

15. Has that gone on to a very marked extent already?—It had before the Government scheme came into operation.

16. You think that when the Government cease to buy more and more trade will get into the hands of the export buyers?—Yes. The export buyers buy in the paddock, and there is no further trouble to the farmer.

17. When you freeze on owner's account, do you know what the meat-export buyers take away—offal or pelts?—No, nothing goes away. It is all treated at our works, on the same basis for all.

18. Does it seem probable that when the Government cease buying as the years roll on that companies like yours will be pushed more and more to the wall?—That seems quite likely when we have another company operating against us which buys in the paddock, such as Vestey and Co.

19. You consider the position of farmers' freezing companies in regard to the outlook is not very good?—Not unless the producers support them, and it is very doubtful if they will if they can get a few pence per head more from someone else. It is quite possible the farmers' companies will have to buy.

20. Who are the largest meat-exporters in your province?—Borthwick and Sons. The payments made to Borthwick and Co. and others are as follows:—Payments made to the following for the shipped meat from killings, 1st August, 1916, to 31st July, 1917: Armour and Co. (Limited), £23,581 1s. 11d.; Eastmans Limited, £98 18s.; A. Fraser, £1,509 18s.; Meat-exporters (Limited), £5,532 16s. 3d.; New Zealand Loan and Mercantile Agency Company, £702 16s. 4d.; S. V. Nevanas and Co. Proprietary (Limited), £7,360 17s. 11d.; A. S. Paterson and Co. (Limited), £25,013 19s.; W. Richmond, nil; Sims, Cooper, and Co., £1,840 12s. 9d.; A. H. Turnbull and Co., £19,038 15s. 4d.; R. and F. Wallis, £999 7s. 6d.; T. Borthwick and Sons (Limited), £69,718 5s. 1d.; total, £155,397 8s. 1d.

21. Do you expect in the near future a large increase in the work done by the meat-export buyers?—It is hard to say what will happen in the future. I think it is more than likely that export buyers will do much more business next year than last year unless the Government are prepared to pay interest on the meat in the works, or to pay for the meat on the hooks.

22. Is there any local company in and around Auckland which buys on their own account?—Yes, Vestey Bros.

23. Is there any company founded and owned by New Zealand capital which buys largely on its own account?—No, there are only two companies—Vestey Bros. and our own—but we buy nothing, whereas the other company does.

24. But not both composed of New Zealand capital?—No.

25. Is there a freezing company in Auckland which buys with New Zealand capital?—No, no freezing company.

26. Is all the buying trade for export in the hands of companies who are domiciled outside New Zealand?—Well, there are many export buyers other than freezing companies, of course, who are New Zealand people.

27. And they do the whole of the buying trade?—Not the whole of it—Armour and Co. do a portion of it.

28. *Mr. Anstey.*] The chairman of your company said the quantity of freezing was largely decreased owing to the freezing done at Wanganui and elsewhere?—Yes.

29. Is it sufficient to interfere with your making a profit?—I do not think the Wanganui works would interfere to a very serious extent.

30. Is the competition due to Vestey Bros., and will that be sufficient to prevent you making sufficient profit?—Previously there was sufficient work for our two factories, but last year we lost half of our business.

31. Would that interfere with your paying a reasonable dividend?—It will if it goes on.

32. Do you think there is any attempt being made by those buying to force you out of the business?—It is impossible to say. So far as we can see at present they are not trying to force us out of the business.

33. Supposing they succeed in taking business away from you and make it unprofitable, would not that have the effect of enabling them to freeze you out altogether or buy you out at a discount?—Yes, that is generally considered the object of the American companies.

34. Do you know whether that has been the case with companies similar to yours?—I could not say.

35. Have you had any offer from any one to buy you out?—I have not heard of any direct offers.

36. *Mr. Talbot.*] How do you manage your shipping business?—We freeze only and do not buy.

37. And the meat is shipped on behalf of the person who puts it into your works?—Yes.

38. We have been told that some companies are allowed to ship a large quantity of free meat: have you any complaint to make in regard to the way your company is treated?—We have been obliged during the past season to ship beef, except on one or two occasions when we did not have sufficient to fill the space, and then they allowed us to ship some mutton and lamb.

39. You say the company near you is under outside capital: do you think they have any advantage over you in shipping their meat?—I think not. They accidentally shipped some mutton instead of beef at one time.

40. Do you think it was an accident?—I am not sure, but they got it away. There were only five thousand carcasses.

41. Do Sims, Cooper, and Co. operate in your district extensively?—Yes.

42. And they send their stuff past you to other works?—Yes, to Wanganui.