

(b) *Labour*.—My wages paid in cash amounted to, in round figures, 1927–28, £13,800; 1928–29, £11,000; 1929–30, £10,900—to which, of course, must be added the value of the rations I supplied to my employees. It is difficult to say exactly, but I think my average cash wage paid to workers, exclusive of keep, would probably be £125 per annum per man; but this is only an estimate on my part.

(c) When I sold my surplus plant this year it realized over £11,500, and, of course, there was quite a serious loss on that realization. This figure gives you an idea of the amount of plant employed in wheat-production. I can support these figures by producing account sales if desired.

*My own Efforts in the Interests of Wheat-growing.*

(1) When the sliding scale of duties was being considered in 1927 by the Reform Government I submitted evidence from the grower's point of view justifying an increase in protection, coming up to Wellington for the purpose and giving all the information at my disposal and from my own experience. I also submitted figures in support of the duty to protect flour from Australian competition, and have copies here if you wish to see them.

(2) When the duties were finally fixed the next thing that engaged my attention was to formulate a scheme that would give to the grower an opportunity of deriving his reasonable share of the protection afforded by the sliding scale in selling his wheat to the miller. I worked out and submitted a scheme to the millers whereby I suggested that they contract with the growers, under certain conditions, that they would agree to buy wheat up to a certain proportion of their requirements at a fixed price. Prolonged negotiations resulted, and I finally met them in conference in Christchurch, where they agreed to go on with the scheme, with modifications, although we could not agree on the price. I asked them 6s. 1d., 6s. 4d., and 6s. 9d. f.o.b. for Tuscan, Hunter's, and Velvet; and they offered 6s., 6s. 3d., and 6s. 9d. f.o.b. (these f.o.b. charges can be taken at about 3d. on the average). So keen were the millers to get the scheme going, in conjunction with myself, that two of the millers offered to allow my accountant to investigate their balance-sheet figures to satisfy us that they could not afford to pay more than they had offered; and although I did not accept this I looked on the suggestion as a proof of their *bona fides*, and I subsequently contracted at the price they offered. I have also compiled a statement reconciling my estimate of 1927 with the actual results in 1929, and copies of such statements are here also for your information if desired. My estimate worked out almost exactly.

(3) I will now give you a concrete example of the necessity for the wheat-grower to know well in advance that protection will be continued. Before the last election the United party issued manifestos, one of the planks of its platform reading, "No duty on imported foodstuffs"; and when it assumed office I endeavoured to ascertain the position as to the sliding scale of duties on wheat and flour. I went to Wellington and interviewed the Prime Minister, and, while he stated that it was not his intention to alter these duties, he said that the matter must be decided by the House. Sir Joseph Ward stated to me that I was unreasonable in asking him to make a pronouncement to protect my particular line of business, and that I must use my own judgment, take my own risks, and go on with any line of business that I thought would pay me best. This is, of course, quite reasonable and sound business advice under ordinary circumstances; but I have always maintained that the wheat industry is one of particular national importance, and not only needs but is justifiably entitled to special treatment. I may be wrong, and my opinion may be biased and selfish, but I have always held and still hold this view. I then interviewed the Minister of Customs, the Hon. Mr. Taverner, and put my case to him, and urged that a pronouncement be made before the 31st January, 1929, to enable fallowing to be gone on with for the 1930 harvest, and submitted the following statement:—

The Hon. W. B. Taverner, Minister of Customs.

14th January, 1929.

SIR,—

We recognize that the United Party has only just assumed office, and that some of the members in the House wish that the existing duties on wheat and flour should be revised or repealed.

Mr. Wilkinson (Egmont) has already asked for their review during the recess, and we are most anxious that you should have before you the main facts of our case in support of the existing wheat and flour duties in case a quick move should be made before the matter had been carefully considered.

Sir Joseph Ward, in his policy statement, said he would bring in a free breakfast-table. This seems to be accepted as "no duty on any foodstuffs such as tea, sugar, and bread." The Otago United Party manifesto states "Customs-free imported foodstuffs."

The existing protection on wheat and flour takes the form of a sliding scale of duties which has been devised to stabilize the price of these commodities by preventing their importation at what would amount to "dumping" prices, and at the same time the wheat-grower cannot demand more than a fair price for his wheat in the event of a short crop in the Dominion. The basis for these figures was arrived at after a most exhaustive investigation, and has resulted in the wheat-grower obtaining only a reasonable profit on his product and has prevented absolutely any exploitation of the consumer.

Growers and millers are both convinced that this sliding scale of duties has definitely stabilized the position in a way that has never been equalled in the past, and they are now co-operating fully in the wheat-growing industry, and that is the reason why we, as farmers, asked the two leading Dunedin flour-millers to join us in waiting on you.

I got into touch with some of the millers by wire about a fortnight ago, and found that eleven of them alone have contracted for 2,000,000 bushels to be grown for the 1928–29 crop; and it is quite safe to assume that the balance of the fifty-two millers operating in New Zealand will account for at least another 1,000,000 bushels, which will bring the total up to half the full year's requirements for milling-wheat. In view of the uncertainty as to the Government's policy towards wheat-growers, I want to lay my position before you.

I am probably the largest wheat-grower in New Zealand, having about 6,000 acres of wheat-growing land under my control, and I had proposed to put in about 2,500 acres of wheat for 1929–30 harvest on the assumption that the sliding scale of duties was to be continued. During the last five years I have never grown less than 900 acres and up to 2,200 acres per annum. My preparation for the 1929–30 crop must commence now before harvesting, which will for three months employ the whole of my plant, as the procedure is to skim-plough during January for winter wheat, which is the main crop, and which will be reaped and marketed during 1930. My experience has convinced me that in New Zealand the wheat-grower cannot afford to take risks both of the weather and of the market. Consequently this year my crop was grown under contract entered into with the millers before it was sown.