

do so, and I do not blame them. Their shareholders put their money in for investment, and it is their business that they are looking after. With the large amount of reserve they have and the small amount of capital they have got, the balance-sheet shows what their business is.

186. *Mr. G. W. Russell.*] What company are you referring to?—The Meat-export Company, and also the Gear Company—both. I do not blame the companies, because from their own point of view it is business, and their directors are there to make all they can out of the farmers from a business point of view. But from the farmers' point of view I say it is a state of things that should not be in existence. We want such a position here that we can get the South Island buyers to come up and get the accommodation for freezing. One of the South Island buyers bought my sheep, and found that he could not freeze them here because he could not get freezing-accommodation.

187. *Mr. Field.*] Do you think there is any cure for this evil in the hands of the farmers themselves?—Yes there would be a cure if they would combine, and we think it could be done by a strong combination. Or if the Government—I do not know whether the Government would put up freezing-works, because that might be too big an order for them—but at the same time I think, if the companies will not meet the farmers in any way, it will be in the interests of the farmers to erect separate freezing-works, and work on the same lines as the Belfast Freezing Company does down South—that is, freeze solely and wholly on the farmers' account. If they did that, *c.i.f.* buyers would come into the market and feel assured that they were not going to be blocked for space or bluffed by the companies, but would feel that they could get freezing-accommodation in Wellington, Napier, or wherever it might be.

188. Do you think the Government might be of some assistance to the farmers, assuming that the present freezing companies did the freezing only and did not buy on their own account, and that the Government afforded some encouragement to the producer to ship on his own account by having the mutton graded, shipped, and distributed in the Old Country?—Yes, I do. When a man freezes on his own account and consigns through a meat company his position is this: the meat company in the same shipment may have large consignments of their own. Now, if there is a drop in the market at Home, they, having a certain amount of the private consignor's meat on hand, to keep the ball going, as it were, put their client's meat on to the market, and wait for a rise on their own. You see that they are "bearing" the market in the interests of their own stock by selling their client's mutton, and he "drops in." The position is this: that the consignor, when he gets his account sales, finds that he has come out at the wrong end of the horn, and a week or two afterwards he finds that prices have gone up and he is "not in it." If the consignments of sheep were pooled, and after they were sold an average was struck of the whole according to grade, that would be a fair distribution of the profits to shippers, on the same principle as when a cargo is jettisoned a general average is taken. If the consignments were pooled the farmers would "stand in" on equal terms with all the other shippers. That is my idea, although it may be crude.

189. *Mr. Hornsby.*] With regard to this matter of heavy sheep, I want to try, if possible, to clear the matter up a little. Each witness in turn before this Committee has stated that the heavy sheep are always selected first by the companies' buyers. If that is the case you will be able to say. They must purchase an enormous number of sheep in the season?—Yes.

190. They could not get rid of these thousands of heavy sheep, for example, in that way by selling to the butchers?—Of course, the question is this, whether the big sheep pays them in this way: They freeze first of all a certain quantity of legs of sheep, and boil down other portions for tallow. They would not take them, of course, unless it was profitable to do so.

191. You do not believe that all these big heavy sheep are worked off on the butchers?—No, because I may say the rejects—I mean the very slight rejects, not those that the Government "Vets." have ordered to go into the pot—they go into the shops at full rates, because the bruises are very slight, perhaps on the legs. These sheep may be objected to for Home shipment, but they are perfectly good for consumption in every sense of the word, and are a source of profit.

192. Have you heard of shipments of sheep from the North Island to Addington?—Yes.

193. What is your experience of those shipments to Addington?—From all the information I can get from my neighbours who have shipped in different ways it is that they have always brought a much better price in Canterbury than the same sheep would have sold for to the Gear Company or the Meat-export Company.

194. And they have made a profit after paying expenses?—Yes, but a very slight one. They have to deduct the expenses in sending them down and for the knocking-about they get, but the shippers have come out well.

195. They have not lost anything although the sheep cost 3s. a head to send them to Addington market?—No. Why should our sheep, if they are worth 15s. in the Addington market, not bring the same price in this market?

196. Can you give this Committee anything in your experience which would lead you to give us any reason why you should not get that 15s. here that you can realise at the Addington market?—It is simply because you have only the one market here.

197. And if there is a statement made by Mr. Donnelly, of Hawke's Bay, that something happens whereby the buyers do not come up to the North Island at certain periods, would you pick him up in the statement that it was by an understanding with the southern men?—I do not think that. The southern men could not get the freezing-space. There was a block last year, and they could not get, so it was said, sufficient number of men up here for engagement in freezing. The companies could not get their own purchases through, and therefore the southern buyers were blocked from coming here.

198. If a statement were made to the Committee that a prime South Island sheep, as compared with a North Island sheep, contained three times as much fat, what would you say to that?—It is not that amount. Taking the average of wethers here it is 5 lb. of fat, and you could not