

FRIDAY, 19TH SEPTEMBER, 1902.

W. KINROSS WHITE, General Manager of the North British and Hawke's Bay Freezing Company, examined. (No. 5)

I. *The Chairman.*] You are aware of the object of this inquiry: would you care to make a statement to the Committee, or would you rather give evidence on examination?—Well, I happen to have a letter with me which states to the secretary of the Farmers' Union at Woodville—which met with the object of ascertaining the cause of the difference in price between North Island sheep and South Island sheep—the reasons for such difference. It is as follows: "Napier, 15th July, 1902.—William Nicholson Esq., Woodville, Secretary, Farmers' Union.—SIR,—I am in receipt of your favour requesting me to submit my views with regard to the difference in price between North Island and South Island sheep, and it gives me much pleasure to do so, as I feel as much interest as any in raising the standard of sheep and getting the best price available. In the first place, Christchurch is a large centre, and it is a well-known fact that retail butchers there obtain very much higher prices for their mutton than are obtainable in Hawke's Bay or even Wellington. I think it will also be acknowledged that the facilities for fattening in Canterbury are very much better than prevail in any other part of the colony, the climate being a great aid in this direction. Any one who has followed up the reports of the Addington market will find that there is a vast difference in prices of the different classes of sheep, while every week prices for the same class vary in a very marked degree. For fat sheep, in accordance with the state of the London market; while the price of stores is often regulated by the fattening facilities offering, such as stubble-paddocks and root-crops, which can usually be purchased. For various reasons, also, freezing-facilities in Canterbury yield better returns than elsewhere. In the first place, the Canterbury brand alone is worth from $\frac{1}{4}$ d. to $\frac{1}{2}$ d. per pound, which has often been proved by sheep from Otago actually being sent up to Canterbury to be frozen. Freezing companies there have a very great advantage in being able to dispose of, at their very doors, every pound of manure that they can turn out. The manager of one of the companies there informed me recently that he had turned out annually 4,000 tons of manure that netted him £4 5s. per ton, which in itself means a very big dividend. I may mention, too, that to dispose of this immense quantity of manure only one traveller is employed; while one company there put through three-quarters of a million of sheep and lambs without the aid of a single buyer or stock agent, whereby a considerable saving is effected; whereas North Island companies have to spend thousands annually in sending round buyers, which has now become a custom here. The class of stock in Canterbury is certainly, as a rule, more suited for fattening, the Border Leicester and Down crosses being the best for this purpose. But the great secret in connection with the quality of stock in Canterbury as compared with North Island sheep is that the sheep are not allowed to go back in condition in winter; indeed, in the winter season the larger proportion of their freezing is done. The Canterbury works are able to keep going all the year round, which greatly reduces the cost of freezing, while in the matter of labour they have a very considerable advantage over the companies in the North. In conclusion, I would suggest that, if in the North Island sheep could only be turned out on more even lines, and spread over a longer period of the year to enable freezing companies to keep their works going regularly, they could afford to pay very much better prices, while they would also participate in the lower freights that prevail during the winter months.—I am, &c., W. KINROSS WHITE."

2. You apparently wrote that letter in answer to an inquiry as to why the price of Hawke's Bay sheep was not so large as for Canterbury sheep?—Yes, that is so.

3. You have no reason to think that any better marketing of produce would assist your trade in Hawke's Bay: I mean at the London end?—I do not think so. All our meat is consigned to our own managers there, and they either sell to c.i.f. buyers or dispose of it on the market, just as they see fit.

4. They have no fixed method?—No.

5. They would either sell in small parcels or large?—Yes, according to the state of the market. Sometimes it is advisable to sell c.i.f., or, if the markets are good, to sell for different parts of the country.

6. You have no connection with the Colonial Consignment Company?—No.

7. Do you think any system of concentration of supplies would be likely to give you a more even all-round price for your stock?—Unquestionably it would.

8. You feel satisfied as to that?—Yes.

9. And, if you were asked for an opinion as to improving the frozen-meat trade of the colony, you would say that that should be one of the objects aimed at?—It is rather difficult to answer that question straight off, because one has to remember that if the trade in London gets into too few hands it would raise a lot of outside opposition. There is no doubt that, if certain persons were to regulate the price to some extent, for large dealers that would be of great assistance; but at the same time, if it is put into too few hands it simply means very great opposition from other parts of the world. We have done a great deal to assist London prices by being on very good terms with the River Plate people, one of whom is a director of our company, and he has helped us. If we were not on friendly terms with those people there is no doubt that they could swamp us, because they are in a very large way. You do not want to offend such people by making our trade a close borough or corporation.

10. You do not think it should be an aggressive concentration or combination?—No.

11. Do you think that if concentration were aimed at, it would lead to an improvement in the trade?—Yes, there are at present too many small consignees who do not understand the trade.

12. *Mr. Field.*] Your company is the North British and Mercantile?—The North British and Hawke's Bay Freezing Company.

13. Do you sell to c.i.f. buyers or distribute your meat yourselves in the Old Country?—We