

tion of beef than sheep and lambs for those shops there we could not compete on equal terms with the American companies. These same American meat companies, ever since the start of the war, have been large contractors with the British Government for the supply of beef to that Government for our troops chiefly, and that alone shows they are great factors to be considered in regard to the supply of beef in England.

23. Our difficulty would be at the other end. If the Government owned or controlled the freezing-works and the ships, and also bought stock here, it would be possible to control matters at this end, would it not?—You could control them at this end beyond all question if the Government owned all the refrigerating-steamers and all the freezing-works, and allowed no one else to build works in the future in New Zealand, and could also prevent any other refrigerating-steamers trading to New Zealand, and establishing their own freezing-works; but the control of the Government would cease on the meat being landed in London.

24. *Mr. Anderson.*] You could control them until the meat was landed in London?—Yes; and beyond that you could not, in my opinion, hope to control them with any degree of success.

25. *Mr. W. H. Field.*] But if there was sincere co-operation between the British Government and our Government?—If the British Government and the Government of New Zealand became the buyers and sellers of all New Zealand mutton and lamb, and made up their minds to be the sole buyers and sellers of all the beef imported into London, and then owned meat-selling shops throughout England—by that I mean the British Isles—you could no doubt do it; but the British Government would have to stop the American meat companies trading to or in Great Britain. But my opinion is that neither the New Zealand Government nor the British Government in combination will be able to control the American beef trade with Great Britain in peace-times. That is one of the difficulties that everybody is up against. I had information before me in London, of which I will give an outline. A number of farmers in the United States—beef-growers—offered land free to one of these big American companies to go there and establish freezing and packing works. That was said to have occurred not many months before we got to England. That fact implies that in the United States, which is the home of these enormous meat organizations, if the British Government and the New Zealand Government tried to grip the American meat trusts as regards beef, and said that no one was to sell Argentine and American beef in Great Britain except the British Government to the people in the British Islands, I cannot help thinking we would be up against a great international problem. I personally cannot see the end of the settlement of such a problem. In my own business we never consign any produce and do not send a hoof to England on consignment, and we never advise farmers, when our opinion or advice is asked, to do it, for the reason that the fluctuations are so great, and powerful financial organizations, through the large meat operators, can depress the market if they wish to do so. As a result, if a farmer sent his one lot of his season's sheep or lambs and made a loss he could not recover the loss that year. It is different with the big speculator. If he loses on one lot he may have fifty chances or more during the season of recouping his loss and making an average profit over the lot at the end of the year. That is where they have the advantage against the smaller man.

26. It is the power of money?—Yes, and of a wonderful organization which is able to sustain a loss on any lot and, by having such large quantities, able to make up the loss and come out with a profit at the end of the season. In this country in the last fifteen years fully half, if not more, of the local meat speculators have gone out of business because they could not live under the fighting competitive system. Some of the large freezing companies which have their own representative and their own house or branch in London do consign, but you will not find many men operating here at present except they can buy on order for somebody in England. They will not run the risk of consigning it. If they do they are very unwise men.

27. We have been told that an American meat company would have more difficulty in obtaining control here than they would have in the Argentine, because we have so many small meat companies?—I think if you can prevent the big organizations establishing freezing-works in competition with the smaller ones, the smaller ones would be a great source of strength, if they were, according to their capacity and business, strong financially, because they are under the immediate eye and control of the owners, who, generally speaking, have an interest both in the sheep and their works; but I expect they would also find it necessary to sell their sheep and lambs to the best buyer on behalf of settlers who froze sheep and lambs with them.

28. What do you think of the intentions of the American people? We are told they will be satisfied to come here and get a share of the business and not a monopoly. Do you think the position is grave?—If the control of the sheep of this country was centred in any one great organization, or even in two or three of them, they would become in practice the controllers of the sheep trade, and that is where I think the future problem is a very difficult and intricate one. What their policy is, or what their proportion of satisfaction would be in trading here, I cannot even conjecture. I have never heard from any of them what their ideas as to policy are. I have only met one of their men, who was a New-Zealander, and that was in Wellington, since American meat operations have been started in New Zealand, and no information was furnished to me as to their policy, methods, or intentions that would be any guide whatever either to me or to you.

29. You have knowledge that their operations are on an increasing scale here?—It is publicly stated that one of them has established a company in New Zealand, with the head office in Christchurch. I have never seen any actual transaction in the way of sale-notes, or purchase-notes, or anything of that kind. Unless sent to me by some one I would not see it. I cannot say whether their operations are on an increased scale or not; it is quite likely they are. I have no knowledge myself as to the extent of their operations.

30. Do you know anything of their operations in Australia?—No, except what I have heard and read of in the Press. It is understood they are operating largely in beef in Queensland, and that some of them own their own freezing-works there.