

ference in the early part of the season to the North Island because the works farther south are not operating then. But that preference is later on made up to the South Island when they need it. In the same way in clearing the works last season we took notice of these district or climatic conditions. In these ways you might say that some companies are getting a preference, but it is a fair preference, justified by the circumstances.

35. I think it is regarding free meat that the trouble has arisen?—I think I know what you mean—the shipment of ewe mutton and lamb.

36. It has been stated here that the Wellington Meat Export Company has had undue preference?—I do not think you can pick out the Wellington Meat Export Company. Many of the companies in the Wellington District did ship from January to April a considerable quantity of ewe mutton and lamb when as a matter of fact, from statistics supplied to us by the Imperial Supplies Department, it certainly appeared that they had beef and wether mutton in store that might have been shipped. The matter was taken up by Mr. MacDonald, who in Mr. Massey's absence was acting as Minister in charge of the Department of Imperial Government Supplies, and we went into the matter with him then. The Overseas Committee claimed then, and claim now, that they have done their duty when they have passed on the instructions they receive from the Imperial Government. Up till that time we as a committee relied on the freezing companies to carry out those instructions. As far as Wellington District is concerned I am bound to confess they do not seem to have been adhered to. The companies were asked for an explanation, and they said they considered that they were carrying out instructions. I am bound to say myself that the instructions may have appeared to be a little vague, and I cannot but believe that the freezing companies acted in absolute good faith.

37. It might happen that a boat at the last port of call would find that it had space to take more meat?—It sometimes happens that a steamer improves in stowage, and might at the final port of call have, say, five thousand freight carcasses to fill. I do not think that the freezing companies bothered much in such cases. They took what was handiest and out it went, so as not to cause delay to steamers.

38. Sometimes they had to get out free meat in order to reach the other?—That is so. We issue now very pointed instructions, and when we make allotments to freezing companies we say what the allotment must be filled with. But even then we find some freezing companies in different parts make shipments of lamb or ewe mutton. Explanation is called for, and the explanation usually is that the alleyways were blocked with lamb, or that the meat was so stacked that they had to get the lamb out. Since Mr. MacDonald went into the matter with us and stringent instructions have been issued they have been faithfully carried out, except in those cases where the explanation has been as I have stated.

39. On the whole you think that the business is conducted in an equitable manner?—I am sure of it.

40. You said there was keen competition between companies in regard to getting freight?—I am speaking of normal times, of course.

41. To get that freight is it the custom to grant rebates?—No, there are no rebates at all given. But what probably the public fancy means a rebate is this: Half-primage always has been returned on general cargo. It is an old custom, which has remained to us from the sailing-ship days, all over the world. There were fewer agents in those days, and east of Suez the captain was the owner's agent. Shippers used to pay 5 per cent. primage for the captain, and he was supposed to look after the shippers' interests as well as the owners' interests. When steamers came in it was too big a thing—freights became very much larger. In the case of steamers 10 per cent. primage was added to the net freight, and the practice was, and still is, to return half the primage to shippers. In London it is called "half-primage," in New Zealand it is called "brokerage" for some reason unknown to me. The practice exists, and it applies to all steamers. The shipper in the eyes of the shipping company is the man in whose name the bill of lading is taken out.

42. There is nothing secret about it?—Nothing secret at all. I thought everybody knew about it. All freezing companies before the war got this rebate, as it is called.

43. Some of these figures are rather surprising to us, who thought you were making very large profits. Is it that the cost of running ships has increased so much?—Yes; that is the main reason why the freights are going up.

44. *Mr. Witty.*] The refund you have just mentioned is really a rebate because of the quantity of stuff sent?—No, sir; it is given to every one.

45. But the bigger companies get the bigger return?—No, they get the same.

46. The same in proportion, but they naturally get more by sending more?—Yes, but at the same rate.

47. Has your company any monetary interest in any of the works in New Zealand?—For many years past we have held in the name of the late chief New Zealand official of the company, Mr. J. R. Ritchie, shares in the Gisborne Sheep-farmers' Company. I know the amount does not exceed £5,000.

48. Has your company any interest in cold storage?—None. Of course, I can only speak of when I left London, but I feel sure the position is unaltered.

49. Supposing the Government controlled the meat here and the Imperial Government controlled it at the other end, is there any fear of American money controlling the shipping?—I do not think so. I think it could be guarded against by the Imperial Government passing legislation to prevent steamers being transferred from the English register to any foreign register. At present there is in force in England. No ship can be transferred without the consent of the Imperial Government.