

150. *Mr. J. R. Hamilton.*] Have they been rising since the war? There has been a suggestion to that effect?—They have not gone up since the war—they have come down; but the table of rates shows certain slight increases. Our expenses last year, on the authority of the London Tonnage Committee (which is an Imperial Committee, and fully worthy of all credence), have risen 60 per cent.; and if that does not give an indication of the unlikelihood of a reduction on present rates I do not know what it does indicate.

151. *Mr. Lysnar.*] Have freezing rates gone up?—They went up. They were fixed by the Imperial Government, and have gone up recently on private cargo 9 per cent., equal to $\frac{1}{16}$ d.

152. That was a short time ago?—Yes.

153. *Hon. Mr. Nosworthy.*] Are you aware that before the definite freight-reduction movement in 1897 the liners in many instances exacted a wool freight of 100 per cent. in excess of the current Australian rates?—That is a bit before my time. I would like to look into the question before answering.

154. I am quoting facts that we know existed?—Facts are sometimes stated from one side only, and accepted without question. *Ex parte* statements should not be accepted as conclusive until the other side is heard. I will look into the question for my own satisfaction. I do not know anything about it myself, and judgment should be suspended. The Freight Reduction Committee does not appear to have operated recently.

155. *Mr. Field.*] Have you the balance-sheets of your shipping company for the last year or two?—Perhaps I ought to have a balance-sheet of my own particular company, but I have not seen one since I left London. It is not published. I have no balance-sheets of other companies.

156. *Mr. J. R. Hamilton.*] Perhaps it would not be wise to publish them?—That is not a fair inference. It is a particular class of limited-liability company which does not call for publication of its balance-sheet.

157. *The Chairman.*] Would it be unbusinesslike?—All companies do publish them when their articles of association provide for this.

158. *Mr. Lysnar.*] Will you send the bill of lading which has been in use the last six months?—Yes.

159. *The Chairman.*] How often does your Overseas Committee meet?—Every day, excepting Saturday and Sunday.

160. You act in concert with the Home authorities?—Yes.

161. *Mr. Powdrell.*] Is there any arrangement whereby the dairy-produce and meat is divided amongst the different shipping companies trading to New Zealand?—The contract with the National Dairy Association, which expired last year, provided for one-half carriage of dairy-produce by Shaw-Savill and one-half carriage by the New Zealand Shipping Company.

162. Are those the only two companies that get the dairy-produce?—The question has not been discussed; but I presume and hope, as Shaw-Savill Company's representative, that we will still retain the one-half carriage of dairy-produce, and that the old existing contracts which were held by the respective freezing companies for meat will still obtain.

163. *Hon. Mr. Nosworthy.*] What reason is there for any contracts being demanded here as to shipping, when such contracts do not exist in any other country?—We look at it as being advantageous for ourselves, as it gives us security of tenure, encouraging us to build new tonnage, and a feeling that we are not going to be neglected; while, as far as the dairy-produce and freezing companies are concerned, it gives them the great advantage of regular monthly shipments and enables them to make forward sales with full confidence.

164. What about the practice in Australia?—There are contracts there also. All the freezing companies have not got contracts, but there are contracts there; I believe a number of them have. I suggest you make inquiries on the subject. I think you will also find there are some contracts in the River Plate.

165. Is this the position: that the shipping companies are trying to initiate in Australia a policy they have imposed upon this country?—There were contracts in Australia before the war. I know no more than that.

166. You know that there is a possibility of Australia having very little mutton to ship for some time to come, but that New Zealand is in a more favourable position?—That is so. Australia may be going to have a bad turn this year in regard to mutton on account of the last season's drought, but it remains to be seen.

FRIDAY, 15TH OCTOBER, 1920.

Dr. C. J. REAKES further examined. (No. 8.)

Dr. Reakes: I desire to read the following cable which was sent in accordance with the wish of the Committee:—

"Please endeavour ascertain and cable, firstly, annual profits made from 1913 onward by each shipping company trading to New Zealand; secondly, dividends paid by each company during same period. In cabling this information state in each case whether profits and dividends are after income-tax has been paid. Early reply necessary."

A reply was received as follows:—

"With reference to your telegram of 4th October, profits of steamship companies trading to New Zealand, you can obtain some of information required from Shipping Section of 'Stock Exchange Official Intelligence, 1920,' copy of which was sent to Minister of Finance per mail-box steamer 'Arawa' last March. I am making inquiry with a view to supplement this information at earliest possible date.—ALLEN."

I obtained the book referred to, and was able to get the following information from it:—

Commonwealth and Dominion Line (Limited): 1914–15, dividend of 8 per cent. and bonus of 2 per cent.; 1915–16, dividend 15 per cent.; 1916–17 and 1917–18, dividend 20 per cent.; 1918–19, dividend 20 per cent.