to act in conjunction with a similar Board in the United Kingdom appointed by the British Government, and also one in Australia appointed by the Federal Government. As it is now there is no body to which one can send information relative to the Meat Trust.

14. Do you wish to say anything further?—Well, you are aware that last season Sims, Cooper, and Co. in the Auckland District freely advertised to buy all beef at 50s. per hundred. All their purchases at that limit, I estimate, would show them a loss of £2 5s. per head on Government prices. Now, in normal times with the Government not taking the meat one could not arrive at the loss, but they would be making it all the same in order to get the connection. They would make a loss in order to try and eliminate exporters' competition. Take the case of an ox weighing 800 lb. at 47s.: we were losing on purchases at that price. The Government, of course, are paying us 5d. per pound on that beef. I produce a statement to show the loss. [*Vide* Exhibit 20.] If one owned freezing-works that loss could be brought down on purchases on hooks. One could tamper with the weights and reduce the fatting, otherwise could improperly keep back what belongs to sellers.

15. You mean it would be illegitimate—it would be a swindle?—Yes. I also produce a statement showing how cow beef would work out, also exhibiting a loss on 45s. per hundred. [*Vide* Exhibit 19.] Furthermore, the exporters and growers have been penalized by the return to the Home authorities of the £2,000,000 offered as advance on meat in store. Instead of interest being claimed, the Home people were induced to increase the storage charges, thereby benefiting only the freezing companies, and not those growers who sell direct to the Government, who along with the free exporter own a large proportion of the meat. The increased storage charges that the freezing companies are getting are sufficient not only to pay the cost of storage, but also sufficient to pay the interest on the purchases. Therefore the buying freezing companies get the interest paid indirectly on the cost of their purchases, whilst the free meat exporters and growers are not getting the interest paid on what they own.

16. *Mr. Forbes.*] Is not that included in the storage—they are only getting the storage paid?—Yes, but the storage rate is sufficient to also pay interest.

17. Yes, but other companies are getting it too?—Yes, the co-operative companies are getting it, but not passing it on to their freezing clients. We have already applied to certain co-operative freezing companies for rebate to go towards interest, but I doubt if it will be given. On the other hand, two Canterbury companies I find have practically committed themselves to pay back to the big exporters sufficient to pay interest on the meat.

18. Have you got evidence of that?—You can get that from Sir George Clifford and Mr. Murray. If I were a purchaser in Canterbury I would not divulge that. Thus the reported trust houses are getting the interest paid on their meat as against the free exporters, who are not getting any interest paid. We are penalized, and we cannot compete in the business unless we get some alteration of the position whereby interest (in form of storage) is paid to one section of buyers and not to the other. The farmers who have been freezing on their own account and selling to the Government cannot afford to stand out of their money for six or eight months, and therefore that will drive them to such firms as Sims, Cooper, and Co. Our opponents, Fletcher and Co., get prior knowledge from the Government through the Freezing Companies Conference of everything that goes on. Fletcher and Co. is an American-controlled institution—controlled by the National Cold Storage Company through Vestey's. Even if they are not connected with the American Meat Trust, but connected with a British trust, some alteration should be made whereby they are put in no different position to the free competitors like ourselves. I have come across a pamplet called "Fighting the Meat Trust," and it has written across it "With the compliments of W. and R. Fletcher (N.Z.) Ltd." I have also an advertisement published in the country papers by W. and R. Fletcher to the farmers in the North, which states who Fletchers are—the Union Cold Storage Company and Vestey Bros.—but makes no reference to the National Cold Storage Company of New York. [*Vide* Appendix C.] There is another pamphlet, which has been issued by Mr. Lysnar, where he refers to the fact of the Meat Trust owning the meat-shops, and reference by the president of the Dunedin Chamber of Commerce to the same matter. My own company at Home, however, write me as follows: "28th June, 1917.—*Meat Trust.*—With regard to the operations of the Meat Trust, undoubtedly by the fact that they have been the largest holders of neutral meats they have strengthened their position on the markets of Great Britain by reason of the fact that they have been able to charge almost any price they like for their importations, but at the same time it must be recognized that had it not been for these imports prices here would have been even more greatly enhanced. As to whether they are in a better position to control retailers it is a moot point. As far as we can see they do not at present seem concerned with dealing with the retail butcher, realizing probably that this is a matter that would want a tremendous amount of control (the monopoly of shops realize that the one thing they cannot control is the personality of their managers, and that when a popular manager moves the business in a great measure declines in volume, so that the Meat Trust is more concerned with dealing with the wholesale operation of the business, and here there is no question but that they enjoy an exceptionally strong position. As to the future, the outlook if difficult to visualize, for undoubtedly the action of the American Government will in a great measure control the actions of the Meat Trust."

19. According to your London firm the large profits on lamb have not found their way into the hands of the American Meat Trust, they being wholesale dealers only?—That would belong to the retailers. The Americans' Australian business is infinitesimal as compared with their Argentine trade. If New Zealand lamb is 10½d. the American lamb has at least the market established at same price, as they make the profit between the first cost and the wholesale selling-price.