283. The Control of Prices Emergency Regulations 1939 (1939/275) were made on the 20th December, 1939. These regulations set up the Price Tribunal, which had power to investigate complaints concerning prices, to issue Price Orders, to survey prices, to institute proceedings for offences in relation to prices, and generally to take steps to prevent profiteering or the exploitation of the public. Regulation 13 (3) provided that the power conferred by Regulation 11 of the regulations of 1939/122 might thereafter be exercised by the Minister or by the Tribunal.

By the 20th December, 1939, therefore, the Price Tribunal had been constituted with power:—

(1) To authorize increases in prices beyond the prices of 1st September, 1939, by a notice made and published in such manner as it thought fit; and

(2) To make Price Orders fixing the wholesale or retail prices of goods in any locality and fixing margins within which goods might be sold. The Tribunal was required to give notice of every Price Order in such manner as in each case it thought fit. Commencing in February, 1940, the Price Tribunal proceeded to give notice of its price orders in the *N.Z. Gazette*.

284. In July, 1940, the sales tax was increased from 5 per cent. to 10 per cent. (R. 6870). We understand that about this time the Price Tribunal obtained the balance-sheets and accounts of New Zealand Breweries and of Dominion Breweries and subsequently the accounts of smaller breweries. The Tribunal authorized the following increases as from 19th July, 1940:—

(1) No change in the charges and measures in the bar.

(2) The price of quarts in the bottle stores was increased by a maximum of ½d. each quart. The price for pint bottles in the bottle store remained unchanged.

285. By Regulation 8 of the Price Stabilization Emergency Regulations 1939, Amendment No. 1, made on the 5th March, 1941 (1941/36), the Price Tribunal was given power to give notice in the newspapers, or otherwise require the retailers of goods of any class specified, to keep at at all times prominently displayed in the shop notices showing particulars of former selling prices and new selling prices and also containing a certificate that any increased prices had been duly authorized.

286. By Regulation 2 of the Control of Prices Emergency Regulations 1939, Amendment No. 2, made on the 27th November, 1941 (1942/12), a duty was imposed on every retailer of goods of which the retail price was fixed by a Price Order either:—

(1) To keep a copy of the Price Order or a statement of the prices prominently displayed in his shop; or

(2) To display a prominent notice that the relevant Orders were available in the shop for inspection by any customer who wanted to inspect them.

287. The foregoing regulations were in force when the increases in the prices of alcoholic liquors were authorized during 1942. With regard to the display of notices in a shop, the Tribunal informs us that it was advised that a bar was not a shop (see letter of 1st November, 1945, p. 2, Exhibit A. 163).

288. On the 30th April, 1942, the excise duty on beer was increased to 3s. per gallon on worts of a specific gravity of 1036, increased by 1d. for every unit of specific gravity above 1036, and decreased by 1d. for every unit of specific gravity below 1036, but not less in any case than 2s. 3d. per gallon (section 6 of the Customs Acts Amendment Act, 1942). This amendment was designed not merely to increase the duty, but to bring about a reduction in the alcoholic content of beer. On 11th May, 1942, the sales tax was increased from 10 per cent. to 20 per cent. (R. 6870 and section 3 of the Customs Acts Amendment Act, 1942).

289. In May, 1942, the Tribunal considered the question of increases in price. It did not, however, for this purpose investigate the balance-sheets of the hotel-owning companies. The reason given by Mr. Wise, of the Price Tribunal, was that the Tribunal already had on its own files a large amount of information concerning the position of hotels. The Price Tribunal authorized the following increases:—

(1) An increase of 1d. per measure for the retail price of beer sold other than in the form of bottled beer or riggers.