

takes 8 lb. of green apples to make 1 lb. of evaporated apples, or 450 cases of apples to make 1 ton of evaporated apples. Last year our experience was that a ton of evaporated apples cost, for casing and freight to Wellington, 4s. 10d. Four hundred and fifty bushels of cooking-apples would cost us, for cases and freight, 2s. 1d. per case. That would show a saving of 2s. per bushel case; and one advantage would be that the evaporated material could be sold in any part of New Zealand at any time of the year at 1s. per pound—that is, under that system the public could buy the equal of fresh fruit at 1½d. per pound.

*To the Chairman:* Can you tell the Committee what the evaporated apples could be sold at in 25 lb. or 50 lb. lots by the ton?—We gave ½d. per pound for the fresh fruit, and sold at 7½d.; and 7½d. should enable them to be retailed at 1s.

What are they actually retailed at now?—At 1s. It would not be possible to tell the difference between fresh apples and evaporated apples, provided the evaporated apples are properly treated.

In the event of orders coming to Nelson from, say, Taranaki, how long would it take under present conditions to get the fruit from Nelson to Taranaki?—I could not say. There is no certainty of delivery. It would be a saving to the grower to get a through bill of lading to any place in New Zealand.

*To Mr. Sidey:* In my opinion the best trader we could get to handle the apples is the grocer, who has a proper system of canvassing for orders and a proper system of delivery. The grocer handles so many lines that he could handle another at less profit than any other tradesman.

A. McKEE, President, Nelson Provincial Fruitgrowers' Council, examined.

The great development in the New Zealand apple industry started as recently as 1911, when the Tasman settlement was initiated, followed by similar settlements in the surrounding Moutere country, which previously had been regarded as land of little value. I believe that over 7,000 acres have been planted altogether, and the trees planted in the early period are now carrying fruit that will take first place, I am sure, in any market in the world. Other parts of the Dominion followed suit, particularly Auckland and Otago. It may be said, I think, that the planting in New Zealand was greater than in Tasmania or any part of Australia during the same period. Before 1911 the orchards had been planted for the most part to supply the local market, and comprised numerous varieties, the greater part of which, as we know, was useless for export. In the new era orchards have been established on modern lines, with only a few varieties, recognized as the best in the overseas markets. The expansion of production from now on will be rapid, and I believe that in a very few years the industry will attain an importance that will surprise many. As far as I know, fruit is the only primary industry that has been hit by the war. No export, heavy increase in cost of material and labour, and increase in local freights, coupled with low prices in a glutted market in the early mid-season, were some of the factors we had to contend against. It was confidently expected by our Provincial Council that shipping-space would be provided for in 1919. Representations were made to the Department of Agriculture by the Nelson Provincial Council, and I understand that Mr. Massey undertook to interview the Shipping Controller with a view of space being allotted. In reply to a question asked by Mr. Hudson in Parliament Mr. Massey promised that he and Sir Joseph Ward would interview the Shipping Controller with a view of securing space. A cable message from London published a few days ago stated that the Commonwealth Government had arranged for the shipment from Tasmania and Australia of over 600,000 cases. Unfortunately, we have had no word from the New Zealand representatives in London, and it does seem had luck that Australia should be allotted this space while New Zealand appears to be cut out entirely. There is no doubt we should have been "up against it" this season but for the fact that the Dominion crop is comparatively very short. It may be said that Nelson has an average crop, but Auckland, Canterbury, and Hawke's Bay, and I think perhaps to a lesser extent Otago, are reported to be very short. Buyers from some of the centres named have arranged for supplies from Nelson to make up their shortage, and it is anticipated that prices will average out better this year than last year. But past experience carries the lesson that a heavy season almost invariably follows a light one, and therefore a big crop may reasonably be expected next year. In that event it is of vital importance that provision be made for quitting the surplus outside the Dominion. The surplus next year may amount to about a quarter of a million cases. It is impossible to say exactly, of course, what the quantity will be, but I am sure that I am not overstating the estimate. The fruit market is very sensitive. Let the supply be ever so little more than the demand and prices go down with a wallop. Clearly, unless an export trade is properly organized for 1920 the industry will be placed in a very serious position. Fruitgrowers have uncomplainingly submitted to the inevitable during the past four years, and now they feel they are entitled to some special consideration from the Government. It would be a great help to the industry if the Government would renew the 1d. per pound net guarantee on the prospective 1920 shipments. The future of the industry appears to be very much in the hands of the shipping companies. Before the war Tasmania had a 2s. 6d. freight to the Old Country. The New Zealand rate, I think, was 2s. 10d. or 3s., plus 10 per cent. primage. The very high rate of freight ruling now would be disastrous in normal times. There is every indication of an enormously increased demand for our apples overseas because of the great increase in the purchasing-power of the working classes. We want the apple to be regarded not as a luxury, but as a necessary article of food; but this object in my opinion will not be attainable unless export charges are brought to such a level as will enable us to reach the mass of the people. The rate of freight is the king-pin of the export trade so far as we are concerned, and it is in connection with this aspect of the question that we solicit the powerful help of the Government. We ask the Government to make