

MINUTES OF EVIDENCE.

FRIDAY, 13TH AUGUST, 1920.

Dr. C. J. REAKES, Director-General of Agriculture, examined. (No. 1.)

1. *The Chairman.*] Will you make a statement, Dr. Reakes; I believe you can give us some information in connection with freight rates?—Yes, sir. I have prepared some tables in connection with freight rates, which I will hand to the Committee. These tables have been drawn up to illustrate the war and post-war advances in the freights on our principal exports. With regard to these tables it is necessary to note that—(1.) Variations occurred in the freight rates charged for wool in 1897, but careful inquiry shows that an average flat rate of 2½d. represents the charges for that year with approximate exactness. There was also variation in the 1917 dairy-produce rates, but the figures shown are the most approximately exact obtainable. (2.) Except in the case of wool, the quantities actually exported in 1919 are used as estimates of the 1921 exports. (3.) The number of sheep in New Zealand in 1913 was 24,789,763, and the number on the 30th April, 1920 (*vide* interim return) was 23,957,200. It has therefore been assumed that the quantity of wool available for export from the 1920-21 clip should be approximately equal to that exported in 1914. Hence exports for 1914 are used as estimates for the 1920-21 exportable surplus. (4.) In all instances the figures are for calendar years. (5.) The Census and Statistics Office, the Imperial Supplies Department, the Customs Department, the Dairy Division, and the National Dairy Association have been consulted in connection with these compilations. [Tables handed in.]

2. Do these tables include the figures for tallow?—No.

3. Or for flax?—No. They give the figures for frozen meat, wool, butter, and cheese. I could let you have the figures for tallow and flax if you wish.

4. We would like to have the import figures also as far as possible; can you supply these?—I could get them for you. I would have to get them from the Customs Department. Perhaps it would be better for the Committee to get them from the Customs Department direct.

5. Yes, that is so. Well, Dr. Reakes, we would like to have additional information in regard to flax, tallow, hides, pelts, tinned meats, &c.?—I take it, generally, that you want particulars with regard to all the other primary products.

6. Yes, that is so. Such information will be very valuable to us?—I will do my best to supply what you require.

7. *Mr. Forbes.*] Is there any chance of getting an approximate idea as to the increases in import rates?—I think that the only people who could give you that information are the shipping companies' representatives.

Captain G. T. HULL examined. (No. 2.)

1. *The Chairman.*] Your full name, Captain Hull?—Gerald Trevor Hull.

2. And your occupation?—I am a shipping agent. I would just like to be given an idea as to why the Committee has called me here.

3. We have received a letter from the Right Hon. the Prime Minister which explains the matter (letter read by the clerk). Can you give us any information in regard to those matters?—I could give you approximately the rates of freight on wool, but I am not prepared to deal with dairy-produce, or other produce requiring refrigerated space. Outside of the large companies there is practically no refrigerated space at all.

4. We will be glad if you will give us any information you have available?—At short notice, sir, I have calculated what I consider would be the cost of the transport of wool from one of the ports of New Zealand to the United Kingdom. I have calculated this on the assumption of what a merchant would have to pay if the ship is what is known as a time-charter ship and is being used for the purpose of transporting a cargo of wool from a port in New Zealand to a port in the United Kingdom. I have taken out the figures on the assumption that the smallest type of a cargo-steamer that could probably be chartered to-day is being used for the purpose. I do not know whether you are aware that in taking up a time charter the ship is chartered generally on what is termed "dead-weight"—that is to say, the total carrying dead-weight capacity of the ship if full. The dead-weight capacity of the ship used in my estimate I have set down at 5,000 tons, and the ship is presumed to proceed to London via the Panama Canal. We charter a steamer of this capacity—that is to say, with a dead-weight capacity of 5,000 tons. That steamer would have a net register of 2,000 tons, and would provide for 10,500 bales of wool. In round figures, it would cost the merchant chartering that steamer 1·407d. per pound to land that wool in London. That is what I estimate would be the actual cost. This calculation is based upon the rate we have been paying for time-chartered ships—that is, £1 per ton on the dead-weight per month. At that rate it would cost the merchant 1·407d. to deliver a cargo of wool in London. I think about 1½d. would be the net landed cost to the merchant. Of course the shipowner's profit does not come into the calculation: he gets that out of the hire of the ship. I consider that if the woolbrokers or other people here were to charter a ship to transport their wool to London it would cost them from 1½d. to 1¾d. per pound to do so—that is to say, if they chartered a ship of the kind I have described. I would like to point out to the Committee that this is about the smallest type of steamer that could be used. A steamer double the size would load 20,000 bales of wool, which would easily reduce the cost by about 25 per cent. I have taken the smallest class of ship that could reasonably make that voyage via the Panama Canal. I will give you a rough estimate of what it would cost to start off with. Provided this steamer could be chartered at the rate I have mentioned—£1 per ton on the dead-weight per month—that would be the first charge. Approximately the quantity of coal required for this voyage would be 2,150 tons, and at the current rate of coal at the various ports the total cost of this coal to the charterer would be