

*Mr. Baxter.*] Is it expensive or not to set up a trading-station?—To erect a trading-station, stock it, and supply it with cash takes £1,000 at least.

Can you trade without a trading-station or a copra-shed?—No.

Why not?—There are regulations against it. Property must be up to certain specifications.

Are those specifications laid down?—Yes.

You say you incur an expenditure at the beginning of £1,000?—Yes.

Is there any mark at which you must keep the stock and cash so as to retain your license?—Yes; stock £300 and cash £100.

Are there any specifications as to the type of building you must use?—The type of building must have a superficial floor-space of 200 square feet.

Anyhow, there are specifications laid down. From what points are the New Zealand Reparation Estates collecting copra? Have they built places like this, or are they using other buildings?—They are using other quarters.

Do they all belong to the New Zealand Reparation Estates?—Yes, with the exception of Fagamalo, which belongs to the Administration.

How do you find the trading-station: is it a paying proposition or is it a sore question?—It is a sore question with me; I do not know about the others.

*Judge MacCormick.*] Why?—Because of the high expenses.

*Mr. Baxter.*] Apart from the purchase of copra, what sort of business is carried on at the station?—The selling of goods.

Apart from the purchase of copra, does it pay or not?—Certainly not.

*The Chairman.*] From what source do you expect to receive the bulk of your profit—from ordinary trading or from dealing in copra?—The great bulk of the profit under normal conditions is from copra.

*Mr. Baxter.*] I believe the Government sells the copra in Pago Pago, American Samoa: do you know what price is paid for it?—The price, as far as I remember, is 96 dollars a ton.

*Mr. Meredith.*] What is the exchange?

*The Chairman.*] What does 96 dollars represent in English money?—95·78 dollars is equal to £19 14s. 8d. on a 4·85 dollars exchange.

*Mr. Baxter.*] And how is that bought? How does the Government dispose of it, Mr. Brady?—It is put up for tender each year—the total production of the island.

What are the terms on which it is supplied to the tenderers?—The successful tenderer merely supplies the copra-sacks and twine. The accumulation of the copra and the expenses incurred are borne by the United States Government—the Pago Pago Government.

Would it be possible to collect in this country as easily as in American Samoa?—No; the difference in production is so tremendous. Pago Pago is exporting this year about 600 tons. This shows to some extent, I think, how Government interference reduces the quantity of copra made, whereas our Native production is about 12,000 tons.

Referring to the improvement in quality, would it be possible for the merchants to purchase two grades of copra, first and second grade?—Yes, it would, provided the Government and ourselves get together on a good workable scheme, and, of course, provided that sufficient of the better-class of copra was made to warrant a better price being paid for it.

You mean that you have to get a quantity of it?—Yes, to cover the extra expenses incurred.

Would the extra expenses incurred be very much?—It would mean dividing copra-sheds; in some cases extra sheds being built where at present they are too small. It would mean longer time in loading the two qualities separately, and more handling in Apia. Generally there would be more difficulty than at the present time, with only one grade.

As far as you know, Mr. Brady, has the matter ever been discussed between the merchants and the Administration?—Not since I have been in Samoa.

How long have you been in Samoa?—Nearly three years.

You say that, as far as you are concerned, you are prepared to join in a workable scheme to produce better copra?—Yes, undoubtedly.

In the Ordinance just passed there is a proposition to collect taxes or give the Samoans the option of paying their taxes in cash?—Yes.

From your knowledge of the islands and as a business man, how do you regard this proposition?—I think that the Government is looking for a lot of trouble in endeavouring to collect their taxes by this means.

Why, Mr. Brady?—Owing to the hundred-and-one different points from which the copra would have to be collected.

There are other islands where taxes are collected in copra?—Yes, but the vessel goes to one place and collects the copra for the whole island. Here there are many points from which the copra would need to be collected. It would mean expensive working generally, and I cannot see how it could be done.

*Mr. Meredith.*] How many stations have you here, Mr. Brady?—Thirty-four.

How much copra do you buy per annum?—Last year we shipped 3,900 tons.

Do you consider that you collect over a quarter of the total production?—Yes—that is, of the Native copra.

*The Chairman.*] Can you tell us the output of Native copra?—I think, between 11,000 and 12,000 tons per year.

*Mr. Meredith.*] Of that 12,000 tons how much do you get?—About 3,000 tons. We also get copra from outlying islands.

*Judge MacCormick.*] You receive about 3,000 tons out of about approximately 12,000?—Yes.