

115. Are you aware that all ships in the American mercantile fleet have been compelled to become common carriers, and consequently obliged to carry all cargo offered to them?—I have no such knowledge.

116. Are you aware that the Commonwealth Government liners have been unable to obtain outward cargo owing to the initiation of the rebate system?—Where from?

117. From Home to Australia?—I have no knowledge of Australian shipping conditions from London.

118. You are not aware that in marine law this would mean that the Commonwealth liners would be “up against it”?—I do not know that, and I have not studied the particular matter. My knowledge is mostly confined to the Shaw, Savill, and Albion Company’s business between New Zealand and London. We do not load steamers from America, but we sometimes charter steamers to the other lines.

119. Those conditions exist in America as far as dealing with the shipping companies are concerned: do they apply to ships from the Old Country?—As far as steamers from the Old Country are concerned those American conditions do not apply. Shipping companies are not regarded as being common carriers in the Old Country.

120. Are you aware that the Commonwealth Government line has found itself so up against the proposition that they could not get back cargo from the Old Country?—I saw it from the Press, but I have no official knowledge of the matter.

121. Are you aware that the same thing applies with regard to the free shipping—that there is difficulty in that shipping getting back cargo from the Old Country, owing to the fact that exporters in the Old Country are tied to shipping companies and have to ship their cargo only through them?—I know that prior to the war there was a rebate system in force in London with regard to outward shipments, but whether it is now in existence or not I cannot tell you.

122. You cannot say whether it is proposed to continue in the future the system that has existed in the past with regard to the rebates?—I am not in a position to say.

123. What is your opinion of the matter: is it likely to be continued?—It is not very clearly set out in the Press reports; nor is there anything to indicate with regard to New Zealand affairs what the policy of London will be as to outward cargo. In any case such information as I possess would not be of any value to you.

124. I have reason to believe—I do not expect you to answer this point—that the attitude the Committee has taken up on this matter is that they are not prepared to recommend that a contract should be entered into in connection with the shipping of meat and dairy-produce from this country on the lines on which it has been carried out in the past?—Which Committee do you refer to?

125. The Committee here now—the Agricultural and Pastoral Industries and Stock Committee?—I understood that the Producers’ Committee was sitting at this very moment to approve the contract for meat: am I correct?

*Dr. Reakes:* The Producers’ Committee has drafted a form of contract, and copies of it have been sent to all freezing companies for their information; and we have also sent copies to Mr. Findlay and his colleagues of the other shipping companies.

*Mr. Findlay:* I received my copy yesterday morning.

126. *Hon. Mr. Nosworthy.*] Do you think, Mr. Findlay, looking at the question from the point of view of the Government, as representing the people, it is a fair thing that in the shipping of the primary produce from this Dominion ships outside the regular lines should be treated as the Commonwealth liners have been treated in their competition with privately owned lines in regard to outward cargo, so as to cripple them in their operations?—I suppose it cuts both ways. If we could not rely on sufficient cargo for our ships from the other side, New Zealand exporters might suffer from our inability to get our steamers out here.

127. If the shipping companies hold a monopoly of the exports from this country as to shipping, and control the exports, therefore, from this end, does it not mean that they are constituting themselves actually a shipping trust as far as dealing with the people of this country is concerned?—I have noticed that that question has been raised.

128. Do you think that what is going on in regard to the Commonwealth Line augurs well for the producers of this Dominion, seeing the privately owned companies are being placed virtually in control of the exports from Australia?—It is a very difficult question for me to answer; and as far as I know I am not sure that it applies to New Zealand.

129. Are you not aware that the cargo coming to New Zealand is obliged to be shipped through the different lines trading to this country, and others are kept right out?—I know what was the position before the war.

130. On a pre-war basis it was hopeless for anybody to get anything into this country unless they decided to let it go through one of the shipping lines trading here under the agreement mutually entered into by the said lines?—I am prepared to say that there is a good deal to be said for any such arrangement before the war, and to ensure getting ships out regularly and quickly we needed an assurance of cargo from the other side. With that certainty you were assured of getting regular shipments from this side.

131. In deciding future proposals for the carriage of this country’s produce, has it crossed the minds of the shipping companies that there is a possibility of the Government having to seek other channels for the distribution not only of the future, but even of this year’s produce?—Oh, yes; we can realize your responsibility; but we equally realize that it would be difficult, if not impossible, for a State line to compete at the low rates which are being charged. Of course, I understand that in New Zealand they are not considered low, but if you embark on a State line for the carriage of your produce it can only mean employing steamers produced at a very high cost. I do not think every steamer would necessarily run into £590,000; but each vessel would cost about £500,000, and such a fleet in competition with pre-war tonnage owned by shipping companies would place you in a serious difficulty. You would be at an enormous charge for interest and depreciation, and I do not see how a New Zealand State line, or a farmers producers’ line, could possibly run at a profit at the present rates of freight. I should not entirely regret a small State line built or embarked upon, as I have seen suggested, with an idea of having a lowering effect on rates, because I think the