

special inducements. I suppose that I probably asked for what I would consider a fair output, and they would probably say, "We will see that your output shall not be cut down in any way."

283. *Mr. Loughnan.*] You say that you had no special inducement offered to you at all, as a matter of fact?—As a matter of fact, I did not consider I had any special inducement offered. I may have asked for an output which I considered equal to my own, but there was no special inducement offered.

284. *Mr. Rutherford.*] As a matter of fact, your output has been materially affected?—No.

285. *Mr. Loughnan.*] I suppose your capacity was tested?—Yes; my capacity is three sacks an hour, but under the association I get two sacks and a half.

286. As a matter of fact, your agreed-upon output is rather less than your actual capacity?—Yes.

287. That does not appear to be much of an inducement: as a matter of fact, you have lost half a sack?—Yes.

288. I am holding in my hand a letter of yours, dated the 13th March, 1902, and addressed to Mr. Buchanan: "DEAR SIR,—Will you please furnish us with particulars of how we should go about to join the New Zealand Millers' Association, what quantity of flour would be allotted to us per month, and where it would be delivered; also how would gristing be arranged?—Yours, &c., R. GARDINER and Co. (R. G.)." That was written by you preliminarily to your coming in?—Yes.

289. That indicates that you were seeking admission?—Yes.

290. Voluntarily?—Yes.

291. Now, as a matter of fact, apart from that suggestion of Mr. Allan's that you told us about, was any pressure brought to bear upon you at all by the association or by any of its members that you should come in?—Not at all—no actual pressure. I have heard a great deal from people who seem to know more about it than I do myself that there was pressure, but there was not.

292. It has been stated by a witness that on this occasion, when you saw the delegates of the Trades Council, you told them that the Flour-millers' Association had given you three days within which to make up your mind to join the association or not, and that if you did not join within three days they would put flour into your district and sell it to your customers below cost-price: did you make that statement?—No; I never made a statement of that sort. I can understand, though, how the "three days" came about. I might state that I had a partner in my concern at that time, and she was away. It would take me three days to get a reply from her about joining the association, and I had promised Mr. Wood and Mr. Allan that I would let them know in three days' time whether I would join. That would be where the three days came in.

293. If you had made such a statement it would have been absolutely untrue, would it not?—Yes, certainly.

294. *The Chairman.*] Can you tell me whether you discussed with the association the maintenance of your output before joining?—Yes.

295. And was it to be sustained?—They promised me that my output would remain about the same, according to their outputs. They showed me a list of their own outputs with the sack capacity. I had a list of my own, and that would be about the same.

296. *Hon. Sir J. G. Ward.*] Does that mean that the outputs of the millers who were in the association had been proportioned on the same footing after they had joined, or were you going to be treated exceptionally?—No; I think some of the millers kept their mills running full time. I used to keep mine running about sixteen hours a day on the average, and, comparing my output with theirs, theirs would be lowered and mine would be raised, and all of us would be brought into line, on account of some millers running twenty-four hours.

297. You mean that if they reduced their running-powers yours would be raised?—Yes.

THURSDAY, 15TH OCTOBER, 1903.

JOHN RYLEY examined. (No. 13.)

1. *The Chairman.*] What is your occupation?—Miller and grain-merchant.

2. Resident in Dunedin?—Yes.

3. *Mr. Loughnan.*] How long have you been engaged in the milling industry?—About twelve years, on and off.

4. Your mill is situated in Dunedin, I believe?—No; Shag Valley. My business is chiefly in Dunedin.

5. What was the condition of the flour-milling industry prior to the formation of the association—1901?—It was thoroughly demoralised—as rotten as any business could possibly be.

6. What were the principal causes producing that result?—Too much competition and the cutting of prices.

7. Was there any other cause?—Forward sales and bad debts.

8. Did you become a member of the association at any time?—No.

9. You are a free miller?—Yes.

10. And always have been?—Yes, as far as this association is concerned. We had a little association on and off all the time, but it was thoroughly rotten. Millers would meet and fix the prices and terms that were to be binding on all the members until the next meeting; but no sooner were the prices fixed than some of the millers or their agents would go round and sell as they liked. They would issue invoices with the current price on their face, but when payments were made they would allow a bigger discount or put in flour for the stipulated amount. That was the state of matters then.

11. In your own case have you been approached by the association at all with a view to induce you to join them?—Not as such; individuals have spoken to me, but never as an association. Mr. A. Steven, of Steven and Co., who was a member of the association, frequently urged upon