

92. Do you think if Sims, Cooper, and Co. were doing a legitimate business they would ask for secret rebates and secret interviews?—No, I do not think they would.

93. Then do you think they are connected with some firms outside of Britain?—Yes, I think they are. As a matter of fact, I know that Mr. Sims pays periodical visits to America.

94. Then you think that in the end they will practically control the meat trade in New Zealand?—I think they will—they and Armour and Co. between them.

95. Have you noticed what Armour and Co. have received?—Yes. They only started recently. They also have a buyer in Hastings, and they did some freezing through our works.

96. Where do they freeze?—Principally at Wakatu—the Hawke's Bay Farmers' Meat Company. They did not get a very warm reception from the farmers. I think they rather shied at their name, and they have admitted that they made a mistake in coming out in the open under their own name.

97. *Mr. T. A. H. Field.*] Did they admit that?—Yes, one of their representatives admitted that to me.

98. *Mr. Witty.*] Who do you think is to be more feared—Armour and Co. or Sims, Cooper, and Co.?—As far as my experience goes Sims, Cooper, and Co. seem to be more aggressive at present than Armour and Co. Armour and Co. have been going along very quietly, and their buyer would not give the prices Sims, Cooper, and Co.'s buyer was giving.

99. Do you think there may be any connection between the two?—There may be, but not that I know of.

100. Do you not think it is necessary for the sake of the trade that there should be a certain amount of apparent rivalry?—That might be for the time, but eventually, once they get the hold, the rivalry would disappear—it would only be assumed rivalry.

101. Could you suggest any way out of this difficulty to prevent American firms getting such a big hold, and which, if allowed to go on, may control the whole of the meat trade of New Zealand?—It is a big question, and it opens up the question of international trade. As far as I have thought, the only remedy is for the Government to put a prohibition on the export of New Zealand meat except to a British possession, and to firms known to be British and under British management.

102. How are you going to get over it, seeing that your own company gives secret commissions?—You will have to deal with it by law and make it a penal offence.

103. *The Chairman.*] Do you know the method of book-keeping in the Hawke's Bay Company?—Yes, I had control of the books there.

104. The rebates would go through Sims, Cooper, and Co.'s ledger entries?—No.

105. What would they go through—the firm's expenses account, or what?—They went through the account which dealt with all expenses of slaughtering and all freezing-charges, debits and credits. As far as I remember, Sims, Cooper, and Co.'s account was debited to slaughtering account.

106. In the ordinary system of book-keeping that item should be discovered by any auditor in Sims, Cooper, and Co.'s ledger account?—Yes, it should be debited in their own personal account.

107. What became of the offal of Sims, Cooper, and Co.'s stock?—The offal from their stock was treated in the ordinary way. There was no consideration given to them.

108. The company made any profit there was out of the offal?—Yes.

109. Might it not be done in such a manner in the books that you were apparently paying more for the offal and yet making a concession for the freezing?—That could have been done, but it was not done.

110. *Mr. Dickie.*] Did Sims, Cooper, and Co. get any direct benefit from the company?—No, they had no payment for offal in any way. There was an arrangement suggested that they should get half the profits on the number of stock they put through the firm.

111. *Mr. W. H. Field.*] Have you anything to say in regard to the allocation of shipping-space?—Yes; we did have ground for complaint early in the season in Hawke's Bay. We thought we were not getting allocations in regard to the number of stock already in store, and it was only after a considerable amount of writing and correspondence with the Overseas Committee that we got something of what we thought was a fair thing. In regard to lambs, when I left there were, I think, 75,000 lambs in store which had been there from October, and with the exception of 200 shipped to the Red Cross Society in London we got no lambs away, but we knew from figures supplied that a good many lambs had been shipped to London. We asked the Imperial Supplies Board to allow us to ship lambs, but they refused.

112. *Mr. Witty.*] Do you think Sims, Cooper, and Co. or Armour and Co. get any preference in regard to the shipment of lambs?—I could not say that, but I think the evidence we had tended in that direction. In the Taihape district they were giving prices for lambs that nobody else could give, and the assumption was that they were giving those prices in anticipation of getting them shipped to their London house on account of the high prices ruling at the time.