

31. *Mr. Buchanan.*] I understand that the carcasses sometimes get mildewy from having become softened. How is the individual owner amongst a ruck of representatives of thirty owners or so, present on the chance of their own meat coming out, to effectively examine his carcasses, and be in as good a position as he is now under the existing insurance cover?—The representatives of the owner could very readily examine the carcasses as they came up—at any rate, sufficiently to know whether there is any damage or not. It is not a very difficult matter to detect whether the sheep are out of condition. It could be noticed if the shanks were soft or if the appearance of the sheep was bad.

32. Does it not seem reasonable that the owner should be willing to pay a rather higher rate of insurance to save himself from that trouble and risk?—Of course, he may be satisfied to pay a higher premium to cover the greater risk.

33. You admit he would have to pay a further rate to cover the extra thirty days?—That would be according to the desire of the owner of the sheep.

34. But to put him in as good a position as he is now he would have to pay for a further cover?—Yes.

35. But with this and the cost of inspection, and the seller taking the risk of mildew, do you not think your suggestions are rather antagonistic to the interests of the settler?—I think more care would be taken in handling, and consequently less damage would occur.

36. It occurs to me that the owner is to be placed at a great disadvantage, and that, after all, the owner and the insurance company must be fairly satisfied now. I do not think you have made out a case to justify you in asking us to legislate for it?—I do not ask for legislation for that.

37. *The Chairman.*] You say the only remedy is better supervision by the insurance companies?—Yes; that is my remedy.

38. Do you not think the system of assessing damage is wrong and calls for improvement?—I do not think the system is wrong.

39. What is the system?—When damage is claimed an assessor is appointed by either side. A percentage of the carcasses to be examined is submitted, and according to the amount of damage found in that sample an assessment of the whole is arrived at. Should no settlement be arrived at by the assessors an arbitrator can be called in, whose decision is final.

40. Who is the arbitrator?—It varies.

41. Is it not always a Smithfield man, a butcher?—A Smithfield man is supposed to be an expert.

42. Is it not a Smithfield man who comes in to decide in any dispute?—It is possible.

43. Is it not always so?—I cannot say it is.

44. Do you know of a single case where the arbitrator was not a Smithfield man?—I cannot say I do.

45. Are the assessors, too, not interested in having as many claims made as possible—are they not paid by the claim?—I understand they are.

46. Is it not a fact that they are paid for each claim, and that the more claims that are made the more the assessors will make?—Yes.

47. Are not the assessors sometimes the buyers themselves?—I am not aware of that.

48. Are you not aware that the biggest individual awards are arrived at by those assessing for themselves?—Do you mean that the insurance companies are satisfied to take their assessments and pay on them?

49. I ask you whether you are not aware that the man acting for the buyer is frequently the buyer himself from Smithfield?—No case of that kind has come under my notice.

50. Are you not aware that one of the largest buyers on Smithfield is always his own assessor?—I am not aware of any private individual's system of doing business, as it is not made public.

51. Do you not think that a system of assessment which allows a man to assess for himself is wrong?—Yes.

52. And do you not think that it is wrong that a Smithfield butcher should be the final judge?—I cannot say it is wrong if the man is honest, as we presume he is.

53. Are you not aware that sometimes between two assessments on the same lots there is an enormous difference?—I have heard of these matters, but you can understand that such matters do not come within my personal knowledge as Produce Commissioner. My attention will not be called to these private matters at Home.

54. But a question involving the condition of the meat when landed, and whether the business is conducted fairly and honourably, would come within the scope of your duties?—That is so.

55. Are you aware that there is a difference of 100 per cent. between the insurance rates charged to one class of shippers and another for the same class of meat sent Home—at any rate, a difference between £2 10s. and £4 15s.?—I do not know what special arrangements are made between insurance companies and special shippers.

56. But have you any idea of the reason for that?—I cannot say in evidence that I know any reason for that.

57. Have you ever tested the relative merits of the docks cold-air storage, and the storage elsewhere—that is, whether more damage occurs in one cold-store than in another?—I have no means of doing so.

58. Would you be astonished to know that if you divide the ships' cargoes from the same holds—one portion going, say, into the Hibernia Stores, and the other into the Victoria Docks Cold-stores—there are instances showing that of that which goes into the Hibernia Dock thirty to fifty will be declared damaged, while that portion going into the Victoria Dock will not be assessed as damaged at all?—Not handling the meat in these stores I can only learn these things second-hand. I have heard that there are differences in the stores.