

TUESDAY, 4TH SEPTEMBER, 1917.

FRANK SAXBY CANDY examined. (No. 21.)

1. *The Chairman.*] What are you?—Manager of the Hawke's Bay Farmers' Meat Company, Hastings.

2. You are aware that the object of the setting-up of this Committee is to inquire into the operations of the Meat Trust?—Yes.

3. The Committee would be obliged if you would make a general statement in the first instance on the question?—I have not prepared any statement of any description. I realize that the Meat Trust is going to have a great bearing upon the industry generally, especially on the farmers' companies. It is my opinion that after the war is over and shipping is normal the small farmers' companies particularly will find it difficult to live, unless they can do the business for the exporters.

4. *Mr. Witty.*] Would not that assist the ring?—Well, I suppose it would, but it seems to me questionable whether the ring can be checked. I think the ring would check the companies before the companies would check the ring.

5. Could you give the Committee any idea of how to check the ring?—In my opinion the only way to check it would be for the Government to take over practically the whole of the business, or the handling of the business the same as at present.

6. But the present method does not prevent the rings operating, does it?—No, but they cannot operate to the same extent—they cannot do as much as they were doing—and I do not think they are making the same profits as before. I have been watching the industry now for over twenty years in Canterbury and three years up North. I think any one who has watched it closely for that length of time would see what was happening until the the war commenced. Of course, at the present time it is neither here nor there. I think what we have to look to is what will happen when the war is over and shipping is normal. At one time—twenty years ago—it was practically purely a farmers' business, and being carried on on account of farmers, gradually developed into the export business, commencing with a small number of companies. I think Borthwick and Co. were about the first outside exporters to commence, and it gradually developed until, when the war broke out, although there were a great many exporters in the business then, it was gradually working into the hands in Canterbury of three or four people, and the smaller exporters were being gradually squeezed out.

7. *The Chairman.*] When did this commence?—It has been going on for years. I should say Borthwick and Co. started business between fifteen and twenty years ago.

8. *Mr. Witty.*] Could you give the Committee any idea of how the Government should run the business—by going out and purchasing from the farmers and putting it through the works, or buying the farmers' produce from the works?—It is a pretty big question, but if the Government is going to do anything it would probably be better for the Government to handle on account of the farmers.

9. That is, buy on the hoof?—No, not buy on the hoof.

10. Well, buy on the hooks?—Yes, probably. I do not think the Government could very well undertake to buy on the hoof.

11. *The Chairman.*] What company did you represent in Christchurch?—The Canterbury Frozen Meat Company.

12. Then you went to the Hawke's Bay Company?—Yes.

13. Do you say there is every reason to fear danger from the operations of the Meat Trust in New Zealand after the war?—Yes. What is called a "trust"?

14. Well, the very large operators?—Yes. Personally I do not know who are the trust, if they are here. I think there is a danger that all the small farmers' companies particularly, unless they can do the business for the large operators or large exporters, that they will either go to the wall or next door to it.

15. Is the Hawke's Bay Farmers' Meat Company purely a farmers' company?—Yes.

16. With farmers' capital?—Yes, practically the whole of it.

17. And it runs its business in the interests of the farmers?—Yes. Of course, we have only been running for three years.

18. All the capital is New Zealand capital?—Yes, absolutely. I do not think there is £1,000 in the company which is not actually farmers' money.

19. Do you encourage trade with the large operators?—We have not particularly. We have six hundred farmer-shareholders, and under the present conditions they have kept us going.

20. What large operators do you freeze for—Sims, Cooper, and Co.?—We have done a small amount for Sims, Cooper, and Co., and done a little for Borthwick and Co.

21. Only a small amount compared with your total?—Yes. This past season, for instance, we have done pretty well the whole of our business in connection with handling the meat from our shareholders.

22. But previous to that?—The year before was pretty near the same, but not quite.

23. Do you give rebates to people who freeze with your company?—Not to a great extent.

24. Do you give it to all who freeze for you on a defined scale?—Yes, we have a scale. This year we are not giving rebates. Of course, we have not handled much for exporters.

25. Do you give special rebates to any large firms?—No, nothing special.

26. Do you give special rebates to firms or companies?—We do not give any preference.

27. You do not give Sims, Cooper, and Co. any preference?—No, no particular preference.

28. You have no arrangement with Sims, Cooper, and Co. as to rebates different to your other arrangements?—No, not different to other people.

29. You give rebates?—Yes, we do in a small degree.

30. To every one?—Yes, if they put through a fair quantity.