

the channel of an intermediary broker in London. My people told me to make use of the well-known broker in London, Weddel and Co., in the ordinary way. Since then I have been operating through the brokers just as if the business was a New Zealand business.

18. *Mr. Reed.*] You nominate Weddel and Co. to take your free meat?—Yes.

19. Do you make anything out of that nomination?—Nothing whatever. It was recommended by me. I found it was best to have a representative of that kind in London.

20. *Mr. Forbes.*] Do you feel that unless something is done firms of your size may be squeezed out altogether by the big American firms with large money interests?—I have not full information. These things are not discussed. I can only go by information that comes through from London. The large firms there, I can see, are very much exercised about the competition of the American meat interests. They have been publishing various pamphlets setting out the facts about the matter, and my opinion is based upon the information given in that way. Any opinion I might hold about these big British companies being squeezed out is reflected from the opinions of these London firms, which seem to feel that unless they are given equal opportunity—placed on the same basis as these American firms—they are certainly likely to suffer later. Taxation is one of the chief factors.

21. You have not made up your mind at all what measures should be taken in connection with the American Meat Trust? Have you decided in what direction action should be taken here to prevent them getting a hold?—I think that the Government should take action and prevent any interest which is not an Imperial interest, British or New Zealand, operating in the essential food-supplies of the Empire.

22. Do you think that the present arrangement of the Government commandeering the meat on the hooks could be operated after the war, and that the Government should control the firms that distribute the meat at Home?—I do not think that would be in the best interests of the country. I think that it would be a very wise thing for the Imperial Government to buy from New Zealand definite quantities of meat at definite prices—higher prices perhaps than those ruling at the time?—and in this way to differentiate against the Americans. At the present time the Imperial Government makes bigger contracts with the American meat companies than with the British firms, and so gives the Americans an advantage over the British firms. I think that after the war the Imperial Government could make contracts for beef and give British firms an opportunity of continuing that part of the trade. I believe that after the war there will be a very great slump in beef. It may not come immediately. I think if you look at the statistics you will see that after the war the Americans are going to dominate the beef business. They can put chilled beef into the British market cheaper than we can put frozen meat, and the chilled beef always brings the better price, the advantage being 1d. or 1½d. per pound. The chilled stuff is beautiful beef, and I think that there is grave danger for New Zealand beef interests. People in the North are letting their farms go rapidly into the rank grasses which are only suitable for cattle, and if there is going to be a slump in beef the northern districts are going to feel it very severely. The Imperial Government could help very materially if they kept buying beef from New Zealand, Australia, and other points within the Empire until such time as things get normal. They should certainly differentiate against South America.

23. Trade within the Empire. You think it necessary to get away from the go-as-you-please methods of doing business?—I do not think you should destroy the initiative of firms which are operating here. I think experience shows that whenever possible business is best left to go along the track that it has taken years to beat. It is important to avoid doing an injustice and to avoid losing the stimulus of enterprise.

24. The firm of Sims, Cooper, and Co. has been mentioned: some people think that there are American interests behind that firm. How are you going to prevent firms coming here not in the open like Armour's, but without their American connection being disclosed?—I do not think you can prevent that even by commandeering, unless you get the British Government to investigate the ultimate destination of all the meat. These people, through their operations before the war, are handling just as large a percentage of the meat as other firms under the present arrangement, so you might only hamper the development of New Zealand generally by interfering, and not attain the object you have in view.

25. You think commandeering is no solution of the question at all?—Not in New Zealand.

26. Do you think that anything can be done to prevent these firms operating, if they are operating on behalf of the American Meat Trust?—I think that British firms, provided they are not more heavily taxed, and provided that the Americans are not given, as they have been given, contracts for the supply of British requirements, would compete against them quite well. I think the New Zealand Government would have no difficulty at any time in finding out if the Americans were operating here in a large way, and by an understanding with the British Government, or through a local representative who could follow the meat, your Government could ascertain if the trust interests were touching the meat in London.

27. Do you think that taxation would be the best method to use against the establishment of the trust here?—Yes, that is one of the effective methods that might be used. But I am firmly of opinion that no American interest should be allowed to operate here, at any rate, they can be prevented from doing so openly. Of course, the greatest care would have to be taken to see that no injustice was done. You may say that a certain firm is American, but you may be doing that firm an injustice.

28. Exactly; all we have to go on is rumour?—Yes. The people who are accused of working for the trust are two energetic young men, and you cannot but admire the energy and ability they have put into their business. You do not want to stop this kind of energy and ability. It would not be a good thing to stop young men from coming into the business and doing things better and cheaper for the community. If you adopt commandeering methods you will stop