

proof of it is in the fact that we do offer inducements for them to come up by offering a reduction in the rate.

97. *Mr. Haselden.*] We farmers are always under the impression that the Smithfield butchers and the London ring always interfere with transactions, and you cannot interfere with them at all?—There is no such ring at all—absolutely none. Of course there are all sorts of silly things done in the trade by the Smithfield owners, and it is due to that fact that we want this concentration which has been spoken of. But it is not what is in the eyes of the public an unholy ring—it is only a feeling on the part of the owner that if he does not make haste and sell his meat he may be left. The c.i.f. buyer, if he can make a small profit, may sell out below market value and affect everybody.

98. *The Chairman.*] You spoke of the low price of by-products: This question comes from the fact that there have been more complaints from the North Island than from the South—and there have been very few from the South. You spoke of the low price of products, what would you suggest to improve the stock so that the by-products would be of more value?—I do not know that I have any suggestion to offer.

99. Would you suggest the improvement of the breed of sheep?—Yes. There could be an improvement in the breeding of sheep by the use of Leicester or Down Rams. The North Island farmer cannot and will not do all that the South Island farmer does.

100. Then you are of opinion that the breed of sheep will be to a great extent influenced by climate and the conditions of the grass products of the North Island?—Undoubtedly, and all our manners, and customs, and beliefs go to prove this. If I were to speak about improving the sheep every sheep-farmer would be found to follow his own line, and possibly with wisdom, because he grows a particular sheep to suit his farm.

101. He is largely influenced by climate and other conditions?—Yes, all kinds of conditions. The great factor is what I mentioned yesterday: that, whatever we do, all our flocks are very full of the Lincoln strain, and we cannot materially improve the breed of these sheep for many generations—it cannot be done. But, still, we can make a beginning. To-day Lincoln mutton is known by everybody to be the worst mutton in the world, and it will always remain so; but the Lincoln sheep has paid the North Island grower for the last thirty years, but because it has paid him it is no use his trying to stuff it down my throat as the best mutton, because it is not.

102. Is there any damage to carcasses between the freezing-works and London that can be avoided?—I do not think so.

103. Can there be any improvement in the railway-carriage or shipping facilities?—I do not think so. They are all very good, so far as I know. Anybody who visits a ship might by an accident see something some day that he thinks might be improved upon. He might see one of the wharf lumps pick up a sheep and throw it twenty or thirty yards and break a shank bone; but anybody who knows anything about labour conditions understands that it is no good touching that question.

104. Then, in your opinion, is there a sufficiency of cool-storage at London or at the other ports where frozen meat is landed?—Quite; there is enormous storage there.

105. When you freeze for individual exporters and yourselves at the same time, have you any difficulty in picking out the various tags or brands: does it delay or cause any deterioration of the meat in London?—Personally we have no experience of it, because we freeze most of our own sheep and they go to our own store; but it must of necessity be troublesome.

106. Would you suggest any provincial brand indicating first-class meat for the purpose of sale in London? Would it benefit the sale in any way? Would you suggest that an improvement could be effected by the putting of a provincial brand on the meat to indicate first-class qualities coming from a particular part of the colony?—I do not think so. It would not have the slightest influence.

107. You are firmly convinced that concentration of supplies on the London market would be of advantage to sellers?—Yes, and producers undoubtedly.

108. Would you suggest that one office should control the sales, or a combination of offices—say, three or more, working in unison at a fixed price?—What we have done is to recommend that three or four of the best people should be engaged in it. We recommended that because it is outside of practical politics to suggest any one person doing it. Still, one control is the ideal thing.

109. But that, in your opinion, is impracticable?—Yes.

110. But you think if it could be effected it would be of material advantage?—Undoubtedly. There are so many outside influences connected with it that nothing but one control could possibly put it right.

Evils of C.I.F. Sales.

C.i.f. sales appear at first sight to be right, and, no doubt, will continue; but as a method for providing the producer with full values it is utterly wrong. The evils will be best shown by the following illustration:—

A consistent purchaser of meat like my own company (by “consistent” I mean purchasing all the year round) should, under the law of averages, make considerable profits on a rising market, invariably making losses on a falling market, with the result that the purchaser obtains an average value. The c.i.f. buyer also makes money on a rising market, but ceases to buy on a falling market; thus, as he does not intend to buy on the falling market, he is satisfied with a smaller profit than we require (he having no losses to provide for) and is able to—and does—accept lower values on the London market, thereby reducing our possible profits and consequently reducing the profits of the producer. To put it another way—the producer should place himself in the position of the “consistent buyer,” and become a seller, making large profits on the rising market to cover