

24. That was the only pressure he defined?—Yes, that was the only definite statement he made.

25. Why did the Canterbury Trades Council wish Mr. Gardiner to keep outside the trust?—Because we feared that if they obtained sole control of the industry in Canterbury the price of flour, and consequently bread, would be at their mercy.

26. Has your experience been that since the flour-millers combined flour has gone up in price to the user above what it ought to be?—I could not answer any question as to what price flour ought to be, not being a practical miller; but at the beginning of the operations of the trust, when they had secured a certain amount of power, the price of flour did go up to what we thought an inordinate price.

27. Did the Trades Council go into the question at all to find out whether it was inordinate compared with the price of wheat?—We did make inquiry, but it was of a superficial character, I must admit. The only thing that guided us to a large extent was our knowledge of the fact that while the millers were selling flour in Canterbury at a certain price, similar flour was being sent to Auckland at a considerably reduced price.

28. You did not go into the relative merits of the prices before and the prices after?—No.

29. *Mr. Loughnan.*] It is no use following up that line with you: you really do not know anything about the relative prices ruling between wheat and flour?—That is so.

30. With regard to the conversations you had with Mr. Gardiner, are you quite sure that Mr. Gardiner told you that the association threatened to introduce flour below cost-price in his district?—Quite certain—quite positive.

31. Now, if Mr. Gardiner positively denies that, will you retain your recollection against his statement?—Most assuredly I will.

32. If Mr. Gardiner says that what he told you was this: that some of his customers—the bakers—had voluntarily left him to deal with the association, and that was the reason he was contemplating joining the association, would you contradict him?—I certainly would. He made no statement, as far as my recollection serves—and I am perfectly sure upon the point—in reference to his customers leaving him in the way you suggest.

33. Did he not explain to you that the joining of some of his customers with the Bakers' Union resulted in them doing business outside of him?—I have not the slightest recollection of his speaking in that way.

34. Did you offer him, on behalf of your Trades Council, any inducement to stop out of the association?—We endeavoured to do so, but, of course, we were not in a position to guarantee any inducement. We said we would do our best to get shares sold for him in his mill if he decided to turn it into a co-operative mill, but the outlook was not sufficiently promising to him.

35. Then, your only knowledge of any pressure being brought to bear upon him by the association was Mr. Gardiner's statement to you?—The only direct knowledge that I had, yes. It came to the Council that such was being done.

36. By hearsay from outside?—It would be hardly outside. It came to us indirectly.

37. But the only direct knowledge you gained on the subject was Mr. Gardiner's own statement?—That is so.

38. What inducement did you actually offer Mr. Gardiner?—The inducement I have mentioned was the only thing. We had no power to offer him anything; it was only a promise.

39. Was it an offer of monetary assistance?—No; that we would assist him to the extent of our power in disposing of his shares in the event of his attempting to turn his mill into a co-operative company.

40. Was he trying to sell his mill to you?—I certainly think if we had been able to deal with him he would have done so.

41. Did he not offer it to you?—I think he did.

42. Did he not try to induce you to buy it and turn it into a co-operative mill?—Yes.

43. That was what he was trying to do?—No; I hardly think that. We were discussing the matter generally, and that came into the discussion.

44. That was his proposal to you?—Yes; there was some such proposal.

MARK WILLIAM WOODFIELD examined. (No. 11.)

45. *The Chairman.*] What are you?—Secretary of the Co-operative Society, Christchurch.

46. *Mr. Taylor.*] Have you at any time had dealings with the Flour-millers' Association, Christchurch?—Yes.

47. When your society started baking first did you apply to the association for a supply of flour?—Yes.

48. Whom did you see?—We saw the secretary of the association, Mr. Buchanan.

49. Did you get the flour that you applied for?—Not in all cases.

50. Were you refused flour by them?—Yes.

51. What grounds did they give you for the refusal?—We were invited to become members of the Bakers' Association, and because we did not join that association they refused to supply us in quantities that we required.

52. They would not supply you with bakers' flour—the sack flour?—Yes, 200 lb. sacks.

53. Did they offer to supply you with 50 lb. bags?—Yes, for the grocery department.

54. They are 15s. a ton more?—Yes, that is so.

55. Did your management consider that matter?—Yes.

56. Is that the letter that was sent by your management [produced]?—Yes. "October 15th, 1902.—The New Zealand Flour-millers' Co-operative Association (Limited).—GENTLEMEN,—At a meeting of directors held last night it was unanimously decided to adhere to our present prices of bread—5½d. cash at end of week, or 6d. if credit given till end of month. The directors think this a fair price, and certainly think some distinction should be made for cash, as