

9. *Mr. Veitch.*] I would like to get some idea as to what profits are being charged by the middle-man?—The profits were so poor that I did not care to go on with it any longer. There are the carter's wages and cost of horse and cart, and then there are the losses owing to it being a booking business.

10. *Mr. Hall.*] The cost of distribution has increased?—Yes, the cost of handling is very heavy. There are fewer produce-stores in Dunedin now than there were twenty years ago.

11. *Mr. Veitch.*] That might prove that there are large profits, and that there has been a corner for the purpose of making larger profits. Do you know how many firms there are in that line in Dunedin?—Yes, five firms, I think.

12. Do you know of any arrangement between them for the purpose of regulating their business?—None whatever. If you want to get at the cost of living I will tell you how to get at the root of it. Some law should be passed to prevent canvassers from canvassing, and the accursed time-payment system should be done away with. The present line I am in brings me in contact with the system. Then there is the canvassing at private houses for jewellery and sewing-machines on time-payments. The time-payment system is at the root of the whole thing. It leads to want of thrift on the part of the rising generation.

13. *The Chairman.*] There are other articles of produce besides potatoes: take onions?—The consumption of onions is not great, and the cost would not affect a man's expenditure very much. The wet season is the cause of the dearness of onions at present. I may say that as to house-rents, twenty years ago they were much lower than they are at the present day.

14. Do you attribute the rise in house-rents to the value created by the community?—I could not say exactly that. You would not get a man to go into the same house now at the same rent that he would have gone into twenty years ago. The conditions are much better.

15. Would you believe it that in another town there are houses which ten or fifteen years ago let for 15s., and now they want 25s. for them?—I would not dispute that. There was very little employment fifteen or twenty years ago. I am alluding to the time when relief-works were started. Even with the low house-rents and the cheap cost of living twenty years ago very few could pay their way, and many business people were compelled to put up their shutters.

16. *Mr. Veitch.*] Are increased rents due, or are they not due, to the increased land-values?—Residential building-sites have not increased so much as you would imagine. Of course, business-sites are a very different thing.

17. To what extent do you think increased rents are due to increased comfort, and to what extent are they due to increased land-values?—I do not think the increase in land-values has been so great as the increase in comforts—drains, hot and cold water, &c.

18. You think it is more due to the higher standard of living than to land-values?—Yes.

19. *Mr. Hall.*] With regard to potatoes, do you think the restrictions in Australia materially affected the price of potatoes here?—Yes.

20. *Mr. Robertson.*] You spoke about the time-payment system. You are in the furniture trade now. Does not that system prevail largely in the furniture trade?—Yes.

21. Can you give us any idea of how much it adds to the cost of the furniture?—It adds a very great deal. In many cases it increases the cost to an alarming extent. When people come to us wanting furniture on the time-payment system we always help them provided they have the necessities of life. If they want things that are absolutely requisite we supply them, but if they want luxuries we refuse. It is surprising how much furniture a person can get for £10 or £12. We do not always supply furniture on the time-payment system even if a man is prepared to pay down £10 or £20 cash. We quote for every article what we intend to sell it for cash, and we are supposed to add on 10 per cent. to the unpaid portion. Suppose a man pays £2 on a £10 order we are supposed to add 10 per cent. to the unpaid £8, but in practice we do not often do so.

22. *Mr. Fairbairn.*] If you sold £10 worth of furniture and got £2 in cash you would add on 2s. per £1 to the balance of £8: that would be 16s. What is the method of repayment?—5s. per week.

23. That is, he would have thirty-two weeks in which to liquidate the debt?—Yes.

24. Then you get 30 per cent. instead of a net 10?—I am just giving it to you as it happens with us.

25. *The Chairman.*] Is it not a fact that if they failed in one of the weekly payments you could take the furniture back?—We could, but we have not done so.

26. *Mr. Veitch.*] You say you are supposed to add on this 10 per cent. Why do you say "supposed to"?—It is the trade practice.

27. Under what management is that practice arranged?—I do not know. It is the custom.

28. Is there any arrangement between the furniture-dealers in Dunedin to protect themselves in any way or arrange prices?—None whatever.

29. Is there any furniture-dealers' association?—No. Of course, I would rather sell my stuff at what it is marked at and get my cash than bother with the 10 per cent.

30. *Mr. Macdonald.*] What extra cost does the time-payment system incur to you in the way of book-keeping?—There is extra book-keeping.

31. *Mr. Robertson.*] Are bad debts frequent under that system?—Very.

32. If your furniture was sold on a cash basis would your cash price be lower than it is now when some is sold for cash and some for time-payment?—Very much lower.

33. You have to raise the whole cost of furniture because of the time-payment system?—Yes. One man bought a piano for £35 and was to pay £2 every four weeks. He did so, and when he made his last payment he said, "What about the interest?" We said we would charge him no interest because of his prompt payments, and told him we wished there were more like him. I believe many of those who sell new furniture here would be glad to do the same thing.

34. *Mr. Fairbairn.*] When people sell pianos on the time-payment system do they add 10 per cent?—I think so.