178. Did you wish the Committee to understand that these men were free millers since the association started?—No.

179. When were they free?—Since March last.

180. As a matter of fact, was not Fleming a member of the association for two years?—I said that since the 1st March they were free millers. I was asked how many free millers there were in and about Dunedin, and I understood that that referred to the present time.

181. You know for a fact that the bakers in Dunedin have taken Steven and Co.'s flour since Steven and Co. left the combine?—Yes.

182. Can you give me the names of them?—Yes, there is William Wright and Co., Harrison, Stewart, Gollan, Mortimer, and a dozen of others I could name.

183. Is William Wright a member of the Bakers' Union at Dunedin?—Yes.

184. When did he take Steven and Co.'s flour?—I know that he has been taking it.

185. Since last March?—Yes.

186. How do you know that?—I know it because the manager told me. I sold to him 25 tons of flour, and he told me he had been buying from Steven and Co.

187. Do you know that Steven and Co. had considerable correspondence with the Bakers' Union over the boycott that was placed on them?—Yes.

188. Do you not know that it was after Steven and Co. threatened to open a bakery in Dunedin that some of the bakers agreed to take flour from them?—I know it was after that threat that some of the bakers put up their backs and would not take a sack of flour from them.

189. Give me the names of them?—There is one firm, Searl and Eberhart.

190. That was after Steven and Co. made the threat?—Yes. The feeling they had was towards Steven and Co.'s traveller, Mr. Dall.

191. Supposing a baker, having a splendidly equipped bakehouse, tells the Committee that he can sell bread for 5½d. for cash and make a handsome profit out of that with flour at £10 10s., what do you say to that?—I say I am not a baker, and do not know the man's business, or how he pays his employees.

192. If he pays Arbitration Court wages and complies with union conditions, and pays £10 10s. a ton for his flour, and declares that under these conditions he can make a handsome profit at 5½d. for cash, will you contradict him?—Well, he runs no risk with the cash business, and might be able to do it; but, unfortunately, other bakers run a very great risk—their accounts are small, and they cannot sue for them, as to put the law as it stands in motion would be utterly useless.

193. You would not contradict him?—No; I do not know the facts.

194. You say that the reason why the association saved money for the millers was because they refused orders for forward delivery?—Yes.

195. You think forward delivery is to be deprecated?—Yes.

196. Do you think if flour was rising in price, and a baker came to purchase it for cash, that a miller would be justified in refusing? Is not a miller barred from giving forward delivery even if the market is threatening to rise?—I do not know.

197. Do you not know that the association has practically stopped forward sales?—Yes; and I think it is a good thing.

198. Do you know that the association refused to sell to a baker for cash, excepting a limited quantity to supply his ordinary demands?—I have refused bakers again and again myself in such circumstances.

199. Do you know that that is part of the policy of the association?—No; I know that forward sales have been a great source of loss in the past to millers.

200. Do you buy wheat if you anticipate a rise in the price?—If I can, but it is not always that I can.

201. You do if you can, as a matter of policy?—Yes.

202. And you think the association is right in refusing a baker who wishes to do the same thing?—Your analogy is not correct. I try to buy, but the farmer has the right to refuse. On a parity of reasoning the miller surely has a right to refuse if he thinks he can get, say, £1 more for his flour by holding it for a short time longer.

203. If the association had control of the output of flour in New Zealand would not all profit upon a rising market be monopolized by the millers belonging to the association? Would they not control them?—Of course they would, and in a falling market they would have to bear the loss.

204. Do you think the association intended to get all the millers in New Zealand into the trust when they started?—I do not know what was in their mind, but I think it would be a good thing if they were.

205. If the millers' trust were to embrace all the millers in New Zealand would not the trust practically fix the price of wheat to the farmer?—Certainly not.

206. Why?—The London market would fix it, except in special seasons.

207. You say that the London market fixes the price of wheat?—Usually; not always.

208. You want to qualify that now?—Certainly. Times might certainly arise when it would not.

209. You say that the large millers manifest a fair spirit in this matter—they simply want a fair profit?—Yes.

210. It has been stated in evidence that wheat was 4s. 6d. in September, 1902, and that in September this year, when wheat was about the same price, £2 5s. to £2 10s. more was being made by the millers in 1902 than in 1903, taking the same months?—In 1903 they are losing money. Besides, when the prices existed that you refer to the millers might have had large stocks of dear wheat on hand.

211. What is a fair profit on flour per ton?—It just depends upon circumstances. What might be a fair profit to me might be a loss to others.