

WEDNESDAY, 13TH OCTOBER, 1920.

THE Committee, pursuant to notice, met at 10 a.m.

Present: Mr. J. R. Hamilton, Mr. Hawken, Mr. Hockly, Mr. Kellett, Mr. McCombs, Mr. McLeod, Right Hon. Mr. Massey, Mr. Nash (in the chair), Mr. Poland, Mr. Powdrell.

Mr. Singleton, of the Department of Agriculture, and Colonel Esson, of the Treasury Department, were in attendance.

Minutes of the previous meeting were read and confirmed.

Right Hon. Mr. Massey, having explained that subject to the passing of certain legislation relating to finance the Government would be in a position to find the sum of, approximately, £600,000 towards a reduction in the price of butter, stated that the price to the consumer—after having paid the dairy-farmer 2s. 6d. per pound—could therefore be reduced by 6d. per pound. This would bring the price to the consumer at 2s. per pound, to which would have to be added the cost of distribution and profit in order to arrive at the selling-price to the consumer.

Mr. J. R. Hamilton moved: "That the retail price of butter be fixed at 2s. 3d. per pound for cash and 2s. 5d. per pound for booked orders."

Mr. McCombs proposed the following amendment: "That the retail price of butter over the counter be 1s. 9d. booked, or booked and delivered 1s. 10d., and that an Equalization Fund be created by a levy of 5 per cent. addition to land and income tax and an increase in stamp and death duties calculated to produce the equivalent of 5 per cent. on the total stamp and death duties."

The amendment having being put, it was resolved in the negative, the names being taken down as follows—*Ayes*: Mr. Kellett, Mr. McCombs, Mr. Poland. *Noes*: Mr. J. R. Hamilton, Mr. Hawken, Mr. McLeod, Mr. Nash, Mr. Powdrell.

The motion was then put and resolved in the affirmative, the names being taken down as follows—*Ayes*: Mr. J. R. Hamilton, Mr. Hawken, Mr. McLeod, Mr. Nash, Mr. Powdrell. *Noes*: Mr. Kellett, Mr. McCombs, Mr. Poland.

The Committee then considered the petition of the New Zealand Farmers' Co-operative Association of Canterbury, Limited, and others and eight similar petitions, praying for relief in connection with the cost of handling butter—these petitions having been read at the commencement of the proceedings. It was resolved, in view of the fact that the Committee had already fixed the price to be charged to the consumer and the margin to cover both profit and expenses that no recommendation be made.

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