

180. Taking last year's operations, with the large amount of meat in hand, do you think they will prove financially successful?—I am hoping to struggle through, but I have not got the figures out.

181. In your opinion is it correct that a large number of freezing companies have not made money, but made losses?—I do not know that there have been any serious losses made, but certainly things have been cut very fine in certain districts.

182. What in your opinion is the reason for the big rise in the price of stock recently—unduly high prices being given for fat stock?—As far as certain districts in the North Island is concerned, I do not think there is any doubt but that it is the direct result of the multiplication of freezing-works in the North Island, plus our advent in the North Island, and the not-unnatural result that there has been a bit of a fight for stock. We are very old identities in the South Island. We have been looked upon as new iniquities in the North Island, and we have had to pay for our footing. I think that would have taken place war or no war, or commandeer or no commandeer.

183. You were extending the operations of your business?—Yes. We had no other option but to extend business.

184. And you think it is largely owing to your extending business in the North that there has been keen competition for fat stock?—Yes. I would not say it has been the sole factor, but it has been a very important factor.

185. *Mr. Anderson.*] Do you think the advent of Armour and Co. and other alleged American companies has increased this rivalry in prices?—I do not think so in the South Island, and, as a matter of fact, we have not come in touch with Armour and Co.'s competition in the North Island. I know the position in the South Island quite definitely, and Armour and Co. have come in and operated on much the same lines as the ordinary New Zealand firm would, and, although some of the buyers would say they have been hard to stop, in other instances they have evidently thought the game not worth the candle, and have adopted quite a different policy.

186. *The Chairman.*] With regard to rebates, do the firms put before you the arrangements which the other companies give them as a basis?—No, I do not think I have ever had that done. I have had all sorts of veiled statements or insinuations as to what other companies would do, which one has to value at what they are worth; but I have never known nor would I approve of a firm planking down "This has been done by another firm; what are you going to do?" That has never been done.

187. Veiled suggestions?—Yes, suggestions more or less veiled, and comparatively thin.

188. And accepted by you as fairly correct?—Well, in the light of practical demonstrations outside we have had to value them sometimes as correct and sometimes the other way.

189. In discussing the financial arrangements in regard to Sims, Cooper, and Co., whom were you talking with?—With Mr. Sims.

190. What led you to discuss the delicate question of Sims, Cooper, and Co.'s finances with Mr. Sims?—Because there was a very strong agitation, more or less veiled, to endeavour to prevent farmers doing business with either ourselves or with them in the North Island.

191. On account of what?—On account of the suggestion that they and we were financed or part and parcel of the American organization.

192. I may take it that you put that position before Mr. Sims?—Yes, quite definitely.

193. For information for your own benefit?—Yes.

194. And you got from Mr. Sims an emphatic denial that they were financed in any way through America?—Absolutely. Further than that, the firm of Sims, Cooper, and Co. deemed it advisable to advertise to that effect.

195. As a business man you are aware that, operating to the extent that Sims, Cooper, and Co. are operating, from some source or other they must have had very large financial support?—That is so.

196. And in your opinion they obtained that support in New Zealand?—I think so.

197. Through the banks?—I think so.

198. You do not think they have had American credits at all?—I do not think so. I can say more than that—I have been told specifically "No" by Mr. Sims.

199. It has been suggested that lambs and ewe mutton have been shipped when there was wether mutton awaiting shipment: have you had any experience of that in your works?—I cannot say whether this instruction existed right at the commencement of the commandeer scheme, but at a certain point we received instructions in regard to the allocation of space from our various factories: it was to be absolutely—first, beef; second, wether mutton; and third, ewe mutton, lamb. In the event of our having none of the first two we were at liberty to fill the space with the other. That instruction we have in all cases adhered to, save within the last fortnight or ten days, when a technical breach was committed through a misunderstanding at one of the factories in regard to a small parcel of two or three thousand.

200. Ewe mutton and lamb has not been shipped whilst you have had beef or wethers in your works?—No, that is so.

201. You say that of your own knowledge?—Absolutely. As general manager one of the points in the business that I have had to keep very closely under my own supervision and care has been this all-important question of allocations of space that we were receiving from the Committee, because with the scarcity of shipping that has been the most vital thing in our business.

202. When ewe mutton and lamb has been shipped you do not think it has borne any undue proportion or that large buyers have had any undue preference?—No, certainly not; I do not believe they have.