

Mr. D. G. Sinclair, buyer, Armour and Co. (of Australasia) (Limited).
 Mr. W. D. Lysnar, chairman Poverty Bay Farmers' Meat Freezing Company.
 Mr. W. Wood, merchant (W. Wood and Co.), Christchurch.
 Sir G. Clifford, chairman Canterbury Frozen Meat Company.
 Mr. W. Murray, director and manager New Zealand Refrigerating Company.
 Mr. R. B. Bennett, representative H. S. Fitters and Sons, London.
 Mr. E. J. Arlow, manager S. V. Nevanas and Co. Proprietary (Limited).
 Mr. S. J. Ambury, chairman Auckland Farmers' Freezing Company.
 Mr. D. Long, secretary Auckland Farmers' Freezing Company.
 Mr. P. S. Carroll, managing secretary Taihape Freezing-works.
 Mr. F. S. Candy, manager Hawke's Bay Farmers' Meat Company.
 Mr. H. A. Knight, chairman New Zealand Refrigerating Company.
 Mr. C. S. Harper, manager Borthwick and Co.
 Mr. C. C. M. Ollivier, auditor for Sims, Cooper, and Co., Christchurch.
 Mr. A. Rowlands, manager W. and R. Fletcher (N.Z.) (Limited).
 Mr. H. G. Warren, secretary Nelson Bros. (Limited).
 Mr. W. Kinross White, managing director North British Freezing Company.
 Mr. J. Pindlay, representative Shaw, Savill, and Albion Company.
 Mr. W. I. Carney, director Armour and Co. (of Australasia) (Limited).
 Mr. R. A. Anderson, managing director J. G. Ward and Co., Invercargill.
 Right Hon. Sir J. G. Ward, Bart.

The Committee finds—

1. That the conditions prevailing during the war, under which the meat-output of the Dominion has been purchased by the Imperial Government, have necessarily held in suspense the system of trading which was in operation before the Imperial Government took over the meat-supply. It follows, therefore, that the operations of the meat trade are not carried on with the freedom of contract which prevailed, and will prevail, in normal times.

2. That Armour and Co. (of Australasia) (Limited) is a company registered in New Zealand, and operates in New Zealand on American capital. It is financed and controlled by Mr. J. Ogden Armour, of Chicago, president of the firm of Armour and Co., Chicago. Armour and Co. (of Australasia) (Limited) freeze in various works throughout New Zealand.

That in a pamphlet published in 1917 by Armour and Co., setting out their business organization, it is stated that Armour packing plants are operated in Argentina, Brazil, Canada, and New Zealand, and Armour selling organizations are located in London, Paris, Rotterdam, Hamburg, Bremen, Frankfurt, Copenhagen, Stockholm, Milan, Cape Town, Havana, Buenos Ayres, Panama, Canada, and elsewhere. The evidence before the Committee has not disclosed the works mentioned in the pamphlet, or that this company had any such packing-works in New Zealand.

That Vestey Bros., of Great Britain and Chicago, U.S.A., control the following companies operating in New Zealand—namely, W. and R. Fletcher (N.Z.) (Limited), Westfield Freezing Company (Limited), and the Whangarei Freezing Company (Limited).

It has been suggested that Sims, Cooper, and Co. (N.Z.) (Limited) are controlled by or assisted with American capital, but after taking evidence from various sources no proof of this has been forthcoming to that effect, but that financial support is received by the company, in so far as buying in New Zealand is concerned, from local banking institutions.

3. That some buyers have given prices for stock which could not be justified in view of the Government rate. This has obtained more particularly in the North Island. The result of these undue prices has been to cause some freezing companies to suffer heavy losses, and in one case it brought about the closing of a company's works for part of last season.

4. That it is unsatisfactory and unfair to the New Zealand producers that enormous profits should have been made out of the sale of New Zealand released meat in Britain.

5. That freezing companies are giving large buyers special rebates and concessions. This operates to the detriment of small buyers and tends to create monopolies.

6. That a system has grown up in New Zealand of establishing companies financed and controlled by capital obtained beyond the Dominion. These companies register in New Zealand with a capital entirely disproportionate to their scale of operations.

7. That at present there appear to be sufficient freezing-works in New Zealand for the stock offering under normal shipping conditions. There is, however, a complaint, which is justified, that space is allotted to large buyers to the prejudice of small producers.

8. The system of payment f.o.b. by the Imperial Government is not conducive to the interests of the small producers, as it tends to put the trade in the hands of the large operators. The small producers are not financially strong enough to wait any length of time for payment, and are placed at a disadvantage with respect to storage and interest.

9. That in some countries the American Meat Trust has already established control of the meat trade. By its operations it first inflates prices of stock to kill competition, and then acts detrimentally (1) to the producers by forcing prices down below the fair market value, and (2) to the consumer by imposing excessive prices.

10. That in this Dominion the producers, except as shareholders of freezing companies, have not up to the present suffered from the operations of large firms, but keen competition has induced high prices. There is, however, a distinct danger in the growth of any combination which may endeavour to control values to the injury both of the producer and the consumer.

The Committee therefore recommends—

1. That legislation be at once passed giving the Government power to make it illegal to grant concessions in consideration of exclusive dealing and to control or prohibit special rebates.