tion and knowledge, I think all the meat in the North Island was bought at a loss or at a very small profit during last season—that is, of course, on the average. On certain lines there may have been a profit, and on other lines losses, but on the average there would be a loss.

68. Do you suggest that is any harm to the farmer?—Not at the present time.

69. The objection is to giving the farmer his additional value in the meantime?—Yes. But we must go further than that. If the result of that competition eliminates all except one or two firms, then the farmer cannot be benefited.

70. Do you suggest that this unprofitable business is done with some ulterior object—to crush out competition?—Yes.

71. In dealing with competition you said that certain firms are working with American money, such as Sims, Cooper, and Co. Do you know of any firm working with British capital with the same object in view?—Not to anything like the same extent. Nearly all the buying by other firms is done by letter of credit from England.

72. And you think there are no firms working with monopolistic ideas supplied with capital from England?—I do not think so; in fact, I am sure there are not.

73. The New Zealand Refrigerating Company was mentioned: are they working with their own capital or capital from outside New Zealand?—I think the whole of the shares are held in New Zealand. Any reputable firm can procure a credit in London. I think it is British capital.

74. Are you sure it is not American capital?—I do not know—it may be.

75. In making suggestions for regulating the trust operations, do you think any definite action should be taken for the purpose of shutting out American trust money?—I think it should. As far as I know at present there is no monopoly whatever from British capital.

76. If some of the firms pay too high a price for their meat, are you sure that the advantage which they presumably possess is not by their having better control in the handling of the by-products or offal?—Well, the freezing companies are in a position to make a profit out of the offal, which we do not possess.

77. Does that apply to a firm like Sims, Cooper, and Co.?—It is a matter of arrangement between them and the freezing companies with whom they do business.

78. You mentioned just now the late firm of Bowron Bros. as a firm over whom they had some control. The fact of their being able to work up hides, would not that give them an advantage?—No; as buyers of stock they must sell their hides to the Government at schedule prices, and as tanners they must pay the schedule prices for hides to the Government.

79. If they could make something out of the offal they could afford to give the farmer a somewhat better price?—But the hides are the only things that can be removed away from the freezing company—all other things are dealt with in the freezing-works; and, as explained above, they cannot make a larger profit than any one else out of the hides or wool.

80. Are you sure that Sims, Cooper, and Co. do not handle pelts, tallow, and wool?—It is quite possible they may handle the pelts and wool, but not the tallow; but they must sell the wool at schedule rates.

81. Then in that case would they not be able to make a legitimate profit that way, and it would be equally legitimate to hand it on to the farmers?—That is the object of my regulation. Any profits of that nature—*i.e.*, offal not usually controlled by exporters—should not be given to one firm or individual. If given by any freezing company to one they should be given to all exporters.

82. Would you suggest that Sims, Cooper, and Co., who handle the profit, are wrong—is there any objection to their giving that advantage, or part of it, on to the farmer?—I do not suggest they do give it except in the nature of a higher price obtained by secret rebates from freezing companies, which should be open to all.

83. Is there any really illegitimate price being paid to the farmers that they do not recoup themselves for directly? If they give a higher price to the farmers because they can better control the offal, then there is nothing of the trust methods in that?—No, that is so; but I maintain that if they obtain secret rebates it is not a legitimate means of paying a higher price, and they cannot better control the offal.

84. If that were discovered you would not object to that?—Well, I may say that the year before last the Board of Trade refunded a considerable amount to pay for storage to the freezing companies in New Zealand. I think the total amount was about £750,000. Well, it was stated at a meeting of the freezing companies that the Christchurch Meat Company—or, rather, the New Zealand Refrigerating Company—had handed back to Sims, Cooper, and Co. a large amount of storage. They are the only freezing company in New Zealand that did so, and Sims, Cooper, and Co. are the only firm who received a rebate on storage.

85. Can you tell us whether any firm such as Sims, Cooper, and Co. received rebates from any freezing company which were not available to the public generally—I allude to tallow, pelts, wool, or other offal—that they have had some advantage which has not been gained generally?—No, I have no proof of any; but I strongly suspect that they exist in the shape of secret rebates on storage, &c., and higher prices for tallow.

86. *Mr. W. H. Field.*] I assume you have given evidence as to your belief of the operations of the American Trust companies here?—Yes.

87. Did you give any direct evidence on that point?—No.

88. Do you think, as a matter of fact, we shall get any direct evidence?—I do not think we shall. I feel sure you will not. Of course, there is no question about Armour and Co. operating in New Zealand—that is not denied; but any connection between Swift and Co. and Sims, Cooper, and Co. is not proved.

89. And you think this Committee will be unable to get any absolute evidence on the subject?—I do not think so, except by inference.