

the free American packing-houses will much rather deal with it than with the trust firms. An outside firm can get the business if they are in a position to handle it. Nobody likes doing business with a big competitor if it can be avoided. Our firm went there partly in order to get a share of requirements from these smaller packers, in order to enable them to hold contracts against the big American firms. Otherwise the big American firms would have the whole of the American supplies to use as a lever against the British companies.

144. You said something about being proud of the British capital behind Vestey Bros.: is it anything to be proud of to leave England and go to America in order to escape the English war taxation?—I think it was much better for them to remove their registration there rather than break up the organization which it has taken a lifetime to build up. Otherwise the taxation would have prevented them carrying on. They could not have carried on their obligation to the Commonwealth Government, for instance. It is a very desirable thing that the work should be finished at Darwin and all these supplies developed for the British Government as against American meat.

145. Could they not have gone to Canada instead of the United States?—They would not have attained the same results. Probably it would have been the same thing as regards taxation, but there is no business to be done there. They have cold storage in New York, and I think you will agree that after the war the United States is going to be a buyer of meat. It is very much better for a British firm like ours to have cold storage in New York, and in this way enable British firms to do business, than for us to be entirely at the mercy of the American houses. If meat is going to be a half-penny or a penny per pound dearer in the United States after the war we do not want to see the Americans monopolize that profit. They will be able to buy the whole of the New Zealand output if it suits them and market it in the States. If British firms are there they will be able to put up competition. We are very much more likely to get competition if there are British firms there.

146. Will Sir William Vestey and his brother become naturalized Americans?—I do not think so. A man never loses his British citizenship.

147. Do you know if the Vesteys took offices in the same building in Chicago as Swift's?—Certainly not. One of our engineers has come back from a trip to the United States, and I asked him about this point. He could not get shown through Swift's works because he was a Vestey man.

148. What is Vesteys' capital in America?—I do not know. There are over six thousand shareholders in the Union Cold Storage Company.

149. Do not Vesteys control about eighty freezing-works throughout the world—in South, Central, and North America; Australia; New Zealand; Madagascar; China; Russia; and the United Kingdom?—I do not think it is as many as that. They control a very large number. They are not freezing-works, but cold stores, open to all and sundry.

150. Does not the firm control the Union Lighterage Company, the Union Cartage Company, the Blue Star line of steamers, the Argenta Meat Company, the Blackfriars Lightering and Cartage Company, the Anglo-American Cold Storage Company, W. and R. Fletcher (New Zealand (Limited)), the Pure Margarine Company, and the Pure Ice Company?—That sounds formidable, but—

151. *The Chairman.*] Do they control them?—I cannot answer that. The companies seem to me simply the machinery for handling this cold-storage business, cartages, lightering, and so forth. It is necessary to have the machinery for handling these things.

152. *Mr. T. A. H. Field.*] The Union Cold Storage Company has a capital of £1,600,000: do the Vestey brothers control that?—Yes. When I say "control" I mean they are managing directors.

153. They control it as they control W. and R. Fletcher (Limited)?—Yes: they do the business.

154. Fletcher's have four hundred retail shops in London?—No, not in London.

155. In Great Britain?—In Great Britain. I think over one-third are shut at the present time.

156. You said that the profit between the wholesale price of 10d. and the retail price of 1s. 10d. went to the retailer?—It appears so.

157. Then if Fletcher's have four hundred retail shops they must be getting a great deal of that profit?—They are wishing in London that these profits were there. I know that the multiple-shop companies are not paying at the present time. I do not know where the profits are going. The balance-sheets show no big profits.

158. When Sir William Vestey was out here did he not want to buy freezing-works?—No; it is not his custom to buy works. I appealed to him very hard to establish works at Auckland. I had been trying to work up a trade with Vancouver in beef, and in order to develop that trade I went to the Auckland Farmers' Freezing Company, and they wanted me to guarantee a very large quantity of export trade before they would make the necessary provision. We were then killing beef for Vancouver as far away as Masterton and Waitara. They would do nothing. I went to Sir William Vestey, knowing his enterprise, and asked him if he would not put up works here. I was convinced there were great opportunities.

159. Will you deny that he offered to buy freezing-works here?—I cannot say.

160. Did he offer to buy the works of the Wellington Meat Export Company?—I think it is most unlikely.

161. You know nothing about it?—I think that he would be most unlikely to buy old meat-works. I mentioned the Wanganui Company as being anxious to sell. He said, "Don't touch any old works. I like to put up new works and have them up to date."

162. *Mr. W. H. Field.*] How long have you been connected with the meat trade?—I suppose fifteen years.