

127. We had some evidence given to us before?—They have not sold. They have invested in land in order to develop the cattle country of the Northern Territory, and it would be against their interests to sell again; that would let the Americans in, which is the very thing they are trying to prevent.

128. When your firm send lamb Home it is released at an average price of 10d. per pound, and sold retail at 1s. 10d.: do you agree with that?—I have never seen any fixed retail-price list.

129. You know that the meat has been sold at from 1s. 10d. to 2s. per pound at Home?—I have only seen the statement in the New Zealand newspapers, and the statements made in the House of Commons and cabled out here.

130. Supposing it is true that your meat is released at 10d. and sold retail at 1s. 10d., who gets the profit?—I suppose the storekeeper; but it does not represent anything like a profit of 1s. I know that I am paying something over 1s. a pound for lamb cutlets in Auckland.

*The Chairman:* We want to know about London. We want to get the details of how the profit is made.

131. *Dr. Newman.*] Your lambs are released in London at 10d. per pound and retailed at 1s. 10d.: now, who makes the 1s. per pound profit? On a 36 lb. lamb that is 36s. profit: who gets that money? Here is Fletcher's store, and across the street is a retail shop, and on a 36 lb. lamb a profit of 36s. is made?—The retailer does not get that profit. I am positive you are not doing justice to the position, if I may say so. The retailer may sell some lamb at 1s. 10d., but he never gets that average for the whole carcass; the average would be much lower than that. The reason why the British Government for so long allowed the storekeepers to sell at these high prices is that the storekeepers were getting next to nothing out of it. They had to keep their stores open, and they got very little meat to put through.

132. But surely the difference of a shilling provides an exorbitant profit for somebody?—A big profit on that particular bit of meat. If you were in business and were selling in the ordinary way two hundred carcasses of lamb per day, and if under war conditions you were selling only ten carcasses per day, what would have appeared to be a very big profit per carcass on the larger amount would not be anything like adequate to cover the rental and upkeep of that shop under the changed conditions, when only ten carcasses were being handled per day.

133. You know nothing more about it?—I know this much: I have seen Eastman's balance-sheet, and that big multiple-shop firm, operating in England, has had a very bad year indeed. The Imperial Government has not been releasing anything like enough meat to enable these shops to make a turnover. It may appear that on the little meat sold to them they are making a huge profit, but I think the fact is that they have such a small turnover that there is scarcely any profit whatever.

134. *The Chairman.*] I think your assumption is wrong?—Is it?

135. Why do you predict that the price of beef will fall: is there not a shortage of cattle?—I think that the high prices have stimulated production and opened up new sources of supply.

136. Is not the world being ransacked by the fighting nations for beef?—Yes, every corner of it, at high prices which have stimulated production everywhere. I do not think that the people will be able to buy big quantities of beef after the war. They certainly will not be willing to pay the present prices.

137. Is this Committee to understand that Fletcher's and the Vestey companies are in active competition against the American meat firms?—Yes; they always have been and will be. They are competing in New Zealand certainly.

138. The going to America of Vestey's did not mean collusion or any friendly agreement with the American Meat Trust?—Certainly not—none whatever.

139. *Mr. T. A. H. Field.*] I understood you to say that Fletcher and Co. are simply a part of Vestey and Co.?—Yes. I would rather say that they are part of the Union Cold Storage Company. The Vestey's are directors.

140. Are Weddel and Co. a part of the combination?—No; Weddel and Co. are London meat-brokers.

141. You know that a question was asked in the House of Commons about Sir William Vestey and Mr. Edmund Hoyle Vestey—if they were about to leave England to escape taxation?—I saw that in the *Pastoralists' Review*.

142. Do you know what city they selected when they went to the United States and took offices?—They went first to New York to an office in the new cold store which they were building there. They found that New York was not the place; it was like going to Lyttelton instead of Christchurch, where the Canterbury meat trade was concerned. Chicago is the only place in which to conduct meat business in America, and they had ultimately to go there. Chicago was the important point in connection with their business. Outside of the four big American firms usually spoken of as "the trust" there are many thousands of free packing-houses throughout the States. The French Government had a Commission recently to arrange contracts for the supply of meat to the Army, and the three firms chosen by the French Commission were Morris and Co., Swift and Co., and Vestey Bros. Vestey Bros. have been developing Madagascar for the French Government in the same way as they developed the Northern Territory of Australia for the Commonwealth Government.

143. *Mr. Anstey.*] A regular octopus?—You may say so. It is British capital, and I think that British people should be proud. The only way in which we could compete with the American firms at the present time was to have supplies of bully-beef. Tremendous quantities of that are required for the armies, and the only place where it can be secured in big quantities is the United States. If our firm is to hold a share of the French contracts and the British contracts they must have a share of these subsidiary things that you cannot get in the British Empire at the present time. It should be understood that if an outside firm takes up these big contracts