

81. The Waimate?—Yes. That factory deals with the dairy-produce round about Waitaki and Oamaru. I say that all the co-operative butter-factories from Waimate to the south are all in favour of the Bill. I am here to-day to say that they are all in favour of the Bill.

82. Those co-operative butter-factories are all in favour of this Bill?—Yes. There are none against it. There is not a co-operative factory against it.

83. Would you read that last year's resolution again: the position seems to be a bit confused?—These people who put up this resolution are still against any sort of control. I may say they are "old men of the wood." Messrs. Lee, Mason, and Birtles spoke against dairy control, and Mr. Mason then rose and moved, "That, seeing that the whole of the cream-suppliers of Otago and Southland will be absolutely unrepresented at the conference in Wellington, this representative meeting of the dairy-farmers of Otago enters an emphatic protest against any dealing with our produce without our consent." That was the resolution passed at the meeting last year.

84. That is dealing purely with the representation at the Conference in Wellington?—That is so. That is dealing with the representation at that Conference, and not with the principles of the Dairy Control Bill at all. It is an old story. There was a lot of delegates at a big meeting held in Dunedin. I convened that meeting. And these people hopped in, and had a sort of side issue. There is a set of "Bolsheviks" down there who seem to be almost against everything. When you try and organize anything of the sort, these people will hop in and say they are against it.

85. Have you found, when travelling up and down the country, that the proprietary interests are opposed to the principle of this Bill?—I am quite satisfied about that. I am a member of the executive of the Otago Farmers' Union, and I have had to go about the country a good deal; and I am quite satisfied that is the fact.

86. Would you be surprised to learn that we had the same experience in connection with the Meat Control Bill—that the chief opposition came from the proprietary interests?—I would not be surprised, because obviously the people who are getting the "rake-off" are the people who object to any sort of disturbance.

87. You move up and down the country a good deal. You go through a good deal of the lamb-fattening country, and also the outlying districts. Do you not find that the meat producers are practically unanimous that the Meat Control Board has done good work?—I am quite satisfied that the people who own sheep in Otago are absolutely satisfied with the work that the Meat Producers Board has already done.

88. And if that Board has done good work for the meat producers, you do not see anything against the idea of the principle of dairy control doing similar good work for the dairy producers?—That is so. We feel this, sir, to put the thing in a nutshell: that if the meat people can command a freight which is of benefit to the meat trade, and that freight can be combined with the dairy-produce freight—if the meat producers and the dairy producers combine—then we would be in a good position to offer our own terms to some of the finest shipping lines there are in the world. We cannot do that to-day.

89. But you do not think that a shipping-control Board could do all that the industry requires?—We only ask for some sort of a Board that will do real work.

90. *Mr. Langstone.*] It has been stated that the proprietary concerns can give better service, better returns, than the co-operative concerns?—Not that I know of, sir. They may be linked up with people at Home that we are not linked up with. They may have some advantage that way. If we had the powers that this Bill will give us we could very soon find out what the position is.

91. Do you think the proprietary people are frightened that if control comes about it possibly means eliminating them out of the business altogether? Is that the reason why they are opposing the Bill?—I have previously stated that I do not know why they are opposing the Bill. They have told us that we, as dairy-farmers, have not the brains to run our own business—that they have a monopoly of the best brains, and can run our business for us. We are just making an effort to show them that we can run our own business. I do not think that the proprietary people will go out of business altogether, but they evidently anticipate some diminution in their profits. They must be anticipating some loss or they would not be fighting like they are.

92. I believe it has been stated that there has been an amount of £2,000,000 paid away in commission and insurance and other charges out of an amount of £16,000,000 received for dairy-produce. Is it not reasonable to expect that a large portion of this money could be saved by proper organization? Could not a lot of those charges be cut out altogether, or reduced considerably?—I think it is quite obvious that if an organization can speak for a united people—and such an organization can get alongside the other people—you can get down to bedrock. By piecemeal methods you can only get what they like to hand you. We can only get to real business when we have a real organization, with real powers, such as are laid down in this Bill.

93. The overrun has apparently been a bone of contention among dairy-farmers for many years, so far as the proprietary concerns are concerned?—There is no question about that.

94. Do you think there is any overrun in the form of manipulating prices in the marketing of butter?—I do not know, sir.

95. The 2½ per cent., you say, is a fair commission?—It is recognized to-day as a fair commercial commission.

96. That will be on the turnover?—Certainly.

97. Five per cent. may be a small commission on a small turnover, whereas 2½ per cent. may be a large commission on a large turnover?—That is so.

98. It is a question of turnover?—That is so.