

30. You are satisfied that the Americans have the intention of collaring our meat market?—Undoubtedly. Why not? They have the money. They have been making money out of our meat ever since the trade started. Swift's did not make that £7,000,000 last year out of the Argentine entirely. They have been making a fortune out of our lamb.

31. You are satisfied that the Americans are operating largely?—Yes. You have only to look at the difference in price now. James Nelson and Sons, although connected with us and our personal friends, cannot buy any of our meat because they can get meat so much cheaper in the Argentine. We have the anomaly now of Argentine meat being dearer than New Zealand meat in the London market. It is a most extraordinary anomaly.

32. If we had this taxation matter rectified that would not check the sort of thing you are indicating?—It would be a check on them—a heavy deterrent.

33. Do you not think it would still be necessary for the Government to take some steps to restrict their operations?—At the present moment you must understand this position: When England came into the war she required a lot of beef for the soldiers. The only people who could supply a sufficient quantity were the American trust. Britain had to make a contract straight away for 50,000 tons per month, and one of the conditions, I have heard on good authority, was that the trust should not be interfered with on the Smithfield Market. That is how it is. That is why the Yankees have started in here for all they are worth, because they have control of the Smithfield Market at the present moment.

34. How long is that to continue?—Until the end of the war. Britain was absolutely in their hands. The Government had to get beef for the troops, and the Americans, with this clause in the agreement, were willing to give it on fairly favourable terms. Of course, they are making all the running they can during the war-period.

35. The British Government will be relieved from that condition when the war ends?—It is to be hoped so.

36. Have you evolved any scheme as to how this condition could be met? Can it be done by the solid co-operation of all the Governments?—That is the only way to do it—by direct control of the meat and shipping. Unless the British Government controls the shipping it is no good.

37. When you say "control" do you mean "ownership"?—No; but the shipping must be owned by Britishers.

38. And some restriction on freights, and so on?—Yes.

39. Do you think that things have arrived at that stage when the two Governments, our own and the British, should take some action in preparation for the time when the war closes?—Undoubtedly. But the British Government has its hands pretty well tied.

40. We are all hoping that the war will not last much longer, and that there will be time to evolve some scheme?—Yes.

41. Do you think that Parliament should take action this session?—Undoubtedly—the sooner the better. The Americans are going ahead for all they are worth. They have been giving prices here that I know are absolutely not payable, just to get a leg in. They have been giving about what it is possible to get for the meat. We are all supposed to be paid an equal price by the Government here for the meat. They are paying in some cases more per head than they are getting. You can do a lot on £7,000,000 profit.

42. Then you think that would be their method, buying at prices above the true value until they had collared the market, then paying their own prices?—Yes; they are doing that in the Argentine now. I know for a fact that a farmer in the Argentine cannot sell a beast to a butcher without the permission of the trust. There was a man I sent over about twenty-five years ago—Ormond's manager, named Elliot. I gave him an introduction to Nelsons, and he got on one of their ranches, and got a lot of sheep from here and did very well. Then they put him on one of their freezing-works. He supervised that for a time. He came back here and I saw something of him, and he told me a great deal of how things were in the Argentine. His son was appointed to one of the freezing-works here, and he knows a great deal about it. Young Elliot now has charge of the freezing-works at Poverty Bay. You could get a lot of information from him direct.

43. *Mr. Reed.*] Which works?—I think it is Lysnar's.

44. *Mr. Field.*] How do the Argentine prices for cattle compare with the prices here?—They are much lower in the Argentine, and yet the Argentine meat is selling at higher rates than ours in the London market. It is a splendid game. I wish I was in it.

45. We had it from Mr. Carney that prices were higher there than here for the producers?—I do not think so. It is a very difficult thing to get any definite statement.

46. How long was Mr. Elliot there?—Some years.

47. When did he come back?—About two years ago.

48. Do you say that strong representations have been made to the Government on this question of the evasion of taxation?—Mr. Vigor Brown has asked two or three questions on the subject.

49. You agree that this matter should be dealt with by the Government and at once?—Undoubtedly. It would mean a very large sum in taxation if they paid their full share. They ought to pay now and for the period they have been trading here. I do not mind paying taxation, but I do object to the fellow alongside getting off. The question affects every one in New Zealand.

50. Have you any scheme in your mind with regard to Government control?—No. It is most difficult. The Government must get control of the shipping—that is the most essential thing. The White Star and other lines got mixed up with the Americans when the Shipping Trust was formed by Morgan. At that time the Cunard was the only steamship line that stuck out. They got a subsidy of some millions from the British Government in the form of a loan