

"If the main point of this scheme were taken up the Government commandeering all the freezing-works and abattoirs, the necessary working and business details could soon be put in shape by a conference of, say, a representative from each of the freezing-works.

" *B Scheme.*

"Government to be sole exporters of frozen meats. Meat to be bought as at present (hook prices). Government to retain all hides, fat, skins, offal, sundries, &c. Offices opened in London to deal direct with retailer. Net profits returned *pro rata* to suppliers of stock. Same principle of administration as in Scheme A. Freezing companies to be paid working-expenses only, and shareholders to receive their pre-war dividend."

FRIDAY, 21ST SEPTEMBER, 1917.

HENRY GEORGE WARREN sworn and examined. (No. 27.)

1. *The Chairman.*] You are here on behalf of Nelson Bros. (Limited). What is your position with the firm?—I am secretary for New Zealand of Nelson Bros. (Limited). The head office is at Temoana, near Hastings.

2. You know the object of this inquiry: we are investigating generally into the meat industry, more especially with regard to the menace, or alleged menace, of the American Meat Trust. Have you any general statement you would care to make from your own point of view?—One should be very careful not to fall into the mistake of accepting hearsay statements of private individuals or companies. As far as my own company is concerned, we have lots of hearsay statements, but no actual evidence except that one firm has come out in its own name in New Zealand. That is the only straight-out evidence we have that there is any firm connected with the meat trade in America operating in this country.

3. Is your company a local one, or where are the shares held?—It is an English company.

4. Any shares held in New Zealand?—Yes, a certain number. I cannot tell you exactly how many.

5. Are you a buying company, or do you freeze on owners' account?—We are a buying company, and we also freeze on account of owners. We buy when it suits us.

6. Have you any farmer shareholders?—Yes.

7. During last season how did you find competition in your district?—Very keen indeed.

8. With what result?—I think the general result was that people, if they wanted to buy, often had to pay more for stock than it was worth.

9. Was this brought about by any particular competition, or by general competition?—I suppose you might call it general competition, because if one buyer gives more for stock all the others have to come up to him if they want the stock.

10. And that position actually existed?—Yes, certainly.

11. *Mr. W. H. Field.*] Do you regard the American competition as a serious and growing menace to this country, and especially to the meat industry?—That all depends how much of a hold the Americans have of the market and the business at this end. We know they have control of the frozen-meat market in London. It is rather difficult to answer the question. If they got complete control here they would be a very serious menace, but I do not see how they are going to do it.

12. Do the freezing companies view American competition here with alarm?—I think that generally they do.

13. What do you mean when you say that you do not think they can control the market here?—I do not think the Americans can buy up all the meat companies.

14. But they have plenty of money for the purpose?—Yes, but I do not think it would be possible to do it.

15. Why not?—Because I do not think the companies would sell out to them.

16. Would they sell out if they were offered sufficient money?—A large number of the meat companies here are farmers' companies, owned by farmers, and I do not think the farmers will sell out to them because they fear the result of the Americans getting control of the trade here.

17. But a number of the companies are not owned by the farmers?—That is so.

18. And it would be a question of cash with them?—It might be with some companies.

19. If the Americans bought out a number of the bigger companies here, could they not close down the smaller companies by paying higher prices and adopting the methods adopted by the Americans in other countries?—With unlimited capital?

20. Yes, practically unlimited?—I suppose that end could be effected without actually buying the works.

21. If they wanted to do it they could do it?—I suppose with unlimited capital they could do anything.

22. But you do not think they will?—No, I do not.

23. Do you think it is unnecessary for this Government, in conjunction with the Imperial Government, to take any action in connection with this matter at present?—That is rather a difficult question to answer. I do not think that if the condition of things gets serious here it would be advisable. I am always thinking of the position in England, where the Americans have such a very big control now, and are apparently going to retain it. The proportion of meat going from this country is such a very small one compared with the amount used in England,