

at any time—it has become the legitimate and general opinion now that Armour and Co. should be allowed the license and a free hand to operate. Personally, I do not see that it would matter much if they owned freezing-works to-morrow. It would be no greater menace than the other companies that are owning freezing-works at present.

Is there any further statement you wish to make?—I do not know that I can supplement Mr. Hay's statement or what I have now said.

*Mr. J. R. Hamilton:* Where does the chief opposition to Armour and Co. getting a license come from: is it not from the freezing-works and from some people who think that perhaps Armour and Co. would be their competitors?—That is certainly my idea.

There is no opposition in the country districts against the license?—No.

Is not the opposition mostly from those who are a bit afraid of their competition?—I have not met one *bona fide* farmer who has not been in favour of granting the license to Armour and Co.

*The Chairman:* You probably have not met many farmers in the North Island?—No; I am confined to the South.

*Mr. J. R. Hamilton:* I suppose you would emphasize the suggestion that the farmer felt that when the commandeering years were on he was not getting even the Government price for the stock he was selling to buyers?—Of course, everybody has his own opinion about that sort of thing, and a lot of us work on certain lines, and we take plenty of shifting. Some of us have been selling the meat separately and working the skins ourselves. One always had the feeling that if one was making nothing, at any rate probably you were not losing anything, in connection with the commandeering.

Do you not think that a great many buyers during the commandeering made far more money than they did in the open market?—I am not in a position to know about that. I have seen cases where, taking the skins, and pelts, and wool, there were some shillings a head difference to what the price would be on the fat.

*Mr. Powdrell:* Are you not a shareholder in a co-operative freezing-works?—I have a few shares in Belfast only, which were taken up at the time the storage was erected. It was quite a sore point at the time that you must hold a few shares to be able to get sheep in at that time—three or four years ago—when there was a great shortage of space. But I hold fifty shares only in the preference issue.

What is the custom in the South Island: do the farmers mostly own the works there as co-operative concerns or are they owned by big companies?—On the average they are owned by companies. I think there are only three works owned by the farmers in the South Island. There might be some more; on reconsideration I think the majority are owned by farmers.

In the works owned by farmers what is the custom in buying the stock: do they buy it themselves, or do they allow meat speculators to "butt in"; do they buy in the paddock alive or at per pound; or what is the custom?—It is all done, sir. Of course there are buyers scouring the country buying on the hoof. Then, again, people send their stock to the works. Others sell the meat at a price over all. Possibly a good deal goes through the market at Addington and is bought by various clients. So I would not like to say that any one system is perhaps more in operation than another.

You think that Armour and Co., as meat speculators, could give as much for your meat as the Farmers' Co-operative works that handle your stuff on consignment?—That remains to be proved; but I am under the impression that they could.

Are you aware of the value of the offal from a bullock for manure purposes at a Farmers' Co-operative works, and that that item has to be considered in any competition with Armour and Co.? Do you know that it is worth from 8s. to 10s. as best manure at the Farmers' Co-operative Freezing-works?—I suppose it would be worth that, but I could not express a definite opinion on the subject.

Are any concessions made by the freezing-works to Armour and Co. as against the farmer who sends into store? Do you know the average quantity put through by them as against the individual farmer?—There are concessions made, but I do not know whether to Armours. I think, however, it is reasonable to make concessions to any firm that applies for a certain amount of space. I understand that is the custom.

It depends on how large the quantity is during the season?—I should think so. You are putting to me a bit of a proposition.

I suppose you are aware that in a beast there are probably 50 lb. or 60 lb., on the average, of fat, which is allowed for at about half-price at the co-operative works; so that, taking into consideration the fact that when they are assessing their freezing-charges there is 100 per cent. profit made on the fat by the works, the 8s. or 10s. already mentioned goes to swell the present prices for stock: do you realize that?—I think there has been a profit made on the tallow; but of course tallow has made such an immense jump during the last two or three years that I do not quite know how things are going to be now.

Well, there is another 4s. or 5s. profit that the co-operative works make on the offal and tallow, and in view of the percentages I have indicated that go to swell the profits of the Farmers' Co-operative works, can you say how it is possible for Armour and Co. to compete with the farmers themselves in their own works when the farmers have these opportunities of increasing the market value of the stock handled?—I think that Armours would have a hard row to hoe, but that would be their matter. I do not think the farmers would be put out of business; still, Armours have a great organization that enables them to work everything to the best advantage.

One gentleman said they could utilize the offal to the best advantage, but if they have no means of doing that, and the works get the whole of the offal, that ends the argument in favour of Armours as against the co-operative works: is that not so?—One reason in favour of Armour and Co. would be that they must have a large ready market for their meat, and they can at once put it through various distributing channels to the best advantage. That must give them an immense advantage over the local companies in New Zealand, in connection with the American market especially.

And you claim that Armour and Co.'s operations would still be a greater advantage to your people in the South than if the prices were fixed as during the war, and that they would give you a better price than the co-operative works give there?—So far the Armour Company's operations have hardly been a noticeable quantity.