

472. You were compelled to raise the price of bread higher than what you considered would give you a fair profit for your work?—Yes, quite right.

473. After that had you any difficulty?—No; I got in a fair lot of flour, and lowered the price of bread again. Of course, I had the flour, and they could then go to Hongkong. After that the millers began to secede from the association, and I have had no trouble since.

474. Supposing the millers joined the association again, you would not be able to get flour again?—No.

475. Would you be in bondage?—Yes.

476. We had it in evidence that certain bakers were paying 5s. a ton more for their flour to a free miller than they could buy it at from the Christchurch Association?—Yes.

477. Do you think bakers are wise in doing that?—I think they are fools.

478. Do you think it would be sound policy to do that—to keep the free mills going?—I do not think I would pay more than any one else. I would fight for it.

479. Do you know if there were any other bakers that were treated the same as yourself?—Yes.

480. Can you give their names?—Mr. W. Taylor, of Adelaide Road.

481. Was he a cash baker?—He was; but he now delivers and books.

482. Are there any others?—Mr. Isaac was in the same position.

483. Were you all three forced into the running?—Yes; but Mr. Isaac sent away to Auckland and got his flour there. I was not in a position to do that, being a beginner.

484. You had no doubt that what happened was the effect of a combination between the Millers' Association and the bakers?—I have no doubt about that.

485. What are you charging for bread?—3d. the 2 lb. loaf, but 5½d. for two 2 lb. loaves.

486. Does that 5½d. for the 4 lb. loaf give you a fair return?—For a cash business it is all right, but it is a small return.

487. *Mr. Loughnan.*] With regard to these prices of yours, you said you get a small profit at 5½d. for the 4 lb. loaf and 3d. for the 2 lb. loaf?—Yes.

488. Then, you got no profit at all when you were paying £1 10s. more for your flour?—I was paying less. It was £9 a ton less 2½ per cent. before, when I was selling at 2½d.; now it is £10 10s., or £1 10s. more.

489. Are you quite clear that it was Mr. Virtue who said you could not have the flour?—Yes; the man was standing there along with his brother when he spoke to me.

490. You told us you were getting your flour from Laery and Co.?—Yes.

491. What had the association to do with Laery and Co.?—Laery and Co. had to get certain brands for their customers. If I wanted Atlas flour I had to go where I could get it.

492. There were millers outside the association then?—Not that I know of; there might have been some—I could not say.

493. Were not the Timaru Milling Company—The Brentwood Mills—selling flour in the market?—I believe the Timaru Milling Company were, but I did not want their flour.

494. They probably would not have supplied an undercutter like you. Steven and Co. say that they have the very same arrangement under which you would have been blocked in Dunedin to-day?—You say that if I wanted flour from Steven and Co., and I was an undercutter, I could not get it?

495. Not in Dunedin?—You can get as much here as you would take.

496. If Mr. Virtue said he never refused you flour at all at any time on behalf of the association, would you contradict him?—My word! yes; quick and lively. I have witnesses in proof of that. Mr. Mitchell was present.

FRIDAY, 9TH OCTOBER, 1903.

JOHN MITCHELL examined. (No. 7.)

1. *The Chairman.*] What are you?—Managing director of Laery and Co. (Limited).

2. *Mr. Taylor.*] Do you know Mr. Beynon, baker, of Tory Street?—Yes.

3. Has he ever bought flour from your firm?—Yes, on several occasions.

4. Do you remember him coming down to see you about the non-delivery of an order?—I am not aware of it.

5. Have you ever seen him in connection with flour?—Yes; I have often seen him and booked an order, but not lately.

6. Do you remember his seeing you on one occasion about flour that did not arrive?—No. I think I had a conversation with Mr. Beynon, and told him that several bakers in the city had decided that if we continued to supply him with flour they would withdraw their patronage from us.

7. Did the bakers give you any special reason for that decision?—I believe it was because he was cutting the price of bread.

8. That he was not selling bread at the same price as they were?—Something of that sort.

9. Did you tell Mr. Beynon that?—Yes.

10. Did you tell him that Mr. Virtue, the representative of the Flour-millers' Association, had practically confirmed the bakers' decision?—No, I did not tell him that.

11. Did you go with him to see Mr. Virtue?—Yes.

12. What occurred there?—He agreed with Mr. Virtue to raise the price of his bread.

13. Tell us exactly what took place there?—It is such a long time ago that I cannot remember.

14. Give us the general sense of the conversation that took place preceding Mr. Beynon agreeing to raise the price of bread?—I could not say what took place without running the risk of perjuring myself.