

32. *Mr. Rutherford.*] You know the firm of Fletchers'?—Yes; it is one of the leading firms in the meat trade in England.

33. Do you know what they were before they took up the frozen-meat industry?—They have been in the frozen-meat trade ever since I have known them.

34. Is it not reported that they have made a large fortune in the trade?—I understand that they have been very successful.

35. And they have made it out of the frozen-meat industry?—Presumably so; but not entirely out of the frozen-meat industry. I understand that they dealt in what is called the fresh-meat trade before the frozen-meat industry was known.

36. Then they do a mixed trade?—Not now. They devote themselves to the frozen-meat trade entirely now.

37. Then, it is a fair inference that they can make greater profits out of the frozen-meat than out of the fresh-meat trade?—Fletchers' is chiefly a retail-shop business.

38. You think it is a fair inference that they have done exceedingly well out of the frozen-meat trade and found it more profitable?—It is only fair to assume so.

39. Would that not tend to minimise the risk of Government establishing shops in England?—I do not advocate the Government opening shops in the same manner as these traders do.

40. With regard to branding, are you in favour of having all New Zealand meat specially branded with a Government brand before it is shipped Home?—Yes.

41. You are aware that legislation would have to be passed to give effect to that?—I suppose so.

42. *Mr. Bolland.*] With regard to the distribution of meat in England, is it not desirable, in order to have the distribution properly carried out there, to have a regular supply from New Zealand?—I consider it very necessary.

43. How do you propose to establish that regular supply?—I have given evidence on that matter previously.

44. Do you require cold-stores here?—Yes; it would be necessary to hold a certain amount of meat from one shipment to another in order to regulate the supplies going forward to the Home market.

45. And if the supplies were regulated in that way, do you think Government shops would improve upon that system?—I think the regular supply would improve the trade generally throughout Great Britain in New Zealand meat.

46. If that regular supply were sent from here, do you think it would be necessary for the Government to interfere with the regular trade in England?—I think there is some mistake as to the meaning of what I have said. I do not propose that the Government should commence in what is generally called the retail trade in England.

47. How do you propose to do it?—I understand the question of shops being established in England is to be made a subject of a special inquiry.

48. *Mr. Hardy.*] How do you propose dealing with the speculators or dealers in order to limit the supplies?—That is a difficult problem. I am not prepared to make a suggestion as to how the producers should deal with the speculators.

49. Are you aware that the bulk of the Canterbury meat is handled by speculators?—I know that there are speculators, as they are called—Home buyers who have representatives here—buying largely from the producers, and shipping on their own account.

50. And also New Zealand buyers shipping on their own account?—Yes.

51. How do you propose to deal with them?—That is in the producers' hands, or in the hands of the freezing companies.

52. How is it in the hands of the freezing companies when the speculators send their meat to them to freeze?—The freezing companies might agree that a certain number of sheep only are to be shipped from New Zealand during a month, or according to the season. That is a matter for their consideration and arrangement. I am not here to make suggestions to people who are more conversant with their own lines of business than I am.

53. *Mr. Hogg.*] I notice that you state that there is a very wide difference in the methods adopted by the River Plate shippers and those of New Zealand?—They are quite different.

54. Which do you think are the most advantageous to the producer?—I consider the New Zealand system is the most advantageous to the producer.

55. Do you think it is better than that of the River Plate?—The River Plate system is a monopoly. It is in the hands of three companies at present.

56. Do you not think that a monopoly is better than this competitive system you complain of in London amongst the New Zealand agents? You say there is no concentration and no combination, and that they are virtually in competition with one another?—It is better, I consider, for the distribution of the meat to the consumers in the Old Country, and for the owners of it; but I do not consider that the producers of meat in the River Plate get as good competition there for it as those in New Zealand.

57. Have you any reason to believe that the River Plate companies are making very heavy or extortionate profits?—I gather from the reports and balance-sheets, and the remarks of their chairmen, that they have been making very handsome profits, amounting to 50 per cent. in the case of James Nelson and Sons, and others are making large profits, as is well known from the actual figures published in the balance-sheets of these companies.

58. Can you say what the amount of capital involved is?—I have not the figures by me, but the fact that they are making 50 per cent. on their capital proves my contention.

59. If these three companies can make such large profits and are able to take charge of the meat in the way you state—from the time it leaves the hands of the producer until it reaches the consumers in England—and are able to establish retail shops in London and the midland counties,