

43. But you will freeze with any company that will freeze for you?—I would not say that; there are other things to be taken into account. There has often been a cry about the little freezing-works going out, but, looking at it from the point of view of the business of the country, you might say that it is not in the best interests of the country that the little works should go on. My reason is that to run a business efficiently you must get the best men available, and in order to get the best man you must pay him, and a little company cannot afford to pay the same salaries as the big companies, because the ratio of administrative expenses is so much greater. Then, a freezing company makes most of its profits out of the by-products. It is in the manufacture and disposal of the by-products that the expert man has such an advantage. The freezing company with an expert man and a large turnover can put out more valuable by-products than a small company. The competition is so keen now that the success or failure of a company may depend on the by-products.

44. Does your company give any preference to any particular freezing company?—I understand they put everything they can through the Christchurch Meat Company. I think this is so. They deal with other companies also.

45. Have the prices of stock been pushed up by any particular firms to your knowledge?—I think at the beginning of the season there was a general "scrap" all round.

46. You think it was fair competition all round?—Well, there was a good deal of feeling, was there not, when the Refrigerating Company started?

47. They were all out for business?—Yes.

48. And you company among them?—I will put it this way: You have a big works, and you can make a loss with them in two ways—you can lose by keeping the works standing idle, or you can make a loss on the stock. If you are going to make anything out of the works you must have the stock.

49. *Mr. Forbes.*] In connection with the charge that Sims-Cooper is connected with the Meat Trust, the only way to answer the charge is to prove that the capital operated with is not American capital: do you make any statement about that position? Are you prepared to disclose to the Committee the financial operations of Sims-Cooper?—I have come here to say that the offer made by Mr. Sims some time ago still stands. I may say that I have not referred it to Mr. Sims to see whether it stands or not; but I say that everything can be explained by inquiry and examination of the books of the company.

50. You are not prepared to submit the books and a statement of the position to the Committee?—I do not think that is a fair thing to ask. This evidence may be published, I understand, and Messrs. Sims, Cooper do not wish to have all their business published. I am prepared to submit it confidentially.

51. You do not think it is a fair thing that you should submit it openly to the Committee?—I cannot do it. If Mr. Sims likes to do it, that is another matter.

52. You consider the refutation of the charge that you belong to the Meat Trust is made when you offer to allow your books to be overhauled by a select committee of this Committee?—Yes, and any other information that select committee might wish to have they can get from the people who do Messrs. Sims, Cooper's banking business. If you see the Bank of New Zealand they will explain the whole position.

53. Practically your business here is to renew the offer made by Mr. Sims?—Yes. There is nothing secret about it; transactions could not go through without some one knowing them.

54. *Mr. Talbot.*] You have said some hard things about the attitude the public are taking up with regard to your firm?—Yes.

55. Of course, you have heard of the operations of the Meat Trust in North America and the Argentine, and the detrimental effect it has had on the farmer and the public?—I have not paid a great deal of attention to the matter. I saw the article written by Mr. Elliott on the subject.

56. Do you not think that, in view of the fact that the people of America have cried out about the Meat Trust, we are justified in taking all the steps we can to investigate the matter?—I quite agree with you that if what has happened in the Argentine is happening here it is right to make full inquiries, but I also think that the position has not come in New Zealand as it has there. And I think it is very unfair that a firm conducting business legitimately should be singled out for all this criticism. I think that this Committee, when it has satisfied itself that this is so, should make as much reparation as possible to these young men.

57. You say that the Committee should make reparation. But this Committee has not accused Sims-Cooper of anything: we are simply investigating the matter?—That is where it is. This is the first occasion on which they have had a decent chance of meeting the charge, because hitherto everything has been by innuendo. Now Sims-Cooper's name has been openly mentioned and they have an opportunity to reply.

58. But this Committee is investigating the matter not from any feeling of jealousy?—Not this Committee, but information has probably come to the Committee which enables them to make their cross-examination, and I think the Committee should sift why these questions have been raised, and from whom they have come. That is the view I take. The Committee is here to investigate the matter.

59. You personally cannot give us anything about the financial part of your firm's business, but do you not think that there might be some cause for alarm from the fact that your firm has such a small capital, and is operating in such a big way—cause for alarm as to whether any of the money used by your firm comes from America?—It is not found in America. If you gentlemen were acquainted with the meat business you would see how easy it is. There is nothing to hide—it is an ordinary business arrangement. These men have succeeded, but they have worked; they do not knock off at 5 o'clock.