Of course the Government can only act because of the pressure of public opinion in matters of this kind, and it would be very difficult to withdraw the license once you issued it: is that not so?—Perhaps it is.

Hon. Mr. Nosworthy: I understood you to say that you thought the advent of Armour and Co. into the markets in New Zealand would stimulate buyers' competition?—Yes, I think it would.

Why do you think there is not sufficient competition to-day?—There might be sufficient, but I do not think so. And one can hardly say how things are going to be later on. We have just passed through five years of war, and we have not got into going order again yet.

Have you noticed anything at the ordinary sheep-sales in the country, in connection with the general buying, to show that their advent has improved things?—The season does not begin for several months yet.

But looking at past seasons, with regard to the buying and selling of stock?—As far as Armour's operations are concerned, they are very much in the air at present, and cannot be expected to have any effect on the market.

Do you believe in the Act which the Government have placed on the statute-book, called the Slaughtering and Inspection Amendment Act?—I cannot say that I have seen it.

You do not know anything about it?—No. But am I right in concluding that the Government have the power to bar any firm which they consider to be acting detrimentally to the interests of the Dominion?

They have the right under that Act to refuse to issue a license to any firm to buy meat: do you agree with that provision?—I think that it should protect us thoroughly.

Then if you believe in the Act you would recommend that the Armour Company be issued a license?—Yes.

Assuming that the Act is some good, would you make it a sort of "go as you please," and issue a license to any firm to buy how they like?—I would issue a license to Armours.

But if there is no check on anybody would not the Act be quite useless?—There is a check under the license. We have had plenty of cases in the past where, if there had been such an Act, it might well have been put into operation, with perhaps as good or better reason than you might obtain in the future.

Can you give me any such case?—I have one in my mind, but I do not know that it would be much use to the Committee.

Well, I would like to know your mind, as the Committee wishes to obtain all the evidence it can. Could you quote the case?—The worst of the matter is that the case in question is only hear-say. I can only say what I heard, and it is very difficult under those circumstances to make a direct statement on the subject.

What did you hear, or what are you thinking of?—I think I heard of a case a couple of years ago in our district where stock were being bought at 6s. or 7s. a head below their value, mainly owing to the freezing-space being held in a certain way—and that sort of thing.

What firm was operating on those lines?——

The Chairman: I think we cannot go into that matter. The witness is quite within his rights in saying that he does not wish to go into it.

Hon. Mr. Nosworthy: You do not want to go into it?—I should prefer not to.

Mr. Jones: Was it Armour and Co. who were getting those prices?—As far as my experience goes, their operations have been only small. Certainly they have not had any marked effect on the market yet.

Mr. Field: You see no harm in Armour and Co. buying freezing-works in New Zealand?—No.

Do you not think that that is a really serious danger, because there is no knowing where it might end?—I had in my mind the fact that there were several other companies owning works here to-day, and that no doubt the menace from them is quite as great as it would be from Armour and Co.

Or from the American firms?—I would not say American firms, but from some of our New Zealand firms—English firms.

Assuming that the American Meat Trust wanted to collar the New Zealand trade, do you not think it would suit them to begin by buying the freezing-works?—There is plenty of money in New Zealand to build more freezing-works, and if they acquired the present works it would be an easy matter to put up more. A number of new works have been erected during the last two or three years.

Mr. Powdrell: Most of the witnesses from the South Island have been men who say they have shares in their own works; but some said they had no shares in any works?—That is so.

Since Armour and Co. are not dealing with the offal in New Zealand and they will need a profit to enable them to give better prices than the co-operative works offer to the farmers, where will their profit be made? It could not be made in New Zealand, but would have to be made in America: is that not so?—That point would have to be looked into.

Any profits they made on their transactions in America in respect to our meat would not be taxable in this country. Do you think it is fair to people who are farming here, and erecting and running their own freezing-works, and paying high taxation to the Government, that an outside company, who may be making profits in New Zealand but paying no taxation thereon, should be allowed to compete with our own local concerns under the circumstances? Is it patriotic to support companies who are making their profits in other countries, or showing them as made there, and escaping taxation in this country?—I think the local companies are mostly able to take care of themselves.

I know they are able to take care of themselves; but what about Armour and Co. escaping taxation?—Would they pay no taxation?

Mr. Lysnar: They have paid none up to the present.

Mr. Powdrell: They are paying very little. Have you formed any opinion on the point, Mr. Wilkinson?—It is a question I do not profess to give an opinion on.

Armour and Co. have very little capital in New Zealand. I think the evidence of some of the local meat companies is that they are working on a guarantee at the bank, thereby largely escaping taxation. Have you considered that point?—It is a question I have not gone into. I would rather look at it broadly from the point of view that we want all the competition we can get, in order to meet the very big taxation we have to face. I suppose we have to face it, and that therefore we have to make the best we can out of our produce in order to get the money to do so.