104. No doubt it will come from Vestey's?—Yes. Our bankers could give you information on that.

105. You think there would be no chance of all this money coming from London being used to form a trust to rig the market here? You do not think there is any danger of your company, for instance, driving smaller operators out of the trade?—Our little bit is a bagatelle compared with what is required to run the meat trade here.

106. But besides you have Vesteys', Armour's, and all the other big firms: is there no fear of a fusion of all this money to control the trade?—No, that would not be possible by any arrangement to be made out here, because there is strong competition in London, and all the money comes from London by letters of credit.

107. Then there is no money coming from America to buy meat?—I cannot say what Armour's are doing—I suppose their money is controlled from America; but all the money for the British interests in the trade comes from London.

108. Would it be possible to find out whether this money comes from America through British banking-houses?—I do not think you could do that. You would get more information from the destination of the goods. From that you would find out on whose account they were bought.

109. Surely that cannot be correct? The destination of the goods would give no indication at all as to who was buying in this country?—I do not agree with that. I think you would find that the allocations of the meat in London correspond with the interests represented in the trade here.

110. *Mr. Anstey.*] They must have money from America if they are American trusts, and it must be operated through England?—Yes.

111. Is there no chance, for instance, that Vesteys themselves have interests in America? Are you sure that there is no American money in their concerns?—I think the record of the firm is a sufficient indication as to that. They might borrow in a business way, but America has never been any place to get money from. British firms have never got any money there for commercial undertakings.

112. It is stated that Messrs. Sims, Cooper, and Co. are connected with the American Meat Trust, yet all their meat goes to London and is sold there, the same as yours. Is it not possible that there is American money in Vesteys?—Money is the most liquid thing in the world; you cannot tell were it comes from.

113. You have said that Vesteys did not get money from America?—I do not say that. It is not impossible some money might be got there, but highly improbable.

114. Is there no way in which you could distinguish?—You cannot follow money.

115. Then how is it possible to impose any income-tax on American money in order to put it on the same basis as British money?—It is a most difficult problem. You can only follow the registration of these companies. I am very strongly in favour of stopping the registration of American meat companies here altogether.

116. You have made a suggestion that the relief from income-tax which American companies had was endangering the British companies: I want to know how you would get taxation on to the American companies?—I do not know, unless the British Government investigates the British firms and puts them in a position to pay only one tax.

117. Would it be feasible for the New Zealand Government to follow the meat right to its destination? We lose control now at the wholesale point, and it is suggested that huge profits are made between that point and the consumer?—I understand that profits are dictated by the Imperial Board of Trade.

118. Not retail profits?—I understood that was the position.

119. It has been stated that the wholesale price of our mutton is something like 10d. in London, and that the retail price goes up to 1s. 10d. and 2s.: can you suggest any way in which our Government could control prices right to the retail point?—No, I do not think I can. It could only be done by the British Government.

120. Could it be done by the British Government?—Yes.

121. Would it be feasible to have a scheme of that sort worked out?—In a reasonable state of competition it would not be necessary. Under present conditions it is the British Government which could act. We might have our own opinions about the justice of it. We could do no good by following the meat ourselves from this end.

122. Do you think it is right to let the meat trade make unlimited profits out of our meat?—No. We feel ourselves that we are suffering a very great injustice under the present conditions. Our meat is being used as a pawn in the market, and the Americans have the right to sell their free meat in the United Kingdom and make huge profits. They are making big profits and putting British firms at a grave disadvantage for post-war competition.

The Chairman: I have just received this information, which the Committee may wish to have. It is a copy of a cablegram from the High Commissioner. [*Vide* Appendix A.] The cablegram being confidential, the witness retired while it was read to the Committee. The examination of the witness was then resumed.

123. *Dr. Newman.*] Why do you have a capital of only £1,000 to conduct a huge business?—This company was formed by a solicitor a long time after Sir William Vestey was here, and it was done for convenience at the solicitor's recommendation.

124. Was it not done to escape a certain amount of taxation?—Yes, I suppose so. There is a registration fee attached to it, but there is not a great deal of money involved.

125. Have you large holdings of land in Queensland?—No.

126. Have you sold out to Armour's in Australia?—I do not think that there have been any sales of the company's estates. They have been buyers, but I have never heard of them selling any land.