaven-born graders and there would be trouble. The grading of butter is a different matter, because you can condense that; but if you take a thousand sheep and grade them there are a hundred samples that can be picked out by a really expert butcher, and we cannot afford to have sheep cut up into a hundred different grades. We, as a purchasing company, have naturally spent our lifetime in finding what we want, and the Government grader would probably tell us that we wanted something else. If I was forced to abide by the Government grader's decision I should cease to buy sheep. I had a great complaint brought against my mutton because in Wellington they ship two grades of sheep while at Tomoana they only ship one, and this was looked upon as a preposterous thing on our part. The man came to inquire, and went into our works and found that the difference was that we did not ship our second quality at all, but put them into the pot. If everybody did the same thing it would be good for the trade.

Wednesday, 10th September, 1902.

Examination of WILLIAM NELSON (No. 1) continued.

1. Mr. T. Mackenzie.] I will touch on matters connected with the shipping, landing, and distribution of meat in the Old Country: have you much damage now reported on your meat going Home?—No, very little.

2. Are not the rates of insurance you pay considerably less than those some of the other companies have to pay?—I am afraid that is a question I cannot answer. It is all done in the London office, and I do not know what they do pay. At one time I know we paid considerably less, but now the ships employed by other companies have been much improved.

3. Was there not another reason why you paid less—because you did not claim unjustly for damage?—Yes; that is well known. Of course we never make any frivolous claims.

4. After the vessel arrives in London, will you mind describing the mode of discharge and conveyance, say, up to Blackfriars store: does it not go into cool-barges?—All our meat goes into insulated barges after arrival, and thence to the store, where it is all sorted into lots for the different owners and different grades, and is then sent straight away down into the freezing store.

- 5. You have probably noticed that a great many people going Home from the colonies have recommended the erection of a sorting-shed down at the docks: what is your opinion?—Nothing could possibly be equal to the arrangements we have ourselves. A sorting-shed would simply mean one more operation. Sorting never can be done easier than when the sheep come out one at a time from the ship.
- 6. As a matter of fact, would it not expose them to damage, and mean double sorting?—Yes; and a second risk of damage.

7. You do not favour that suggestion?—No; I am distinctly against it.

8. Mr. Field referred to the distribution at Home: is your system a wide system of distribu-

tion?—Yes; we distribute the meat everywhere

9. How many agents have you in England ?-I do not know that. The starting-point of our distribution is that the whole of Great Britain is cut up into sections—I think, seven or eight—and at each of these sections we have a traveller at work, and always have had for the last fourteen or fifteen years. In addition to these sections, in most of the important towns we have a store of our own, or have an arrangement with people who have stores, which makes it practically the same thing. In addition to these we have a very large number of country clients that we supply year

10. Direct from Blackfriars?—Yes, direct.

11. I have seen a map of your system of distribution: have you got one here?—I am sorry to say I have not; but I could get one sent down from Napier.

12. Will you do so?—Yes. 13. That map shows approximately the ramifications of your business?—That shows what it was ten years ago. But there is no spot you could put your finger on an inch apart where we do not distribute meat.