50. Are you allotting your space well ahead in your works?—Well, we have been living from hand to mouth for the past six months.

51. Have you allotted any space for the coming season?—No; the works are three-quarters full now.

52. Can the local farmers always get space in your works?—They get their fair proportion of space. We try to give everybody a fair deal.

53. You do not keep all your space for the big concerns?—No, certainly not. Every man is entitled to his share, and if it is available he gets it.

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WILLIAM KINROSS WHITE examined. (No. 28.)

1. *The Acting-Chairman* (Mr. Reed).] You reside at Napier?—Yes.

2. What is your connection with the North British Company in Hawke's Bay?—I started it thirty years ago in conjunction with my people at Home.

3. What is your position?—Managing director.

4. Where did the capital of that company originate from?—Principally from the Old Country—from Glasgow.

5. How is it held now?—Much in the same proportion.

6. You know the object of this Committee? We are inquiring generally into the question of meat-export, and especially regarding the operations of the trust. Would you care to make a statement to the Committee of your views?—From what I have seen in the *Gazette* it appears that Armour's have registered a company here with a capital of £20,000. I know something of the extent of their operations, and it is impossible for them to work on that capital. They possibly show a loss here every year. Our company shows a loss here every year on the balance-sheet that is sent to head office, for the simple reason that we only draw 6d. a pound on wool, and £20 a ton on tallow, and so forth. But when that is realized in London our people in London cable us out what funds we require. The Property-tax Commissioner does not tax us on the balance-sheet produced here—he has to wait until we get the returns from London, and we pay on the Home balance-sheet. And we are taxed also at Home. We have to pay a good few thousands of pounds in taxation.

7. What is your capital?—Our capital is £80,000, not fully subscribed.

8. How much is issued?—I think it is somewhere about £55,000. I say that unless these people can show to the Commissioner of Taxes what each pound of New Zealand meat realized in London they will not be paying the proper taxes which they should pay to this country. I do not mind paying taxation as long as other people are paying in a fair ratio. I do not believe Armour's are doing it. They are simply invoicing this meat at a certain price to their people in London, and the profit is made in London. The Commissioner of Taxes should ask them for an account sales of every pound of meat they have sent from this country, and of every pound of wool, every pound of tallow, and of every pelt; they ought to show that clearly. Then there are Borthwick's, who are not even registered in New Zealand; they are actually working under license, and they own three works in New Zealand—one in Napier with a capacity of sixty thousand carcases, one at Christchurch with a capacity of sixty thousand carcases, and one at Waitara with a capacity of ninety thousand carcases. And yet they are working without being registered in New Zealand. Foreign firms thus obtain an unfair advantage, which, if used as I believe it is being used, amounts to exploitation. [Reporting stopped by order of the Chairman.] The only way to control these foreign companies is to see that they pay the same taxation as we pay. I know the meaning of this taxation matter from both ends, because our own head office is in London, and we pay taxation at both ends—in London and in this country. We show a loss on operations here, but when everything is realized we show a profit, on which we are very heavily taxed.

9. You are a buying company?—We are a buying company, and we have no connection with Armour's, or Borthwick's, or any one else.

10. Are Shaw-Savill big shareholders of yours?—They have shares in our company. I also know something of this Argentine business fairly well, because Sir William Nelson (Messrs. James Nelson and Sons) was one of our first directors. At that time James Nelson and Sons were the largest and solidist meat people in Britain. They were the biggest graziers in Britain; they had enormous factories, and they were doing uncommonly well. Then Sir William Nelson started a line of steamers trading to the Plate—the Highland Chief line—and so got control of all the freight-space from the Argentine. They were a very wealthy firm of Britishers; but the American trust came along and in a very short time crushed them, and now they are practically servants of the trust. Even with all their wealth they had to go under, and I know that their wealth was considerable. If the trust could crush up people like these, who knew their business, we have no hope with it. The Nelsons had over a thousand shops in the Midland counties of England alone in 1890. They never did much business with us, because at that time the Argentine meat was so very much cheaper, and it suited their trade. They actually could not take our stuff. Now we see the prices for Argentine meat soaring above the prices for New Zealand meat.

11. Have you any suggestions to make in reference to combating the trust in New Zealand?—My first suggestion is that they be made to disclose their ultimate profits, and to pay taxation on the profits actually made. All the companies operating in this country ought to be registered, and they should be required to show what they have received for the produce they have sent away from this country—not the amount at which they have invoiced it to their people in London, but what they have actually got for it.