

18. *Mr. Veitch.*] Do you know how much butter-fat it takes to make a pound of butter?—I do not know.

19. *Mr. Robertson.*] I take it you mean that on the output of the factory the farmer gets from 4d. to 8d. per pound on the butter produced?—Yes.

20. *Mr. Veitch.*] You say that the price paid to the producer is from 4d. to 8d. How have you arrived at that conclusion?—I was staying with friends of mine who have a certain quantity of cream delivered. They used to get 10s. a week from the grocer and make 22 lb. of butter. That was in Canterbury, where I saw the returns. From the dairy factory they were getting up to 22s. for the same amount of butter. They were selling the butter-fat too, but that is what they used to get for the butter. I would like to state what I consider to be the cause of the great increase in prices. In my opinion the whole thing amounts to this: There are a lot of foreign agents going through the country at the present time buying up the output of the factories at a certain price. The factories would sooner deal with them. Last year the Taieri and Peninsula Company—I believe this to be a fact—Messrs. Wright, Stephenson, and Co. bought a quantity of butter from them. They could not comply with all the agent's demands, with the result that the Taieri and Peninsula Company did not supply Wright, Stephenson, and Co., but gave them £600. The butter was bought up by the foreign agents for export.

21. *The Chairman.*] You have no proof of that statement?—I positively swear I believe that to be a fact.

22. *Mr. Veitch.*] What was the £600 paid for?—They had to supply Wright, Stephenson, and Co. to the value of £600, but owing to the fact of having already made a bargain with some agents for the whole of their output they were not able to supply Wright, Stephenson, and Co.'s order, who supply the retail grocers and others, and the result was they had no butter to sell to the retailers; and consequently there was a shortage, and up went the price. I am satisfied that the Taieri Company, in order to get out of the bond with Wright, Stephenson, and Co., gave them a cheque for £600. That is one cause. An army of agents are going about the country buying up the farmers' commodities. The wages of these agents have to be provided for. I think the remedy would be to get these men on the land. They are mostly farmers' sons who have not been able to get on the land, and they have been taken up by the auctioneers as commission agents. If these men were on the land and doing farming it would be much better for the lot of us. The cheapest mutton you can buy is at one shop in Dunedin, and they sell mutton at from 3d. to 4d. per pound for loin chops. The general rule of the butchers in Dunedin is to supply chops from the loin at from 4d. to 6d. per pound. The particular shop I am referring to is the Kensington Co-operative Butchery, who supply mutton at the price I have stated.

23. What is the manager's name?—I do not know. Most of the butchers charge 4d. for the front chops, and as you get towards the leg the price is increased to 6d. Beef steak is sold at from 5d., and rump steak at from 8d. to 10d. At the Kensington Butchery the price for rump steak is from 6d. to 8d. That butchery sells comparatively cheaply in all branches.

24. You are trying to draw a comparison between one firm and another?—I know that the Kensington Butchery retails at the prices I have given, and the other butchers do not do so.

25. *Mr. Macdonald.*] Amongst the other butchers is there a price-list?—Evidently there is an understanding.

26. *Mr. Fairbairn.*] Do they all charge the same price?—No.

27. *Mr. Macdonald.*] Then I should not say there was an understanding?—I have mentioned the only exception.

28. Do the other firms supply at a uniform rate?—Yes.

29. Do you think there is an understanding?—Yes, apart from the one firm I have mentioned.

30. *Mr. Robertson.*] Is that firm's business place in the city?—At Kensington, about three-quarters of a mile from the Post-office.

31. *Mr. Veitch.*] Do you think there would be any great difference between the rent that man pays and that paid by the other butchers to warrant the difference in the prices?—I do not think the rents vary much in any part of the city, unless you go to the North-east Valley and Mornington. The rents which the working-man has to pay do not vary much.

32. *Mr. Macdonald.*] Mr. Veitch was referring to business premises?—I am speaking from the working-man's point of view. I know nothing about the business part of the city.

33. Do you think the difference between the prices at which the Kensington Butchery sells and the prices charged by the other butchers is owing to an understanding to keep up prices?—The prices are forced up before the meat arrives at the butcher's shop.

34. You mean that the Kensington Co-operative Butchery buys cheaper than the other people?—He gets it somewhere cheaper, because he sells cheaper.

35. It is an inference, but you do not know that for certain?—It is an inference. He sells cheaper.

36. Do you think that the difference in the price at which he sells and the price at which the other people sell is owing to an understanding on the part of the other butchers to keep up the price?—Yes, most decidedly.

37. He is not in the combination or trust, or whatever you like to call it?—The other butchers have combined, but not for putting up the price abnormally for their own benefit. The price of mutton has already been put up abnormally at Burnside.

38. I asked you before if you thought that the difference in price was owing to an understanding on the part of the other butchers to keep up the price, and you said yes?—Yes.

39. Now you say that is not so, because you say that the price is put up before the meat reaches the shops?—What I wish to convey is this: that the butchers of Dunedin have not combined to put the price up abnormally. It is forced on them; and they have combined in order to get a fair price for themselves. Perhaps they also pay more rent than the Kensington man.