Up to the present your firm have paid no income-tax in New Zealand ?—No.

In the past, in making up your balance-sheets, you have based it on the amount paid to the Imperial authorities. In the future will you take the New Zealand value as the basis ?—If we get a license I propose to cable Armour and Co., London and Chicago, and ask them what price they will pay me for my meat f.o.b. If they can pay me a price that will give me my profit in New Zealand I will sell to them. If not, I will not do business with them.

Not with Mr. Armour, although he has all the shares ?—Absolutely, No.

Do you think Mr. Armour is a gentleman who will let you manage his concern and his capital for somebody else ?—Yes, I know so.

Have you discussed the matter with Mr. J. Ogden Armour ?—Yes.

He has authorized you to do that ?—Yes. I am in New Zealand to put Armour and Co.'s name on the highest standing, anywhere I can make a profit. If the Armour organization at the other end of the world cannot pay the same price as other companies will pay I will sell to those companies.

Mr. J. R. Hamilton: You are pretty well satisfied they will be able to compete ?—Yes.

Mr. Lysnar: Do I understand that you take the New Zealand value of the produce ?—I take the present value of the stuff and try to make a profit on it.

In selling to Armour and Co.?—Yes, or to anybody else. You want to know if I am going to turn the stuff over to Armour and Co. without profit ?

Yes ?—Absolutely, No.

I want to know for the purposes of taxation ?—Certainly. You can rest assured we will be only too glad to pay all the taxes required in New Zealand—absolutely.

You have your company registered at £100,000 ?—Yes.

In addition, you are working on a guarantee of £280,000 ?—Yes, on a bank credit.

With a given capital of £380,000 ?—No. Capital and credit are different.

Well, the two together are £380,000 ?—Yes, the two together are £380,000.

You know that if you register a company with £380,000 you would pay more than you would pay on £100,000 ?—About £150 or £200 more.

Have you any control of what Armour and Co. do outside of New Zealand ?—None whatever.

If you sold him this stuff at 5d. and he made 1s. it has nothing to do with you ?—No.

Your profits would not disclose it in the balance-sheet ?—No.

You are aware that Armour and Co. are interested in large numbers of subsidiary businesses all over the world ?—That is so.

Including a large number of banks ?—I would not say that. Mr. Armour is probably a director in many banks, and probably he is a shareholder, but as far as Mr. Armour controlling banks is concerned or owning banks, I do not think it is so.

He would know best on the question ?—I am only giving my opinion. I do not think so.

In one report on page 22 of the summary of the report of the Federal Trade Commission it says, " In each of the banks shown in this list the packers are represented on the board of directors through members of the individual families, or through officers, directors, or confidential employees of the packing companies, and in addition there are a number of banks not covered by this list, in which close business associates of the packers are directors." And it is shown that the Hibernian Banking Association are represented by Armour and Co. ?—I do not doubt it.

And the People's Trust and Savings Bank by Armour and Co.?—I do not doubt it.

The Stoney Island Trust and Savings Bank by Armour and Co.?—I do not doubt it.

The People's Stockyards Bank ?—I do not doubt it.

The Inter-State National Bank ?—I do not doubt it.

And others ?—It may be.

How long have you been in New Zealand as a meat-buyer ?—Four years.

Are you not aware that in that time the prices of New Zealand meat have been fixed by the meat-buyers in London ?—No.

Who would have the best chance of knowing that, you or Mr. Macbeth ? Mr. Macbeth admitted that it was so ?—I said a little while ago that certain firms do that to their representatives, but I do not think any body of business men would get together in London and fix the prices for New Zealand every week. I do not think it is done.

Mr. Jones: I think it is unfair to say that Mr. Macbeth admitted that. He did not.

Mr. Lysnar: Do you say you are not sure ?—I do not think it is done.

You will not say positively ?—No, I do not.

You cannot say whether different firms put out the same prices at the same time ?—I cannot say.

Can you say what is the capital of Armour and Co. of Chicago ?—147,000,000 dollars.

You say it is not correct to say that Armour and Co. have been given two years to get out of the business in America ?—Yes.

Are you not aware that the report of the Federal Trade Commission of the United States recommended " That the Government acquire, through the Railroad Administration, all privately owned refrigerator cars and all necessary equipment for their proper operation, and that such ownership be declared a Government monopoly " ?—Yes.

Are you not aware that Armour and Co. have a very large number of refrigerator cars and the necessary equipment ?—Yes.

And that if this Government monopoly is carried out they cannot use them ?—I do not understand that at all.

Can you deny this statement ?—Three or four things were recommended by the Federal Trade Commission to the Government of the United States, but I understand they are not being carried out, with the exception of grocery lines, and things they are not directly concerned in. Anything they are directly concerned in they have not taken on.

This is another recommendation : " That the Federal Government acquire such of the branch houses, cold-storage plants, and warehouses as are necessary to provide facilities for the competitive marketing and storage of food products in the principal centres of distribution and consumption : the same to be operated by the Government as public markets and storage-places under such