

91. Do you know anything about your agents charging even weights for tobacco in bulk : instead of purchasing tobacco as it comes from the Customs it is fixed for the customer ?—No ; they sell by the pound, or caddy, if it is not sold by the Customs weights.

92. Has it not come within your knowledge during the last three months that the merchants have issued a circular or instruction stating that in future the weights of tobacco shall be even ?—I think what is leading up to your question is this : In Dunedin our agents are Neill and Co. (Limited). A statement was made in the *Otago Daily Times* to that effect, and Mr. Rankin, of Neill and Co. (Limited), interviewed the Press people and traced the statement to a traveller. The newspaper people then offered to publish the correction and a statement with it. A lot of misleading statements have been made in the newspapers which have not been contradicted.

93. Is it outside your knowledge that such transactions have taken place ?—What transactions ?

94. That your agents have stated that in future tobacco shall not be sent out at even weights --at 22s ?—I am not aware of it. There cannot be 22s if they are marked 21½s ; 7½s will not make 22s to the caddy.

95. Supposing it has been the custom to sell 7s at 9d. in the piece, and your agents now compel the shopkeepers to sell 7½s at 9d. ?—Our agents have not fixed the retail price.

96. If I produce a circular to that effect will you say it was outside your knowledge ?—Yes. We do not come into contact with the retail trade at all.

97. But your agents—such as Messrs. Neill and Co. (Limited), or other firms representing you—are people who might do what you do not do ?—Quite so.

98. And really the price of the tobacco is raised to the consumer ?—It depends upon the size they buy.

99. Supposing a man wants Juno tobacco, which he used to buy at 9d. a stick for 7s, he is now called upon by your agents through the retailer to pay 9d. for 7½s ?—He can still buy 7s. As a matter of fact, 7s are going out altogether. The weights are continually fluctuating—that is the difficulty.

100. *Mr. Millar.*] Are the shareholders of your company American or colonial ?—Our shares are held by both New Zealand and Australian shareholders, and the balance of the shares are held by a British company in London. There are no American shareholders.

101. Have you any connection at all with the American Tobacco Company ?—We do not know them. We have no transactions whatever with them.

102. I understand you to say that all you did was to fix the prices for your wholesale agents ?—That is so.

103. Have you refused to supply a wholesale merchant ?—We have in this sense : The bulk of our goods consists of cigarettes, and quick distribution is required for these, because they may become spotted and useless. We therefore look to the leading houses of the colony which have a big distributing-power to act as our agents. Many of the small houses have asked to be placed on our list as agents, but their powers of distribution are too small.

104. *The Chairman.*] You have refused some of the houses ?—Yes ; because their distributing-power is not large enough.

105. *Mr. Millar.*] Have you ever refused to supply them because they stocked other people's goods ?—Oh, not at all.

106. That has never been given as a reason ?—There has never been such a reason given. One of our agents said he desired to retain an agency for other cigarettes he was running, and we said we did not think it was quite right that he should represent an opposition brand. His firm then considered the question whether it was good enough to drop the goods and continue our agency, and decided to do so.

107. You are only acting on ordinary business lines : you notified them that if they were going to represent another brand they would not get yours ?—That was for only one brand of cigarettes.

108. Supposing you had a sub-agent who took up another agency and then resigned the agency for your goods and you gave it to somebody else, would your wholesale agents decline to supply that man if he gave an order for cash ?—Not at all ; because the wholesale agents are only too anxious to do business.

109. You say that, so far as the general retailer of this colony is concerned, he can purchase your goods from any wholesale agent for cash and stock anything he likes ?—Yes, certainly.

110. Your real objection to supply goods is where you have a reasonable doubt as to receiving payment for them ?—Pure and simple.

111. *Mr. Hogg.*] Have you any agreement or bond to which your agents must subscribe ?—The only agreement we ask our agents to subscribe to is that they will not ship our goods out of the colony. Our reason for that is that we are only agents for New Zealand, and if we supplied people here who shipped the goods either to Tasmania or Australia we should be under a penalty. We had a case of that kind in this city where we were brought under a penalty of £135, but the agents in Australia waived their claim, and we waived our claim against the company here.

112. Have you any objection to supply the Committee with a copy of the agreement ?—No, I will do so with pleasure. I will send it to you when I get back to the office.

113. *Hon. Sir J. G. Ward.*] What was the statement you saw in the Press with regard to Mr. Seddon's speech to which you took exception ?—It was in regard to what Mr. Hardy has questioned me about, to the effect that we dictated to the retail trade what they should or should not sell.

114. Do I understand that any firms here who are representing you in the wholesale line are able to represent any other brand of tobacco or cigarettes ?—Certainly they can.

115. I have heard that they cannot do so ?—You can see from the status of the firms whose names appear in the list produced that we could not make any such proposition to them.