The domination of the American firms in relation to the meat-supply for 1916 is as follows: Total foreign production, 623,553 tons; total Empire production, 291,827 tons: total, 915,380 tons. Of the foreign production the Americans controlled 406,000 tons, equal to 65 per cent. of the total.

The Empire production is largely controlled at present by the British Government, but unless immediate steps are taken by the British Government in conjunction with the Dominions Government to extend and foster Empire production and to exclude foreign control, not only will the independence and prosperity of the Dominions be checked, but the meat-supply of Britain and her Allies will be in foreign hands. With what the Americans obtained from Australia and New Zealand before the war (and which she now claims, and in part obtains) her domination of the trade represents 60 per cent. to 70 per cent. of the total. The hold which the American trust has obtained on the meat-supplies is not only a menace to the people of Great Britain who have depended for cheap food for the people on the supply of frozen meat, but their domination of the trade threatens the prosperity of the Dominions.

As Great Britain purposes to put a much larger area into cultivation for the production of cereals, less cattle and sheep can be carried, and therefore a greater amount of meat must be imported from the Dominions. It is suggested that a preference will be given to colonial meat, but if the meat-supplies are controlled by foreigners any advantage will be defeated and only add to the already large profits of the foreign trust. Further, after the war there is every expectation that Continental countries must import frozen meat, and in which trade the Dominions should participate, but unless Government action is taken to protect the producer and the freezing industry in the Dominions and restraint imposed by the British Government on foreign trading this trade will be opened up and controlled by foreign firms.

The necessitites of the war and the absence of Government interest in trade has placed enormous powers and profits in foreign firms. If Britain is to retain her commercial supremacy Government control over food-supplies must be retained for some time after the war until British traders are re-established and British trade is retained within the Empire.

The balance-sheet of the Swift Beef Company for 1916 shows a profit of £4,093,000. La Blanca, Argentina (Swift's), 1915, the profits are given as \$1,444,840·59 = £288,968; Frigorifica, Argentina (Armour's), \$1,164,729·95 = £232,945; Frigorifica Armour (Armour's), first working-year, 30th June, 1916, \$672,463·49 = £134,492. The balance-sheets of the other two large American-Argentine companies are not available. 1915: Armour and Co. (U.S.A.)—Capital, \$100,000,000; distributed profits, 400 per cent. Swift's Beef Company (U.S.A)—Capital, \$100,000,000; distributed profits, \$25,000,000 cash, \$25,000,000 stock (par).

WEDNESDAY, 12TH SEPTEMBER, 1917.

CHARLES JOHN REAKES further examined. (No. 23.)

1. *The Chairman.*] You desire to put in certain reports?—Yes, I wish to put in the following returns: (1.) Number of stock slaughtered in the Dominion (excepting that slaughtered by farmers for sale for consumption on the premises) during the years 1913–16 inclusive, for the twelve months ending 31st December. (2.) Meat exported from New Zealand during the years 1913–16. (3.) Synopsis of reports from certain Inspectors of Stock regarding the operations of Messrs. Sims, Cooper, and Co., Richmond, and others, in connection with their alleged manipulation of the store-stock market. (4.) List of names of New Zealand meat-exporters and their agents in Great Britain. (5.) List of names of New Zealand meat-exporters and the districts in which they operate. (6.) General view of the sources of the world's output of frozen and chilled meat during the past four years, showing also the proportion thereof imported into the United Kingdom, and the quantity handled by four North American firms (compiled by Messrs. W. Weddel and Co., London). (7.) Supplies of meat in relation to population and live-stock (compiled by Messrs. W. Weddel and Co., London). (8.) Table showing the various sources of supply of meat (beef, mutton, lamb, live cattle, and live sheep) imported into the United Kingdom since 1900 (compiled by Messrs. W. Weddel and Co., London). (9.) Statement showing quantity and value of meat handled by freezing companies on behalf of meat-exporters for the year ending 31st July, 1917. [*Vide* Exhibits 23, 24, 25, 26, 27, 28, 29, 30, and 31.]

2. *Dr. Newman.*] There has been an arrangement by which New Zealand meat has been released by a committee of experts in London?—Yes.

3. Has that arrangement been stopped, or has it been limited?—No, not to my knowledge; but there is this alteration that has been made recently: there has been something done in the way of fixing prices. But I have no knowledge of this new arrangement regarding the fixing of prices having in any way altered the working of the original arrangement so far as the method by which meat is put on the market is concerned.

4. Then what is the difference?—The difference is that maximum prices have been fixed both for the wholesale and the retail trade.

5. When New Zealand lamb is released at 10d. a pound, and is sold retail in a shop next door at 1s. 10d., who makes the profit?—The shilling profit is made somewhere between the wholesale salesman and the consumer.

6. Can you give us any reason why our lamb should be released at 10d. a pound, and sold retail by the man next door at 1s. 10d., a profit of 1s.?—One reason is that the Argentine lamb is sold without any restrictions whatever—or it was sold without any restrictions until this last arrangement was made for the fixing of prices—and consequently it had to be retailed at a higher