products as against those in the North Island sheep — the pelt, fat, tongue, kidneys, wool, and so on? We have got now to the 2s. 6d. difference?—Yes.

126. How much more has to be added?—In the present state of the wool-market I think the difference would be about 1s. 6d. The difference is confined to the wool and the fat. Our pelts are as good as theirs.

127. That would give a difference of about 4s. a head in favour of the South Island sheep?—Yes.

128. You have spoken of those Lincolns and blackfaced sheep that were frozen and sent away: I suppose in those were included heavy-weight sheep that were beyond the scope of the average freezers?—Yes.

129. Do those sheep net the company a bigger profit than the average freezer the company handled in that way?—If you have a sheep not exceeding 65 lb., by every pound up to that weight you, of course, add to the value of the sheep; but if you go up to 75 lb. and 80 lb., unless the tallow-market is very high indeed, you lose as compared with the lighter sheep.

130. I notice that your table for 1901 shows that you exported sixteen thousand sheep, and that the loss on those is £962 *plus* £231 for insurance?—Yes. I insure only against total loss of the vessel, unless the value in one bottom exceeds £1,000. If it exceeds £1,000 I insure the excess against all risks at £2 17s. 6d. per cent.

131. I notice that the values in this year show a deficit, the values ranging from 16s. in March—with the exception of a small line—down to 13s. 7¼d.: were these the prices the Wellington Meat-export Company gave to the farmers at their places?—Yes. My instructions to the manager are that the price of the day is to be noted down at once when my sheep leave the yards.

132. I have worked out roughly the calculation, and I find that during that year, as against the Meat-export Company's price, you lost 1s. 6d. per head, taking the average of the sheep?—I did not work it out that way. The losses ran up to nearly 5s. in the case of those 16s. sheep, because the slump in the London market took place shortly after.

133. I will now come to the present year, for which you have supplied us only for three months—January, February, and April?—Yes, I have no further account sales. You have there all I have got.

134. I notice that these prices are 10s. for January, 11s. for February, and 11s. 6d. for April?—Yes.

135. On these shipments, which come to three thousand sheep, deducting the insurance from the surplus, I find you have made a profit of fully 3s. 3d. over and above the company's prices?—I have not worked it out that way, but probably that is so.

136. Notwithstanding that on twelve hundred you show a price by the company of 11s. 6d.?—Yes.

137. Have the company bought many sheep at 11s. 6d. this year?—You have the dates there.

138. Yes, in the month of April the company were giving 11s. 6d. for fat sheep?—Yes.

139. Do you think there is very much to be surprised at that there should be dissatisfaction when you are able to clear 3s. 3d. on the whole of the sheep you have sent Home in the first three months of the year, over and above the company's prices?—May I answer your question by stating another case?

140. Yes; I want to get at the bottom of it?—Mr. D'Ath complained yesterday that he was only offered £8 10s. by the Meat-export Company for cattle which they advised him to ship to London on his own account through the company, and which afterwards netted him £12. At the very time when Mr. D'Ath refused £8 10s. from the company I did the very reverse—I accepted the £8 10s., and, the cattle being very good, I have no doubt I should have netted £12 also had I shipped to London. But I happened to take the wrong course and missed the £3 10s. D'Ath pocketed. In the case of the sheep I happened to take the right course. It was a speculation in both cases of what the price was going to be in London three months after slaughtering.

141. Do you think it would be possible that the company should make any loss upon their sheep if they bought them at 10s., 11s., and 11s. 6d.?—Possible—most decidedly.

142. Do you think the market could go down sufficiently that, after buying at those prices, and having the by-products, they could make a loss?—Certainly. Many such instances have happened.

143. Are you of opinion that the widespread dissatisfaction felt in Wellington and Hawke's Bay has got anything in it?—Yes and No. Yes, inasmuch as the Meat-export Company does not claim perfection. No, with regard to the greater part of it. I have proof of it in the ventilation and dissemination of facts at the various meetings, of which the settlers were not previously aware. The representatives of these settlers spent a whole day in the Meat-export Company's office in getting at these facts, with the result that they are now anxious to become shareholders in the company, having realised that their work can be done in the best manner and at the lowest charges on existing lines.

144. *Mr. Lethbridge.*] How much per head of sheep does it take in your company to make a dividend?—I think a little under 2d.

145. If you gave 2d. more a head it means that you would not have a dividend sometimes?—Not far from 2d. would make a dividend. It shows you how fine things have to be cut.

146. Mr. D'Ath said yesterday that he was charged 4 per cent. commission on his sales, and complained that that was too much. Is that your charge or the Home charge?—I inquired into that since yesterday, because I was surprised. I send all my own meat to London, and I pay 3 per cent. commission. My salesmen at Home, for the most part, are Fitter and Sons, the Meat-export Company having nothing whatever to do with it. Mr. D'Ath's meat was put through Fletcher and Company by the Meat-export Company, and I found out what I was not aware of