

the reduced prices of the falling market; he must then get all there is in his meat. It may be asked what the c.i.f. buyer does for meat on a falling market. Answer: The purely speculative c.i.f. buyer does nothing; the man who buys for his own consumption purchases in the London market day by day at the market price of that day. I recognise that all sheep-farmers will never become "sellers," and, unless all do, then any attempt to improve the trade will be futile.

With reference to my remarks before your Committee as to irregularity of supplies from this end, I omitted to supply figures which I now give. There were afloat for great Britain—

On 33rd October, 1900	110,000	New Zealand sheep and lambs
On 23rd April, 1901	900,000	"
On 8th October, 1901	300,000	"
On 8th April, 1902	1,000,000	"
On 2nd September, 1902	325,000	"

and in two months time there will probably be not more than 125,000, and from the 2nd September to the 2nd January next (four months) it is tolerably certain there will be nothing like the number of sheep shipped altogether that were actually afloat on the 8th April last, all of which would be in London by the 28th May. On the 19th February of last year, including Australians, there were 1,200,000 afloat.

W. NELSON.

15th September, 1902.

WEDNESDAY, 17TH SEPTEMBER, 1902.

HERBERT JAMES RICHARDS examined. (No. 2.)

1. *The Chairman.*] What are you?—A farmer, residing at Te Horo. I am secretary of the Te Horo Branch of the Farmers' Union, and a member of the colonial executive of the Farmers' Union.

2. I suppose you have certain evidence to offer that would be useful to this Committee: would you care to make a statement to the Committee, or rather answer questions which may be put to you?—I think I could make a short statement as to the reason why the meat industry could be improved, particularly as applying to this portion of the colony. The point I wish particularly to bring out is the difficulty and disadvantage under which the sheep-farmers of the southern portion of the North Island are labouring as against other portions of the colony, inasmuch as we have two companies here which are practically in combination, and there is no opposition to them whatever. Taking, in the first instance, the two companies here, we find that they always have one price to offer for stock. They come up, for instance, to a sheep-farmer's yards and draft his sheep. They have a fixed price from month to month as to what they will pay. They take the sheep from A, B, and C's yards, and will give precisely the same price, notwithstanding that the three individual owners' flocks may differ in value several shillings per head. They invariably pay the same price. The buyers for these companies opened last season at 10s. a head for wethers off the shears. For argument's sake, to show you that there is a difference between one flock and another, the sheep that were shorn in the month of September, very early, and sheep just off the shears must show a difference in value in the price of the pelt alone, because one would have three months' wool on it and the other none. They would, however, pay the same price for each. The second thing I wish to emphasize is that they tell you that they require sheep of a certain weight—65 lb. If you have a lot of sheep—they may be perfectly prime, and would weigh that weight of 65 lb. scattered through a flock—where the majority would be 80 lb. or over, they will invariably take the heavy weight up to 80 lb. and over and leave you the small ones. If they take the sheep at all they offer the standard price, and invariably pay the same. To show that there is no competition in this portion of the district, I can give several instances where sheep have been railed to Longburn and have brought a higher price from the companies there. For fat lambs the best price obtainable last season was 10s., and at the same time they were bringing 10s. 6d. at the Longburn Works. I know several individuals who obtained that price. One lot of sheep were taken from Porirua. I know of an instance where a parcel of lambs were ready for drafting, and an arrangement was made with the Meat-export Company to take these lambs at 10s. 6d. at Porirua, to be drafted in, say, a week. Subsequently the buyer told the owner that he was sorry he could not keep to his price. The owner then stated that he was very glad, inasmuch as he had made an arrangement to send them to Longburn at 11s. 6d. a head. That shows, to my mind, that the two companies here are acting in combination, and that they have really no competition. We thus ship away from the port, which I think is very absurd. Another thing to emphasize what I mean is that the Gear Company pays in the Rangitikei and Manawatu districts a bigger sum per head than it pays at Otaki in nearly every instance. The buyers will give us 10s. and go up to those districts and give 6d. and, in many instances, 1s. more. In connection with this you have to consider that the freight from Rangitikei to Wellington is something about 1s., while from Otaki it is 4½d., or thereabouts. Then, again, they have a monopoly here. The greatest thing we suffer from is that the companies monopolize both the retail and wholesale trade. We have now no retail trade at all worthy of the name. Johnsonville practically consists of four or five retail butchers. The Meat-export Company supply, if my information is correct, twenty-eight retail butchers in Wellington, and every one of them supplied takes away the competition at Johnsonville. If half a truck of lambs are sent to Johnsonville the local buyers say they cannot take any more. About sixty or seventy lambs is all they can consume at Johnsonville, and if more are sent they come down in price to 7s. or 8s., because the company get their own sheep. The small farmer cannot take them back again, and has to sell them for what they will bring. I think the companies should be satisfied, if they monopolize the wholesale trade, to leave the retail trade alone. If a man has, say, fifty sheep, it is not enough to warrant a buyer going to his place for them, and he has no retail market if he has not sufficient to make up a truck. With regard to the question of shipping to