

sell to c.i.f. buyers if our London managers consider it more satisfactory, or we sell on the open market in London.

14. You are not tied down by long contracts for five or seven years?—No.

15. Do you know whether any other companies are tied down by long contracts—c.i.f. contracts?—No.

16. Companies do not contract to sell their output to one set of buyers for years?—I could not say.

17. If they did so, it would prevent them selling to South African and other markets: I wanted to know whether any of the other companies were hampered or not?—I do not know. All I can say is that we are not.

18. Are you aware that there is strong dissatisfaction in this part of the North Island—that is to say, in the Wellington, Hawke's Bay, and West Coast districts chiefly—as to the price paid to producers?—Yes, I am, and I think it is greatly in their own hands. They will not take the same amount of trouble with their stock as the Canterbury farmers do in fattening their sheep properly.

19. You are aware that it is alleged there is a combination among the companies in this part of the North Island to fix a standard rate of prices?—Yes.

20. Do you know of any such combination?—Not on our part.

21. In Hawke's Bay, are you competing in the open market with other buyers?—Yes.

22. You, of course, have seen reports of meetings comparatively recently at Waipukurau and other places?—Yes.

23. Do you say the complaints are groundless?—The growers have only themselves to blame—there is no doubt about that at all. It is a curious fact, but I might mention that the two largest fatteners in Hawke's Bay are the two freezing companies. We have had to take to fattening for ourselves. Nelson Bros., are far and away the largest fatteners, and we come next to them.

24. What price were you paying for freezing-wethers the last time you were buying?—I think 14s., but we have not bought since May. We closed down about the 1st of May, no more fats offering.

25. Were you buying at 14s.?—Yes, we paid from 13s. to 14s. then.

26. Prices were better than now?—I do not think so.

27. You were offering 14s. in May, you say?—That was for some special lines perhaps. There is a great variety in sheep. I think the general price was 12s. to 13s. For a special line we have gone as high as 14s., simply because they were good sheep.

28. What was the price ruling for your mutton in London at that time?—From 3d. to 3½d.

29. What is the average weight of sheep you bought—about 60 lb.?—The average weight last season was between 56 lb. and 57 lb. The previous year it was more than 60 lb., but we had a very bad spring in Hawke's Bay.

30. At that time what would you consider the value of the by-products, including the skin—in May?—To tell you the truth they vary so much in the different lines of sheep that it is difficult to say.

31. In the quantity of fat?—Yes, and in the wool. Some wools are worth so much more than others, in some cases nearly double. It is a very difficult question to answer, because they vary so much. We had a very bad spring last season in Hawke's Bay—the worst I have known. When sheep do not have a good spring they never gain their constitutional size.

32. I suppose you have a sprinkling of Merinos?—No, only up in the highlands in the Patea district.

33. You have no Merinos?—No, there are none offering.

34. What do you think is a fair thing to state as the difference between the average price of a North Island freezer and a Canterbury freezer?—I have just cut this report out of the morning paper. It is the report of the Addington markets, and says: "Prime heavy wethers made 20s. to 22s. 4d., freezing-quality 17s. to 19s. 6d., and the lighter sorts 14s. 1d. to 16s. 6d.; prime heavy ewes, 19s. 6d. to 21s. 6d., good 15s. to 18s. 6d., and inferior 11s. 6d. to 15s.; prime Merino wethers, 15s. to 17s. 6d., and others 10s. to 14s. 6d. This shows the difference in freezers. We buy in big lots, and the farmers like to get out-and-out prices. Sometimes we buy before there are any fats in the market. The worst of the Hawke's Bay sheep is that there is such a tail to them. There are about 20 to 25 per cent. of prime sheep equal to Canterbury sheep almost, but there is a tail of very different sheep.

35. And they are considerably below the Canterbury values?—Oh, yes. I can give you an actual experience of my own. Last year our buyer bought a line of 1,200 ewes with 5 per cent. of rejections. As I said, it was a very bad season, and when he went up to take delivery he found the ewes were in a very bad condition, and he could not get any fat. We expected that a great proportion of them would be fat—they had been the previous year. I sent them up to Waipukurau for sale by auction. Our buyer gave 9s. 6d. for these ewes, and the highest price we could get was 2s. 6d. That is a positive fact. I took the sheep back to one of our properties where we happened to have some good feed, and we gradually brought those ewes on, and I have sold them in small lots for 9s., and have been getting as high as 12s. for some with the pelts on. At the same time these were not prime mutton, but simply old ewes with scarcely a tooth in their head. But, of course, it costs a lot of money to feed them in winter.

36. There are a lot of ups and downs in the business?—Yes. They were a good line of sheep, with a Border Leicester cross, or they would not have recovered. Unless I had had this good feed to put them on I should have lost the difference between the 9s. 6d. and 2s. 6d. We only want the fats.

37. What do you prefer, the 56 lb. or 60 lb. sheep?—We prefer them to go about 56 lb. to 65 lb. You can get about as much out of an 80 lb. sheep as a 60 lb. sheep, on account of the tallow. We would not freeze them; we would freeze the legs, and boil down the rest.