53. Can you give us any information about the firm of Sims, Cooper, and Co.: there seems to be a great difference of opinion as to whether they belong to the Meat Trust?—Well, if you ask my opinion I might say that lately I refused to freeze for them.

54. *Mr. Anderson.*] You suggested that the only way in which the matter could be controlled at Home was by the Government establishing State shops. Do you think the Dominion Government should establish shops of our own in England for the purpose of distributing meat?—No, I do not think you could, unless you could control everybody else's meat. Unless all the meat was controlled it would not be effective. I might say, Mr. Chairman, that if there are any returns which my company could work up for the information of the Committee, or any information that we can get hold of from any other quarters we shall be very glad to lend every possible assistance.

TUESDAY, 14TH AUGUST, 1917.

MELDRUM ALFRED ELIOTT examined. (No. 5.)

1. *The Chairman.*] You are a partner in the firm of Mellsop, Eliott, and Co., meat-exporters?—Yes.

2. Will you make a statement to the Committee in reference to the matter we are inquiring into—namely, the Meat Trust operations in the Dominion—together with any suggestions you may feel disposed to make?—Well, I would be very pleased to make some suggestions, but it is rather a difficult matter to make a statement about because, as I stated in my telegram, I can only repeat current rumour. I have no first-hand evidence as to the operations of the trust.

3. Could you, first of all, give us some evidence regarding the purchasing operations in the Dominion—whether you think there is any undercurrent or whether prices are abnormal?—Well, Mr. Chairman and gentleman, as you all know, there has been a certain firm of exporters in New Zealand who are publicly supposed to have represented for many years the firm of Swift and Co., of Chicago. If you ask me for any evidence on that point I am afraid I cannot give it to you, but I feel in my own mind that that is so, and most of those connected with the trade are of the same opinion.

4. Will you mention the name of the firm you are referring to?—I suppose the information would be privileged?

5. Yes?—It is popularly supposed to be Sims, Cooper, and Co., of Christchurch, who are representing Swift and Co., of Chicago. They have been in operation in New Zealand for many years—at least ten years—and they have gradually increased their operations until now I suppose they are without doubt by far the largest exporters of frozen meat in New Zealand. It is well known that they were formerly two employees in the Christchurch Meat Company, and had practically little or no capital to start with, and the question immediately arises how they finance the gigantic operations which they now carry on. Well, I do not think I have anything else to add as far as Sims, Cooper, and Co. are concerned. Of course, it is generally recognized that they are very large proprietors also as tannery and pelt manufacturers in Christchurch. I refer to the Woolston Tanneries Company, which was once owned by Bowron Bros. (Limited). The company has been reconstructed, and both Sims and Cooper are directors, and also have a very large controlling interest. As far as Armour and Co. are concerned, their manager, Mr. Kingdon, said, "We have put our cards on the table, and have nothing to conceal." Mr. Carney also makes the statement that Armour and Co., of Australasia, have nothing to do with Armour and Co. of the United States or Armour and Co. of London, but it is absurd to expect any man to believe that, especially when he sees that one firm is doing the selling and the other is doing the buying. Mr. Carney holds 4,498 shares in the company, Mr. Kingdon has one share, and Mr. Alpers has one. Mr. Carney holds power of attorney.

6. *Mr. Dickie.*] And they give the biggest prices of buyers?—Yes. It is reported that they are paying their manager, Mr. Kingdon, £3,000 a year, so that they are evidently laying themselves out to do a very big business.

7. *The Chairman.*] Have their operations affected buyers?—Not so much Armour and Co. up to the present, but they are laying themselves out to do very much larger operations. They are also throwing out feelers everywhere in connection with buyers and agents. In my own district they put on their buyer there last season, but he did very little. Still, he is there, and is prepared to do a very much bigger business. The operations of Sims, Cooper, and Co. have had a good deal more to do with the excessive high prices than Armour and Co. up to the present, because certain freezing companies have had to follow Sims, Cooper, and Co.'s prices in order to maintain their connection and prevent their clients from drifting away. The consequence is that the balance-sheets will show that the freezing companies have made very heavy losses. I believe I am correct in saying that the Wellington Meat Export Company has lost very nearly £15,000 this last year. The Wellington Meat-farmers' Company at Masterton, although they nominally show a small profit, that is made up by their not having written off the same amount for depreciation as in previous years, and the balance-sheets of other companies will be found to be in the same position, showing that the price paid for stock was considerably above the legitimate value—I mean the value of the business based on the Government schedule of prices, which presumably everybody received.

8. *Mr. Witty.*] That is, they were giving more than the Government were giving?—Yes, more than they could recover from the Government. In support of that statement I have drawn out one or two actual returns, showing the prices realized for one or two lines of lambs and