

Irrespective of whether the Government, the freezing-works, or the farmers of New Zealand suffer, you want the extra competition you mention?—If we get the extra profits we will not be suffering.

You cannot understand why you are not getting as much for your stock as you should. But have you done anything to help yourselves to obtain better prices and the full market value of your stock?—I do not know that we are not helping ourselves in this matter. Are not we all helping to develop the trade? The fact of not having many shares in freezing-works does not mean that you are not assisting those works. I know that some are putting a lot of money into freezing-works in the shape of the meat they send there, and are getting comparatively little out.

I am afraid that sending your meat there would not help the works unless you took up some debentures in them, would it?—The producers take up their proportion, as a rule, and make their works pay.

Is that not a reason why the farmer would not be keen about this competition from firms that have no capital in freezing-works, he having taken his share of debentures in his own works?—I think there is a good deal of suggestion in that question.

The Chairman: I would ask members to avoid argument, and confine themselves to asking questions.

Mr. J. R. Hamilton: I wish to ask one more question. Is it not your opinion, as well as that of a great majority of people who want the Armour Company to get a license, that it is being recommended because it is thought the Armour Company can market the meat on the world's markets better probably than some other meat firms?—Yes.

You think there will be competition in the world's markets?—I do.

As far as the offal question is concerned, the freezing-works would still be able to purchase the offal, would they not?—Certainly.

They are not going to be loaded by such purchases?—No. There is another matter we have noticed happening in England: there is a great depreciation in our frozen meat there now; and with so much stale meat about it makes it all the more necessary, and the farmers all the more anxious, to get fresh markets.

Hon. Mr. Nosworthy: I understood you to say that you were in favour of Armour and Co. buying. Has this idea crossed your mind: that, assuming they had a license to operate in New Zealand, and they offered the farmer, we will say, $\frac{1}{2}$ d. a pound more for his meat than other buyers, they would soon control the bulk of the meat in this country through their purchases?—Yes, they very likely would.

Under those conditions would they not very likely become the owners of the freezing-works, and all the stock going through the works would be that of Armour and Co.?—Yes, presuming they cut out the other firms to that extent.

The argument in favour of Armour and Co. is that if they got this license the farmers would benefit by the American competition, by getting more for their stock than they do under the existing conditions. Well, if that position lasted two years, and Armour and Co. became practically the only buyers, giving more than anybody else, they would naturally control the bulk of the interests in the works, because the stock going through those works would be theirs, would they not?—As far as owning the actual meat is concerned, that would not bring them any nearer owning the works.

Would they not have a monopoly of the stock going through the works? Their whole interests would be in the works; and the shareholders would all look on Armour and Co. as the people from whom their dividends came, would they not?—That, again, is a suggestion. They might be able to give something more than anybody else, but I can hardly think that they would give as much as indicated. Still, it is possible. But on falling prices I do not think they could take too much risk. They might start in with offering possibly $\frac{1}{2}$ d. a pound more than any other firms were giving; but I think there would be firms who would come up to them.

You only think; you do not know. Are you aware that the past history of the Meat Trust shows that their operations have been on that system—that they give more than anybody else at the start until they get the control of things, and then they drop the price?—I am certain that if they got the control you refer to to-morrow there would be a farmers' organization or works set up against them, as the farmers would at once be put on their metal. But, again, what about the Government officers? Would not they act, and the Government also, if they saw the operations of Armour and Co. were going to prove a detriment?

Do you suggest it would mean it would be necessary to rebuild the whole of the works—erect new works—in order to get rid of the trust?—If the farmers received $\frac{1}{2}$ d. a pound extra for their meat for two years they would be placed in an excellent financial position. But I think that, even if the Government did not feel inclined to cancel the license, new works would still be erected to compete with the Armour Company.

WASHINGTON IRVING CARNEY examined. (No. 14.)

Mr. Carney (to Chairman): I am managing director of Armour and Co. of Australasia. I am a shareholder in the company. I do not want to repeat what has already been told you by the witnesses you have heard, but I do want to deny some of the misstatements that have been made about my company, especially by men who are connected with the freezing industry in this Dominion. One man from Gisborne has made many statements. First, that Armour and Co. had been given two years to get out of business in America: This is absolutely a misstatement. What really did happen was that all meat-packing companies in America voluntarily agreed to give up the handling of grocery lines inside of two years, but not to give up their meat-packing plants. Secondly, that the "trust" in America had driven hundreds and thousands from their farming pursuits: Any one with a knowledge of conditions in America will know that the eastern States (New York, Massachusetts, Connecticut) have gradually turned their attention to manufacturing: they have become consuming and not producing districts. The fact that towns and cities have sprung up where the manufacture of motor-cars and other commercial enterprises are carried on has made the land double the value