

through the New Zealand Fruitgrowers' Federation. To that was added something to this effect: "other channels approved of by the Minister of Agriculture." At no time were proprietary concerns debarred from handling fruit. Even when that clause did exist in connection with the guarantee it was waived on two occasions in so far as proprietary concerns were concerned.

13. Was there not a restriction in so far as South America was concerned?—Only last year there was a restriction on the export of fruit. This did not apply only to proprietary concerns, but to co-operative concerns as well, other than by permit by the Minister of Agriculture.

14. There are two important features in this Bill—one is in connection with marketing, and the other is in connection with finance: do you think the finance from sales will be promptly effected to the producers, or will delay take place? We were informed that one of the disadvantages against the Nelson Provincial Voluntary Control Board was the delay that occurred in paying out to the producers: do you think that can be obviated if this Bill becomes law?—I am satisfied that it can be obviated. It is possible that a Control Board can be set up under this Bill, and not having the incompetent book-keeping that the Nelson Control Board had last year—there is no reason why a Control Board, with proper book-keeping done by experienced accountants, should not run its concern equally as well as any other business, and in this way there would be no delay in paying out to the fruitgrowers.

15. Do you think the Control Board would make as generous, or more generous, advances to the fruitgrowers exporting their fruit than is done at the present time?—It will make no more generous advances, in so far as amount is concerned, than is done at the present time, nor will it make any more generous advances with respect to making it available to the growers than exist now. The advances now are satisfactory, but the provision in the Bill regarding the marketing of fruit for export is just intended to transfer the authority that the federation now possesses, so that it can carry on the arrangements that now exist with the Bank of New Zealand. Under the local-control scheme no advances worth counting can be made, but if the Control Board were set up advances would be made and could be made, because it is difficult for any financial organization to advance money to a man who has nothing to give in security. When a man wants an advance there are no apples. Even if a man did have apples the bank would have no control over his fruit, but the Control Board would have control of those apples, and consequently it could back a man's credit.

16. Has not standardization been a great improvement both from the growers' point of view and the buyers' point of view?—Yes, that is so. I may say that standardization has been one of the great improvements in connection with the fruit trade in America. Before standardization was introduced their greatest difficulty was to get rid of the fruit, due to the fact that buyers had to come from east to the west to see the fruit before it was purchased. They can now buy according to grade, which bears the State officer's certificate, and in consequence they are sure of the fruit being up to grade, with the result that they can buy with a greater amount of freedom. Of course, this country is not so large, nor is the industry so big here as it is in America, but the same system can be utilized here, and I suggest, furthermore, that it is essential it should be done.

17. And that protects both the grower and the buyer?—You create the necessary confidence. Take a retailer; as things were in the past he had not correct information as to the class of fruit he was buying, and he always retained a margin to cover possible losses. He would see a sample of the fruit, and to all intents and purposes it appeared all right, but he could not be sure, because there was no standardization. He looks at a case of fruit and it appears to be all right, and on the sample considers it worth 8s. 6d. per case, but he would buy the lot for 7s. 6d. per case, because he does not know what is in the other cases. That is the trouble.

18. At the present time do the Nelson people have any difficulty in selling their fruit by the present method—that is, putting it up with the price marked?—No. To my mind it is an excellent idea, but it was not carried out in its entirety last year. The market was less confused, so far as prices were concerned, last year than ever before. This system provided a means whereby private individuals could get their fruit at exactly the same price as the retailer with a minimum of difficulty, and had that been fully operated by the Control Board a very much wider field of consumption would have been brought about than existed before.

19. Do you know whether much of that fruit was dealt with in that way and regraded down to a lower grade?—All the regrading took place in Nelson, and the Department assisted the work in this way: we assisted them in adopting a proper standard, a workable standard, that was required so far as the fruit was concerned, and Inspectors were made available to inspect the fruit after packing, but before sale, and if it did not comply with the required standard—if it was rejected—the man had to remove or repack it. The guarantee between the grower and the buyer was the Government officer, and it is the only thing that is going to make standardization worth while. Standardization must be standardization. Well, it was a new thing to establish standardization on a sound footing, and to make it worth while. That is what took place over there. The Inspector degraded any fruit that was not up to standard, and put it in the lower grade. At this end, however, a certain amount of degrading had to take place owing to deterioration due to various reasons, but mainly from the fruit being held by the grower longer than he should have held it.

20. Had any regrading to take place because the fruit remained longer than it should in the auction-rooms here?—Oh, yes, that has taken place. The Control Board, not having control of the whole of the fruit, could not reasonably regulate the quantity required. They may, for instance, send forward a hundred and fifty cases, but there may be two or three lots of uncontrolled fruit on the market, and when there is a quantity of fruit like that the auctioneer insists upon going on, and the majority of buyers will buy the cheaper fruit. The high-class business man will buy the standardized fruit, but quite a large number of people will buy the uncontrolled fruit. The small