

then we have had a good deal of agitation in connection with this matter, and the Bill has been brought forward again this year. During the period that has elapsed since last year there are certain interests in Taranaki that have been organized, and there is no doubt of the feeling in Taranaki that the organization that has been set up there in opposition to the Bill comes from the exporters and the agents. In my own mind I know that it comes from the exporters and the agents. They go to a certain number of the dairy-producers, and they put their side of the question, and they practically get them mesmerized to believe that they are right and that the dairy-producers as a whole are wrong. I do not blame them for that, because I can see myself that if the Dairy Control Bill is passed, and the Board set up, that some of those gentlemen are more than likely in time to lose the positions they hold at the present moment. But then we look at it from this point of view: are a few men—say, twenty-five agents—are they going to hold up the dairy industry of this country, or are the producers to have the right to carry on their own business. Now, there has been a committee working here in Wellington against the Bill, and propaganda has been distributed over the whole of New Zealand—the South Island and every part of New Zealand. I have seen practically the same propaganda in all parts of New Zealand. Now, the promoters of the Bill have not been doing any propaganda work at all. What they have done is this: they have held meetings in Dunedin and Southland and Christchurch, and a meeting at Leeston. In the North Island they held a meeting at Hamilton, two meetings at Stratford, and there was the annual meeting of the Dairy Association in Palmerston North. That is practically the work that the promoters of the Bill have put up. Now, I am quite certain of this, gentlemen: that 90 per cent. of the dairy-producers—that is, all the co-operative dairy-factory producers—are in favour of this Bill—

1. *Mr. Field.*] Throughout the whole Dominion?—Yes. Every man that I have met who has discussed the matter with me, as soon as I have shown him what the idea of the Council was, has said, "That is the very thing we want." That is the position which exists now. I myself as an individual producer—and I produce as much butterfat as Mr. Maxwell represents—am quite satisfied that it is this Bill and this Control Board that is required in the industry. I am quite certain upon that point. The setting-up of that Board will prevent the dairy-producers playing ducks and drakes with their produce. They will not be able to do that. And then in the future we will have to consider the other countries of the world, which will come into the primary production market again. During the war period they were knocked out, but they will come back again. We will have great competition from those countries in the future. They will be competing with us, and it behoves us to get the best organization together to work in our interests that we can. When I was at Home in 1912 Russia was becoming a very predominating factor in the butter-market at Home. Siberia was sending very large quantities of butter to the Home market. Now they are sending none. But they will come back again. Then there is the Argentine, and other countries. It is necessary that we should be alive to the position and keep our own produce up to the mark as far as quality is concerned and get the best out of it for the dairy-producers of this country. So we really want this Control Board. Now I will tell you what happened a year ago last April in Taranaki. We had a very bad slump in butter, and the dairy-producers, I can assure you, were hit very hard. Butter went down to 1s. 1d. per pound. Well, I was in Stratford one day at the Dairy Union meeting, and one of the buyers came to me and said, "Any butter for sale." I said, "Yes, 1,500 boxes." He said, "I will give you 1s. 2½d. for them." I said, "No, I will not take it." Now, the reason I would not take it was not because of the price, because that was a good price at that time, but I thought when he was offering me that price it might be worth while to hold on for more. Well Stratford sold, and Mangorei sold. They were forced into that position. Mr. Morton sold, I believe, about 2,000 boxes. Well, within four days I sold 2,000 boxes at 1s. 4½d. Another factory sold at 1s. 5½d., and so it went on, until at last for some of the butter I was making I got 1s. 8½d. Now, that butter was shipped away between May and October. The amount shipped away out of Taranaki was 72,964 boxes, and practically the whole of that butter, for which those different prices were paid out here, was sent Home to one firm, and that one firm is a very big firm in Tooley Street—

*The Chairman.*] I am sorry to interrupt you, but the time has come for the adjournment of the Committee.

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FRIDAY, 3rd AUGUST, 1923.

WILLIAM GROUNDS examined. (No. 25.)

1. *The Acting-Chairman.*] Whom do you represent?—The Hokianga Dairy Company.
2. We will be very glad if you will make your statement to the Committee?—It is not my intention at this late stage of the proceedings to weary you as to the position that justified us in asking for the Bill, and I think it would be better if I review the main points of the criticisms that have been levelled at the Bill, and in doing so to emphasize the main points in opposition. I may say that I listened to some of the criticisms that were made and I was struck by the futility of some of them. There was one particular statement that struck me as being particularly stupid, and it seemed to me that it called for some observation. I am referring to Mr. Bond's statement that he had been offered a seat upon the Dairy Council. It was to me so transparently stupid, but at the same time it appeared to me necessary that some inquiry was necessary for the purpose of ascertaining how he himself came to form such an idea. I made inquiries and found that it arose in something like this way: Mr. Bond, together with Mr. Corrigan and a number of others who were opposed to the Bill, were discussing the question. Something was mentioned as to the probability of some fine jobs being available as a consequence of it, and Mr. Corrigan remarked, "Well, I am a member of the Council,