

Co. (Limited) get a salary as managers of the freezing-works, but our business, from the point of view of income, comes chiefly from the commissions on the shipments of general freight and on meat freights by any steamers we ship by. We get no larger commissions than any other shipping agent receives, nor do we get any concession in freights. As a matter of fact, if the Ocean Beach Freezing-works went from us to-morrow, our large farming connection with sheepowners would not leave us, and we would then require to make the best freezing arrangements we could. We are the agents in that port of the Federal steamers. We are not the New Zealand agents of the Federal Shipping Company, but we are the Invercargill agents; and we are not the New Zealand agents of Birt and Co., but the Invercargill agents. We have very few opportunities of doing business with Australia in the lines of Southland produce we export. We trade principally with London or to any country that from time to time offers the most favourable markets. I repeat, we only sell; we never consign. The tariffs in Australia are against our country, and the chief lines we would export from Southland to Australia would be grain. We do not consign to Australia, and any business we do there is by actual sale. We would sell to any firm or company. We have never at any time bought or speculated in meat beyond New Zealand, and we have not operated with any Australian, English, or American firms on joint account. I know, of course, that all kinds of rumours have been floating about this country as to American meat trusts having an interest in different works, and, as I have already said, a rumour was also circulated about the Ocean Beach works. I heard it in London while I was there. As a matter of fact, the Ocean Beach Company and J. G. Ward and Co. and myself are as anxious that the future of the sheep-market in this country should remain free, and not become the monopoly of any trusts, either American or of any other country, as any one in New Zealand. If any buyer was able to continue to give higher prices than other buyers and centred their freezing business in any one freezing company in any district, some works would have to close up. That, in my opinion, is quite sure. The problem you are engaged in inquiring into—the future of the meat business—is, in my opinion, a most important one, and a very grave and most complicated one from the point of view of the future of the meat trade of this country. How to try and meet it is another matter, and I will express my opinion on that point. I do not think we can prevent American citizens or those of any other friendly Power from buying meat, wool, or anything else we produce in New Zealand; nor can any rational man expect the producers not to sell the products of their hard-earned labour to the highest buyer. That it is difficult to meet the position is beyond all question. Both the Right Hon. Mr. Massey and myself met representatives of all the leading firms at Home who are doing business in New Zealand meat in London, and I did not meet one of them, without exception, including the Christchurch Meat Company, which is now the New Zealand Refrigerating Company, who was not anxious that something should be done, if possible, to prevent American companies or meat trusts from getting a monopoly in this country, because they look upon it as calculated in the long-run to seriously affect their position in London. They recognize that the great control those American companies—who are reported to do their business well—have is due to their practical control of the beef trade of the world, or, at least, of the Argentine and the United States, and it is largely owing to their being able to control the beef trade in London that gives them a superior position there in the matter of giving higher prices for sheep and lamb, both here and there. My opinion is that is where they have an enormous advantage, and are able to give higher prices in New Zealand at present than are obtained under the British Government contracts. Personally I have thought over the matter, as many other men have, and I do not see daylight, or, I should say, a practical working way out of the difficulty. It is a most intricate and, as I have said, a very difficult proposition to effect a solution of. I think there is no business man in New Zealand connected with the farming interests—and my company's business is almost entirely made up of farming interests, and a large business it is at that—who would blame a sheepowner to-day for taking the highest price he can get for his mutton and lamb. No salesman in any town who is operating as a seller for a farmer could conscientiously refuse to take the highest price he can get from any buyer for the farmer's meat. It is the problem of the future rather than the problem of the present that presents the difficulty. If great, powerful, financial concerns get a monopoly of the meat trade in New Zealand they can then do what they like. How far the country would stand by and permit even huge financial concerns to do what they liked in the way of regulating prices to suit their own interests should they become the controllers in the meat trade it is difficult at this juncture to judge, but this country would, I am sure, do what is possible to protect the settlers. Referring again to the Ocean Beach Freezing-works and to the suggestion which I understand has been made as to its packing meat for American buyers, there has never been a packing plant there at any time, and it has not one now. It is as certain as I am speaking here that, if any large buyer was operating through anybody in the Ocean Beach works, Mr. Anderson, of my firm, who ably directs the Ocean Beach works, would be almost bound to know, and I would be certain to know from him. The fact remains that last season 102,578 sheep and lambs went through those works, which is a mere bagatelle from the standpoint of the country's exports. The Ocean Beach works require to put through about 100,000 carcasses to pay its way after providing for depreciation, and the Ocean Beach works from the very inception as a freezing company has never paid a high dividend on the capital invested in it, and some bad years, after providing for depreciation, it has paid nothing by way of dividends. I know that great commercial rivalry in the purchase and sale of sheep and lambs in ordinary peace-times exists; that, I think, is a good thing and quite legitimate; but I wish to repeat that the rumours that an American company has something to do as proprietors or part-proprietors of the Ocean Beach Freezing-works are absolutely baseless. If there is any other point that the Committee wishes information upon I will be glad to give it if I can.

6. *Mr. Anstey.*] Mr. Anderson said that J. G. Ward and Co. has no proprietary interest in the Ocean Beach works, and you confirm that statement?—Yes. I built the works originally.