

11. The tickets would only be issued by the Government. The grocers would not have anything to do with the issuing of the tickets?—I am afraid you would bring a hornet's nest about your shoulders. There would be constant confusion arising. Mrs. Jones would want tickets because Mrs. Brown had them.

12. But if anybody with, say, under £300 a year income was only allowed to have the tickets?—I do not think such a scheme would be workable.

13. But would not that be better than the Government having to subsidize all and sundry out of the Consolidated Fund? It is estimated that such tickets would mean a subsidy of only £100,000, whereas to subsidize all and sundry would probably run into over a million?—I would like to think further on that subject. I would not like to give an answer now. I am afraid it would lead to endless confusion, and that it would not be a fair deal to the public.

14. It would save £800,000 or £900,000: would it not be worth trying?—I am afraid that such a preferential scheme would affect the purchasing-power of money, and that it would not be workable in other ways. There would be endless confusion created. It does not appeal to me as a feasible scheme at the present time.

15. *Mr. Powdrell.*] If people who have families and do not pay income-tax were given such tickets, if they were entitled to get butter at a lower price fixed by the Government, would not that be fairer than also giving the concession to others? Would not that be fairer, for instance, than giving such a concession to hotels, boardinghouses, and shipping companies? Would it not be better than giving the concession to the rich at the expense of the dairy-farmers or the taxpayers of the country?—It might be worth considering, but, speaking of the richer classes, they would pay it in other ways. It would be simply taking it out of one pocket and putting it into another.

16. Take, for instance, the Midland Hotel here: do you think the dairy-farmer should contribute cheaper butter for the Midland Hotel with its high tariff?—No, certainly not.

17. And the same thing applies to the steamers: do you think it is fair that the steamers should get cheaper butter at the expense of the dairy-farmers?—No.

18. *Mr. J. R. Hamilton.*] Do you think the grocers would be willing to help the Government in a scheme of the kind I have mentioned, in order to try and make it workable?—Yes, I think you can rely upon the co-operation of the grocers in the matter.

19. It is worth considering?—It may be worth considering.

ERNEST JOSEPH CARTWRIGHT TUNNYCLIFFE examined. (No. 16.)

1. *The Chairman.*] The Committee is desirous of obtaining evidence from the producer's point of view, and would you care to make a general statement as a farmer as to the cost of producing butterfat? You sent in a statement to the Department some time ago?—Yes. I might mention that I started on my farm twenty years ago. The farm was a lease in perpetuity, and my capital was only £130 at that time. I worked exceedingly hard, together with my family, for a number of years to make both ends meet. Dairy-farming is the most unpopular branch of farming. A man prefers to become a sheep-farmer or a meat-farmer in preference to dairy-farming on account of the drudgery entailed, the long hours it is necessary to work, and being always tied to the place. One has to be on the farm working seven days a week, night and morning. However, I was in a more favourable position than other men who have come in later. The return I produced for the Department will show what my farm has cost me for material, &c. The cost of materials has gone up considerably since. I started milking by machine in September, 1915. The price of benzine then was 18s. per case, but the next month the price went up to £1 1s. 3d., and during last year it has averaged practically £1 18s., and I have paid as high as £2 2s. 6d. per case. That makes a considerable difference in the working-expenses. I shall be glad to answer any questions that the Committee may desire to put to me.

2. According to your return the area of your farm is 80 acres?—Yes.

3. And you show the expenditure on the farm at £687 18s. 3d.?—Yes.

4. And your receipts at £977 1s. 7d.?—Yes.

5. The value of the 80 acres of land you show at £2,122?—Yes.

6. Is that the price to-day, or when?—That is the value put down in the latest Government valuation as the value of the lessee's interest.

7. You are still holding the lease?—Yes. That sum applies almost wholly to 50 acres, because 30 out of the 80 acres consists of a Maori lease with only a short time to run. I have no capital value in the 30 acres, with the exception of about £150 if I wanted to sell the lease.

8. What would the 50 acres lease in perpetuity be worth to-day if sold on the open market?—About twelve months ago some land on the same terms as mine sold for £110 per acre, and I could possibly get £130 or £140.

9. If you were buying that farm to-day or bought it last year at that price you would not be able to show a credit balance?—No.

10. In order to get the £2,122 as the value of your land in your statement you have taken the Government valuation of your interest in the lease?—Yes.

11. You are in a much better position than the ordinary farmer because you got in years ago?—Yes.

12. But you have put your labour there?—Yes.

13. Do you work on the farm yourself?—No, my son is practically running the farm now, and he has a boy working with him. I do not take a hand in the actual milking, but that has only been since last year when my son returned from the war. Previous to that I worked.

14. What do you estimate from a producer's point of view that a farmer should earn in wages per hour?—That varies. It depends on the position the man is in. It is impossible to state how much he earns. I think the Committee is beating the air by taking the evidence of individual farmers. I think the only practical way to find out the real cost of production is for the Government to buy a farm and run it themselves as a commercial concern, and then they would find out by practical experience.

15. Do you not think the individual might run it much cheaper than the Government?—He may do.