

66. Do you think from your knowledge of the business that Sims, Cooper, and Co. have done that £437,000 would be a fair statement of the amount of business they have done all through New Zealand?—No, I do not think it would.

67. And you think some of their business must have been sold or put through somebody else?—Yes.

68. *The Chairman.*] This £437,981 mentioned in this statement [*vide* Appendix D]—is that exclusive of the amount you would pay Sims, Cooper, and Co. out of that £392,000?—When the meat was invoiced to the Imperial Supplies Board the custom was for us to ask them to send a cheque direct to Sims, Cooper, and Co. They did not pay us for it.

69. *Mr. Witty.*] Have you seen the amount Sims, Cooper, and Co. have received from the Imperial Government?—Yes.

70. Do you think that is a true statement, taking into consideration what proportion of stuff you freeze for them at your works?—No, I should not say it was—not from my knowledge of their operations.

71. Have you any idea what cheques would be put through the Hawke's Bay Company to Sims, Cooper, and Co.?—No, it would be difficult to say from memory. I can remember them getting cheques on different shipments amounting to £3,000, and £4,000 on one shipment.

72. Do you think that £438,000 covers the extent of Sims, Cooper, and Co.'s transactions in New Zealand?—No, I should not say so—not by a long way.

73. Do you not think it would be better in the interests of all concerned if every agreement with regard to rebates was put in writing, and make it a penal offence for it to be done otherwise?—Does it not now come under the provisions of the Secret Commissions Act?

74. No, I am afraid not?—Sims, Cooper, and Co. will not commit anything to writing. It is all done by personal interview—by word of mouth.

75. Should not all arrangements be made in writing and in legal form?—They should be, but they are not. Sims, Cooper, and Co. will not deal with the board of directors of a company. They will ask that the chairman personally, or the manager, or secretary—either one or the other—be appointed to make arrangements with them, which are not committed to writing, and are not known to anybody else in the company. For instance, in the Hawke's Bay Company an arrangement was made with the manager. I could not tell you the details of the arrangement, although I was secretary. I knew an arrangement was made, and had seen the cheque for their rebate, but none of the other directors knew and none of the company knew.

76. That shows there are secret transactions going on which are really to the detriment of the company in the end?—Yes, that is so.

77. Or to the country either?—That is so.

78. Have you any idea who is behind Sims, Cooper, and Co.?—No, I have no idea, only what is current talk.

79. Do you think they belong to the American trust?—It is my opinion that they do.

80. Can you tell the Committee why they are giving more for the stock than you local companies can do?—The only reason I can give is that their object is to squeeze out all competition, when they will have the market in their own hands, and they will then be able to give whatever prices they like.

81. Are their operations on the same lines as the Americans are doing in the Argentine—that is, gradually sweeping up on the companies?—That is so.

82. Then in the end it must be worse for the companies on account of the lesser dividends they would receive through pressure than at present?—I should think so, eventually. I think the bigger the hold they get the bigger the demand they would make upon the companies for an increased share of the profits which they were practically creating by putting stock into the works.

83. Do Sims, Cooper, and Co. nominate any meat put through your company?—We had instructions to nominate all their meat to the London Produce Company, and they also asked our company, in consideration of putting all their stock through our works, to nominate any free meat we had to the London Produce Company as well.

84. Then you did not nominate at all except by order?—Yes. You will understand that where a number of farmers are freezing on their own account it is rarely if ever that they ask us to have their meat nominated to any particular firm.

85. But they nominate it through particular firms?—It has to be nominated, but they generally leave it to the company to nominate it for them.

86. Did you nominate as requested by Sims, Cooper, and Co.?—Yes, a good deal of it was nominated.

87. I think that is important, because if Sims, Cooper, and Co. nominate all their meat to that company we may find out how much they have received when we get evidence taken in the Old Country. I take it that all their meat which was nominated was nominated to that company in the Old Country?—Yes.

88. That is, their meat?—Yes.

89. The free meat also they compelled you to nominate to whom they chose?—Yes. It is not a question really of compulsion; but you understand they are big suppliers, and they will say, "We are supplying you with a large amount of stock, and in consideration of that you ought to nominate us for some of your free meat."

90. And has that free meat gone to the same agents?—Yes. But I wish to say that latterly that was stopped in the Hawke's Bay Company. I got the company's permission that no free meat was to be nominated to any house except it was known to be a British house.

91. You mentioned a firm of De Pelichet and McLeod, who were agents for Sims, Cooper, and Co. in Hastings: is that a French firm?—I believe Mr. De Pelichet was a Frenchman, but he is now dead.