

was interested largely in the first shipment of frozen meat made from New Zealand. That was in the ship "Dunedin," thirty-five years ago. Since then I have had a merchant's connection with the trade of a running description. I have been a shareholder in a moderate way in several freezing-houses; I have been a trader on a fairly large scale as a middleman in the frozen-meat trade, and I mention that for the purpose of showing that I think the time has come when the individuals and the freezing companies who have any public spirit will have to sink their individual, their monetary, and their business interests in this industry. The general trend of what I have said has rather favoured the elimination of the middleman altogether. I am a middleman, but I am prepared to go out of this trade, or to go into a combination consistent with the policy I have indicated, in order that the trade may be handled as a whole, for handled as a whole it must be, and I think the country has a fair right of appeal to all the individual interests in this matter, in order that the industry may act as a unity in struggling for its life. Those, sir, are the few points I desire to put before the Committee.

13. *Mr. Pearce.*] You say that in this country at the present time you are satisfied there is peaceful penetration as regards the Meat Trust: can you give us any specific case in addition to that of Armour and Co.?—I have already indicated that Vestey and Co. must be held in suspicion as to whether they are not also a hostile American power operating in this trade.

14. But they are Englishmen themselves, are they not?—That I cannot tell. I have an opinion—and my opinion is shared by others—that they have not behaved as Britishers in this matter. I suppose the whole question in regard to Sims, Cooper, and Co. has been ventilated. As a business man I have a shrinking from accepting rumours, reports, and conjectures as to whether this or that firm is connected with the Meat Trust. I know nothing but rumours, reports, and conjectures in connection with that firm, and I would rather escape discussing the subject. I have no absolute knowledge, but the reports and suspicions are so well known that I take it it is not necessary for me to repeat them.

15. You suggest that all the freezing companies should combine; but, of course, you recognize the difficulty there would be in the case of some companies in a sound financial position and others in a weak financial position?—Yes.

16. Do you not think it would be almost impossible for the stronger companies to agree to combining with the weak companies unless the Government took control of the position?—I am not able to judge as to what Government pressure might be able to do, but the freezing companies have got to come to that combination. I think the matter has to be reviewed as a national menace—a national menace which has to be met by the combination of the freezing companies into one interest. I am not going to say how it is to be done, but I have indicated the men who can do it if they are placed in an independent position.

17. Of course you recognize, I presume, that the financial position and responsibility of the directors to the shareholders would almost prevent a thoroughly financial company combining in a general way with a non-financial company?—That is a detail, and its solutions depends upon the necessity there is for it. If the necessity be so great, as I have indicated, the solution will have to be found. It will not be found in any cheap and ready method, but in the capable handling by first-rank business men such as I have indicated, who have graduated in the business and know it from A to Z—men who are commercially and otherwise competent to bring about a combination or an alliance of the freezing companies, which is necessary to meet the present position. I would not profess to say how it is to be done, further than I say that the business men can do it, and there is an absolute necessity that it should be done.

18. Do you recognize that there might be a risk to the producer if the whole of the freezing interests were combined—the same danger as we have from the Meat Trust?—No, I should think not. That altogether depends upon the conditions. The producer and the freezing companies are already to a very large extent tied up together in their interests. It may be said that, roughly speaking, half the freezing-works are dealing with the farmers on a co-operative basis, and in the others the farmers have at present the facilities of the companies placed at their disposal on a fair hire.

19. But what I mean is that if they were placed in one combination they could make the price what they desired all over New Zealand?—They would have, of course, in this matter to be legislatively controlled.

20. Do you think it could be done by the freezing companies themselves combining without legislative interference, or is it necessary to have legislation?—I think that when the scheme comes to be worked out those who work it out will find there are certain respects in which they must have the position legislatively defined, and they would bring forward what is necessary, but I think that legislation must follow on or accompany the handling of the problem by business men, and cannot precede it.

21. Then your suggestion is that the freezing companies should combine, and then ask the Government for any legislation they require?—I do not look at it in that way. I think the first step in this matter must necessarily be that the freezing companies should be brought together as a unity; but before that can take place there must be sufficient pressure from the Government of the country—whether in the form of legislation or not I do not know—there must be sufficient pressure put upon them to form this association or federation, and they must be provided with the necessary power to put their men in charge of the problem—not of the individual freezing company, but of the problem of the meat trade.

22. *Mr. Reed.*] You said there should be an alliance of the freezing-works in defence, and you also said you agreed with the suggestion in the memorandum which you produced, which reads in this way: "It has been recognized that no foreign company or firm, or agents acting for or financed by a foreign company or firm, shall own or control any of the primary products of the country. The above shall apply to freezing-works." Do I understand from that that it