

So far as the freezing company I represent is concerned, the statement which is contained in a letter bearing date 3rd May, 1917, from the chairman of the New Zealand Overseas Committee, in reference to the Imperial Government's desire that special preference should be given to beef and wether mutton, is correct, but the variation of the instructions in this respect, as shown in the subsequent letter of the chairman of the New Zealand Shipowners Committee, dated 13th June, 1917 (produced), does not comply with the statements in the letter of 3rd May, nor do they comply with the position so far as my company was instructed in the matter; and for your Committee's information I produce copies of the letters my company received varying the first instructions issued in November requiring that priority of shipment was to be given to meat in the following order: (1) Beef and wether mutton, (2) pork, (3) ewe mutton and lamb.

Now, dealing with the *remedies for all these matters*, I say that I do not think this Committee can do better than adopt the recommendations that have been finally approved of by the Dominion Conference of the New Zealand Farmers' Union at a recent conference held in Wellington. These resolutions were first formulated at a public meeting of farmers, and then subsequently considered by the executives of the New Zealand Farmers' Union in various parts of the Dominion, and then finally submitted to the Dominion Conference of the union, when a special committee was set up to go into the facts and circumstances of the matter, and they altered and modified the original resolutions to a certain extent, and then recommended them to the conference for their approval. The conference, with only one dissenting voice, approved of them. I produce a copy of the resolutions as approved, so far as they affect the matters under inquiry by this Committee, and the reforms that are advisable in these matters, and I think the principles for the Committee to work on should be that the only hope of combating the dangers of these trusts is for those interested in private enterprise to co-operate and work with the Government, who must assist the position mainly on the lines of State regulation and not State ownership.

In addition to these recommendations it is worthy of the Committee's most favourable consideration whether, in view of the very serious aspect of all these matters, both from a Dominion and Imperial standpoint, it would not be advisable for the Government to apportion all the shipping-space according to the produce awaiting shipment from each district. Also the question of the Government licensing buyers and exporters of meat in this Dominion other than *bona fide* farmers: This would give control to the Government to stop licenses being issued to any person who was known to be dealing with the trust, and consequently to the detriment of the Dominion as a whole.

Regarding the suggestion to do away with the Shipowners Committee, I am aware that it has been stated that it is necessary to have experts to handle this matter. Here again I suggest for favourable consideration to the Committee that this is not necessary. The only matter on which an expert is required is to acquaint the Committee with what a ship could carry. This could be done by the owners of the ship in the ordinary way. If the Committee would look at the monthly tabulated returns which are prepared for the information of the Government and those interested in the trade it will be seen that the class and quantity of the different produce awaiting shipment is set out, the number of boats available for the month, and the quantity of each of these classes of produce these boats will take. Therefore it is a simple matter for any person without expert knowledge to apportion this shipping space to the various districts according to the quantity of produce awaiting shipment. There is justification for being uneasy and mistrustful as to the fairness or otherwise of the handling of our shipping and the apportionment of the space. In view of this it is certainly advantageous that the position should be put beyond question, and into independent hands for control at both this and the English end, without interference by the shipowners or the Board of Trade. My investigations go to show that the Board of Trade in London has no sympathy with the New-Zealanders or the Home consumers, but their sympathy extends more to the big financial institutions and the trusts. It is also worthy of very serious consideration whether, under all the circumstances, it would not be better to have a special Minister to deal with all these Imperial purchases and shipping matters. At a recent meeting held at Gisborne by the Farmers' Union, when there were over twenty branches of the Poverty Bay Farmers' Union represented, the following resolution was carried unanimously upon this head: "That this meeting of farmers is of opinion that, in view of the necessarily very heavy taxation that will be imposed on all classes of this Dominion, and realizing that the ability to meet this heavy taxation must very largely depend on the ability of the taxpayers to sell and obtain shipping facilities for their various commodities, this meeting would suggest for the favourable consideration of the Government the advisability of the New Zealand Government appointing a special Cabinet Minister, who will be able to devote, if not the whole of his time, then the greater portion of it, in controlling the whole of the operations connected with purchasing and shipping of all the primary products produced by or required by this Dominion; and that this Cabinet Minister should be assisted by an independent and capable business man in New Zealand, as well as a special officer to act in England directly under this Minister's control, there to watch and regulate our interests at that end; and, in view of the very many other duties devolving upon our High Commissioner, that this special officer should be independent of the High Commissioner and any of his departments." At present, as you are aware, this matter is immediately under the control of the Prime Minister, and it is suggested that, in view of his very many heavy duties which he has necessarily to perform, it would be better for him to have the detailed control of this very important matter in the hands of a Minister subordinate to him. The suggestion is not made out of any disrespect to the Premier, but, recognizing the seriousness of the position, it is advisable that a Minister should have charge of the matter who could personally watch and control these very difficult and complicated questions, which require continuous attention.