carcases. Of course, the figure is large because, most of the factories being in the South Island, a great proportion of our output is lamb, and most of what is not lamb is ewe mutton. That was our own meat, and that is far more than one year's output. The cable I received from our London office shows the quantity of meat supplied to the various firms, and it is as follows:—

"DISTRIBUTION OF MEAT BY NEW ZEALAND REFRIGERATING COMPANY (LIMITED) ON LONDON MARKET, ON BEHALF OF IMPERIAL GOVERNMENT, FROM COMMENCEMENT OF COMMANDEERING SCHEME TO PRESENT DATE (20TH AUGUST, 1917).

"*Sales to American Firms.*—Swift and Co., 47,000; Morris, beef, 7,000: total American sales, 54,000.

"*Sales to British Firms.*—Eastman's, 67,000; Griffens Meat Company, 63,000; Borthwick's, 62,000; Parsons, 49,000; Woodley, 48,000; Colonial Consignment, 46,000; Brewster and Frost, 40,000; Blofield and Lissenden, 32,000; London Central Meat, 32,000; Hartridge and Bates, 28,000; Fletcher, 21,000; Grimditch, 19,000; Brigenshaw and Burton, 17,000, Argenta Meat, 16,000; Fitter, 15,000; Frost, 14,000; Wilson, 13,000; British N.Z. Meat, 10,000; Cooper, 12,000; Tocher, 9,000; Archer, 9,000; Keevil, 9,000; Matthews, 8,000; Lowther and Blankley, 8,000; Taylor, 8,000; Barter, 8,000; Sansinena, 8,000; Medleycott, 8,000; Fisher, 7,000; Mears, 7,000; Hayes, Paine, and Knolydwn, 7,000; Ward, 6,000; Jenkins, 6,000; Clifford, 6,000; Cats and Grimditch, 6,000; Edward Morris and Co., 5,000; Cook and Elmer, 5,000; Roberts, 5,000; British and Argentine, 5,000; others under 5,000, 105,000; stock on hand, 25,000: total British sales, 874,000.

"Percentage of American sales to grand total of 928,000 = 5·81."

The total meat was supplied to over forty firms, all of whom, I believe, are British, and in none of whom does my company hold any interest, direct or indirect. The total sold to British firms, including a small portion of 25,000 carcases on hand, amounted to 874,000 carcases. The total sold to what are American firms was 54,000 for the whole period, being a percentage of a little over 5½ per cent.

18. That represents the proportion of your business with those firms before the commandeer?—I will give you a few of the figures. In 1908 the total sales were 559,000 ex ship, store, and consignment. There were no sales to American houses in that year. In 1909 there were 690,000 carcases handled, 4,416 going to American houses, being a percentage of 0·63. In 1910–11 the total meat sold was 488,795, the proportion going to American houses being 13,644, or a percentage of 2·79. In 1911–12 496,155 carcases were handled, 699 going to American houses, or a percentage of 0·18. In 1912–13 there were 494,512 carcases sold, 24,884 going to American houses, or a percentage of 5·77. In 1913–14 there were 507,000 carcases sold, 7,590 going to American houses, a percentage of 1·5. I understand the year 1912–13 was the year practically assumed to be a normal unbroken year. [*Vide* Exhibit 10.]

19. With reference to the other meat sold to the large firms, do you know anything about the method of nomination in London?—Yes; in fact, their nominations passed through us in Christchurch.

20. To whom are the nominations?—Speaking from memory, the company nominates to our own London office. Sims, Cooper, and Co., I think, nominated all their meat to the London Produce Company. W. B. Clarkson and Co. nominate the whole of their meat to W. Weddel and Co. Armour and Co. have varied their nominations. They have also nominated their own firm, but that was withdrawn, and another firm was nominated; but I believe latterly the nomination was to their own firm.

21. What other firms have they nominated to?—The names were not familiar to me in the business. This is the first year that Armour and Co. have ever nominated.

22. Are you in the habit of giving rebates to the larger firms?—All large exporters ever since I have been connected with the trade have been in the habit of receiving rebates, those rebates being accompanied by certain obligations on the part of the exporters either as to the quantities to be supplied or a proportion of the total business handled by them in certain districts which would have to pass through our hands. There would be some obligation of that sort, which would ensure a large block of business to us as freezers. No rebate has been given without some *quid pro quo* in the shape of a guarantee for stock. No rebate is given to a man who just puts in the stock as he thinks fit.

23. That system has been in operation for a considerable time, has it not?—I suppose for twenty years or more.

24. Has the quantum of the rebate been increased of late?—Since the commandeering scheme it has become obvious that the greatest purchasing-power naturally lay with the proprietors of works. Assuming what I believe to be the case, that it has been quite impossible for any operator at this end to get any undue advantage out of the meat that has gone to London, it is obvious that with a fixed price the operator without works is at a great disadvantage as compared with a buying company or an operator who owns works. There is a fixed value for meat, and latterly for wool. Therefore, assuming the farmer had some good idea as to the value of his stock business upon those figures, there has been no speculative margin. The buyer can only dispose of his meat at the fixed value, and the same with wool. Consequently the buying companies have had a distinct advantage and many operators have been disinclined to operate: they have said that the game was not worth the candle. Consequently the onus of buying has automatically been thrown more upon the buying companies. Whilst the quantity of stock has increased, we as a buying company have not increased our buyers, and the operators have appealed for and have been allowed an increased rebate.