

2. *Mr. Field.*] What about Rangiotu Company?—There is not a decided opinion there. Two directors were for the Bill and two against it. The other is the secretary of an organization I am chairman of, and he is sitting on a fence. There has been no organization in the Manawatu.

3. *The Chairman.*] What do you wish to give evidence about?—I, a British subject, have been accused of having been bought by Tooley Street. I am as honourable a man as there is in New Zealand. I can quote the statement just made, because Mr. Grounds in his Palmerston address said this: "For years they had been groping in the dark; he knew that a fighting-fund had been set up to combat this latest step in the co-operative movement. He did not blame these people; they were simply fighting for their own interests." I take it I am one of the people Mr. Grounds "did not blame." I have been paddling my own canoe since I was eleven years of age, and I claim the right of a Britisher to deal with my stuff as I like, and that is in the way I have been doing hitherto. About ten years ago I made my farm a freehold under the law passed by the Massey Government. I sold it over eight years ago. Last month I received assessment for land-tax as the lessor of that farm. That is an object-lesson as to how the Government manages its business.

4. We are not dealing with the question of Government administration, and are prepared to accept the statement that you are representing the factories mentioned. What have you to say in opposition to the Bill?—Well, here is a cutting I took out of a paper twelve months ago, of a report of the chairman of the finance committee of the Kairanga Dairy Company. He said this: "One of the heaviest items, for instance, was the cost of cheese-crates, the charge for which adds 1d. to every pound of cheese, amounting to practically £200 a month. Another heavy item was freight to Wellington, as the Government practically doubled their rates and were now charging £1 16s. a ton. With freight and coal, &c., the company's freight bill was anything between £250 and £300 a month. Coal accounted for about £120 a month, as the company's three factories practically required a ton a day. Then there was colouring, rennet, bandages, &c., all of which were still selling at high rates and on which it was impossible to economize. By the time it reached the grader's store in Wellington every pound of cheese cost practically 2d., while the cost of freight, commission, insurance, &c., accounted for another 2d." That refers to butterfat, and is quite true. Mr. Grounds, referring to the opposition to the Bill, said this only recently: "I have submitted to Mr. Buckleton, who was chairman of the Associated Banks when the first conversation took place, a verbatim report of my remarks upon finance at Christchurch. These were substantially the same as made at other centres. He authorizes me to say that every word was fully justified by our conversations. I have now seen Mr. Cox, the present chairman of the Associated Banks, and have his authority for saying that if we are going to work with Tooley Street houses there should be no difficulty about finance." I have also a report I would like to read here dealing with the replies by representatives of shipping lines as to complaints by dairy producers about the want of shipping facilities during the past season. It says: "As considerable publicity has been given to complaints by dairy producers regarding shipping facilities during the past season, the representatives of the shipping lines have given answers to the following questions: (1.) Who arranged the shipment of dairy-produce, and on what basis is it arranged?—For many years past it has been arranged under contract between the shipping companies and the North and South Island dairy associations. (2.) Have the shipping companies been able to provide space for the dairy associations requirements throughout the season?—Yes, with the exception of February, which was the peak of the season for refrigerated cargo, when dairy-produce received an equitable proportion of the space. More space for dairy-produce could have been provided had longer notice been received by the shipping companies." That notice ought to have been given by the National Dairy Association. The report goes on to say: "The quantity of cheese available fell short of the applications by 189,000 crates, and ships were consequently short-loaded. (5.) Were there any special circumstances outside the shipping companies' control which contributed to any delay in shipment?—The delays in shipping in New Zealand this season have been exceptional on account of the wet season. The limitation of hours of work prevent time being made up by working exceptional overtime, such as all-night work, and ships have frequently been held up over week-ends in consequence, besides which there were delays through bad weather at roadstead ports. There were several exceptional delays—namely, the 'Tekoa' and 'Maimoa' at Auckland for a week each owing to a dispute between the New Zealand seller and the American purchaser of dairy-produce. (6.) Can you say if the manner in which dairy-produce was shipped resulted in a glut in Home markets and consequent fall in prices? The shipping companies in reply to this can only say that the regulation of the size of shipments from this end is in the hands of the dairy associations, and as the slump in London took place in April, if more space had been available for February shipment the arrivals in April would have been greater and might have caused a greater fall in prices. A position that has not been made clear to dairy producers is, however, we understand, an economic one. Owing to financial conditions in Germany, Danish dairy shippers concentrated on the English market, and, we are led to believe, shipped fully 90 per cent. of their output to the United Kingdom, on account of the loss of their German market." I maintain, sir, that the whole crux of the position is the shipping; and we do not want this proposed legislation, because we have managed very well for ourselves the last twenty-five years, and there is just as good produce being turned out to-day as there was twenty-five years ago. I admit that the farmers have made a terrible muddle of their co-operative business during the last few years. They have had too much money, and they did not know how to spend it. There was one gentleman interested as a speculator who had a lot of butter on offer. He went to the National Dairy Association and said to the secretary, "Can I get a ship for this butter if I buy this month?" "Oh, yes, easily," said the secretary. The month went by, and he bought the butter on that understanding, but he found his butter was not being taken away. So he went around to the office again and inquired of the clerk about his shipment, and received the reply, "There is no room; ship filled up." Then he