pared with less than £26,000 in 1914 and a loss in 1913. Details of the dividends of the "British-American" meat firms which are private companies, are not available to the Committee, but it was admitted by the representative of one of these companies that profits had been made in 1914–15, after two years of loss in 1912 and 1913. On the whole, however, no such sums appear to have been made in the meat-importing trade as are recorded in some of the leading "war industries."

21. Nor does it appear from the evidence that meat-prices have been inflated by means of the use of cold storage. Chilled meat has to be sold fairly promptly, and frozen meat brings a lower price. The broad fact remains that in the home-meat trade profits made go mainly to the breeders, the graziers in the case of Ireland and the jobbers, and in the case of meat imported from North and South America to the breeders and the meat-importing companies. But the substantial cause of increased profits is rather the shortage of supply than any process of combination; and but for the Government control of colonial meat prices might be higher. Reduction of prices at foreign and home sources of supply is obviously difficult under existing circumstances.

22. Where price-control is practicable—that is, in the case of the Australasian meat put on the market by the Government—it appears to be efficiently applied. The firms who formerly received the Australasian supplies, some twenty-five in number, act as selling agents for the Board of Trade, receiving a commission of 1 per cent. for sales ex ship and 2 per cent. for other sales. They are held bound to sell the meat in the usual manner, generally to distributers, but also the large retailers who in the past bought direct from the importing houses, so that as far as possible it shall pass through the usual channels and in the usual quantities. In no case are the wholesale distributers allowed to add more than ½d. per pound to the price at which they buy from the selling agents. When supply runs short the distribution is *pro rata.* Price-lists are published weekly by the Incorporated Society of Meat-importers, and the distributers are held bound to sell only to *bona fide* retailers in the old proportions, all speculations being forbidden. Selling agents who were formerly in the habit of supplying meat to their own wholesale or retail branches may do so in proportionate quantities, but in that case they get no commission, and the price they pay is fixed by assessors appointed by the Board of Trade.

23. No price is laid down for retailers; but the wholesale selling policy probably secures a general check on inflation, the instructions to the agents being that they should aim at steady and moderate prices. At times of special shortage stocks are husbanded in order to prevent a period of extreme scarcity; but prices are on the whole well restrained. In June and July, 1915, for instance, the Board of Trade price for best Canterbury lamb ran about 8½d. per pound, but at the end of December it fell again to 7d., and the 8½d. rate was not again reached till the end of March, 1916. The rise to 9½d. in June was a result of shortage. Many dealers express the opinion that but for the control exercised by the Board of Trade prices would have been higher. Complaints have been made to the effect that small butchers who bought for cash could not get supplies of Australasian meat, but this has now been remedied. There does not appear to be any arbitrary procedure in the distribution of supplies, and the inequalities are to be set down to the fluctuations in the amounts handled from week to week by particular selling agents as in the past.

J. M. ROBERTSON, Chairman.
W. C. ANDERSON.
W. J. ASHLEY.
JOHN P. BOLAND.
THOS. BRODRICK.
G. H. CLAUGHTON.
J. R. CLYNES.
D. DRUMMOND FRASER.
ROWLAND E. PROTHERO.
M. S. REEVES.
T. SHAW.
W. CAPEL SLAUGHTER.

E. C. RAMSBOTTOM, Secretary.—22nd September, 1916.

In dealing with that report which I have read, there is an admission in paragraph 15 by the Board that before the war one British line was allowed to run between New York and the Argentine. We know there is only one British line, and that is the Australian line of British boats—our New Zealand-Australian steamers. Then, in regard to paragraph 18 of the report, I wish to refer to the letter to the Premier, in which there is an extract from a Home paper, which deals rather trenchantly with this matter. It states, "And again the Food Prices Commission concealed the fact that a large part of the Argentine output for 1915 was carried in British-owned boats from Buenos Aires to New York, held in cold store there, and afterwards re-exported to England. Indeed, from beginning to end the whole position is a revelation of the humiliating subjugation of the British people and Government to the beef kings of America." Then, in paragraph 16 of the Board of Trade report, it says, "The result is that though rates on meat for the civilian population have risen by 30 to 60 per cent. above pre-war figures, freights, being thus regulated, do not constitute a main item in the increased cost of imported meat, the average amount, including the increase during the war, being not more than 1d. per pound." I undertake to say there are two inaccurate statements there. The statement that the rates have only increased by 30 to 60 per cent. must be misleading, and also the statement that the freights, including the increase during the war, is not more than 1d. per pound. We had a statement from the Hon. Mr. Massey some twelve months ago that it was costing the authorities 2½d. per pound to land it at Home. In paragraph 22 it is stated, "Selling agents who were formerly in the habit of supplying meat to their own wholesale or retail branches may do so in proportionate quantities, but in that case they get no commission, and the price they pay is fixed by assessors appointed by the Board of Trade."

23. *Mr. Witty.*] That is for wholesale agents?—Yes. Take Armour and Co.: they would nominate their representatives to receive their meat, and they would get it at the other end and buy it themselves. The statement that the price they pay is fixed by assessors appointed by the Board of Trade is incorrect, as they pay the market price of the day as provided for in clause 6 of the General Regulations for the Sale of Frozen Meat on account of His Majesty's Government. Now, that clause 6 is as follows: "If a selling agent, in addition to selling on commission, has been in the habit of buying meat on his own account for subsequent resale, either wholesale or through his own retail shops, he may sell to himself at the market price quantities proportional to those which he has been in the habit of buying, but he shall not receive any commission on such sales." It is still there at the market price, which is altogether different, because the price is supposed to be fixed by assessors appointed by the Board of Trade. That means he can sell to his own retail trade.

24. There is no restriction of that?—No. Then, clause 23 of the Board of Trade report says, "No price is laid down for retailers, but the wholesale selling policy probably secures a general check on inflation, the instructions to the agents being that they should aim at steady and moderate prices." That means a steady and moderate price to themselves at which they are to buy, but not what they are to sell to the unfortunate consumer for—a very different thing.