

management the output of butterfat can be increased; but I want him to remember that careful culling costs money. Every time you go and buy a cow for £20 you have to cull one, and you lose from £10 to £12: that sum is lost on each cow that is culled out. To do that a good deal of capital is required.

*Mr. Brechin*: I should like to ask Mr. Nash a question in regard to a statement appearing on page 94 of his paper. There he makes the statement that "The suggestion that the wages and salaries or hours of the workers in the dairy factories have an appreciable effect on the return of the dairy-farmer is not borne out by the facts." Who made that suggestion? Was it made by the owners of the co-operative dairy factories or by the gentlemen who run the trade-unions? I should also like Mr. Nash to tell me if it is his considered opinion that dairy factories returning an average of 1s. 3d. per pound of butterfat to their suppliers should pay the same rate of wages as they should if butterfat were bringing an average of 2s. per pound to the dairy-farmers? Further, I should like to ask Mr. Nash if he has considered that one of the fundamental reasons for fewer farm employees being required is to be found in the fact that the farmers are taking his advice and using more fertilizers and less plough.

*Mr. Nash*: I will reply to Mr. Brechin first. His question, as I understand it, is whether, if the butterfat price is 1s. 3d. per pound, the worker in the dairy factory should receive the same wages as if the butterfat price is 2s. per pound. I think that if they make a real endeavour to organize the distribution of the return from the dairy factories they would have reason to ask questions of that type. I would ask Mr. Brechin, Does he suggest that when the price of butterfat is 1s. 3d. the worker should receive the same wages as he gets when the price is 2s. 3d.?

*Mr. Brechin*: My reply is no, I think the employees should receive more in the latter case.

*Mr. Nash*: If the farmer cannot pay out of the 1s. 3d. enough to the worker, as compared with what he previously received when butterfat was 2s. per pound, I do think he should do so. The farmer cannot pay more than he gets: that is a fundamental impossibility. You cannot pay out more than is produced. Mr. Brechin also asked a question as to who suggested that the workers' wages should be reduced—

*Mr. Brechin*: No, the statement is made by you on page 94 of your paper that "The suggestion that the wages and salaries or hours of the workers in the dairy factories have an appreciable effect on the return of the dairy-farmer is not borne out by the facts." I just desire to know, as the representative of the co-operative dairy factories which are controlled by farmers, if you intend to infer that that suggestion comes from them.

*Mr. Nash*: I would suggest that the inference to be drawn from one of the papers that we had from the farming side was that wages were one of the main factors in the cost of production.

*Mr. Brechin*: In dairy factories?

*Mr. Nash*: Oh, yes. I happened to be present at the meetings of the Parliamentary Committee, and the inference then given was that the dairy-farmers could not pay the wages that were demanded by the workers and produce butterfat at the price that it is selling at to-day. With regard to Mr. Carr's question, I quite agree with him as to culling; that steps should be taken to prevent any farmer from purchasing a cow for £20, and on finding it is of no use, endeavouring to sell it again. Steps should be taken to get that class of cow out of the community altogether: the "cows" that sell culled cows to other people should be culled. Mr. Carr asked whether I was aware that the price of phosphate in Great Britain was lower than the price in New Zealand. I am not aware of that. If the inference of Mr. Carr is justifiable, then there should be an inquiry made at once into the price of Ocean and Nauru Island phosphate. There probably has been some inquiry. Replying to Mr. Sterling, I do not think I suggested that the farmers were doing nothing by way of education. Nor do I think that the Government is doing nothing in the way of providing educational facilities for land-utilization. Mr. Sterling also asked whether I was aware that the dairy-farmers are organizing systematic herd-testing. I have before me the *Journal of Agriculture* dated October, 1927, and according to it there have been only 170,150 cows tested out of one and a quarter millions. They are "going slow" if only 170,000 cows have been tested out of a total of one and a quarter millions in the Dominion. They should hurry on with the job.

*Mr. Brechin*: That is only the official test: that is a different test.

*Mr. Nash*: The evidence in this table shows that they are going slow.

*Mr. Brechin*: Those are semi-official tests: you do not understand the question.

*Mr. Nash*: Does Mr. Brechin know how many cows out of the one and a quarter millions in the Dominion have been tested?

*Mr. Brechin*: I could not tell you.

*Mr. Nash*: Roughly, it is only one-eighth of the total number, according to these official figures. Some one suggested that the farmer was already engaged in putting into operation scientific methods on his farm. We are glad to hear that. If he can produce 2 lb. of butterfat where before he produced only 1 lb., we will be glad to see him do it. We are only anxious because if the 2 lb. of butterfat are produced instead of 1 lb. somebody will be displaced, and may have to get assistance from the Charitable Aid Board. That is what happens by the application of scientific knowledge when we increase our production. Faulty production means that every time we increase production we throw somebody on the unemployed market. We should apply our good will to obviate that to the fullest possible extent.

*Mr. Brechin*: In justice to myself I would like to point out that Mr. Nash has overlooked the point about fertilizers. Is he, as representing the labour party, and defending the use of fertilizers, favourable to the farmer paying off two men for every 200 acres, and putting on fertilizers instead of using the plough?

*Mr. Nash*: If there are ways and means of using fertilizers to increase the butterfat production of cows, without labour, then I say that fertilizer should be used, but that the added product should be equitably distributed so that the system should not cause starvation amongst the workers,