

WILLIAM MITCHELL ROBERTS, Master Grocer, examined on oath. (No. 14.)

1. *The Chairman.*] What is your occupation, Mr. Roberts?—I am a master grocer.
2. Have you been in the business very long?—I was practically born in the trade.
3. You have a thorough knowledge of the grocery trade in this part of the country?—Yes.
4. Do you know anything of any association of merchants who are alleged to regulate the rates of selling certain lines to retail grocers?—Yes, I am aware of it.
5. Could you make a statement telling us what has been your experience in regard to the operations of that association?—The general tendency in the trade is that the majority of our lines are going into the rings. The prices are fixed for both goods brought into the Dominion and for goods manufactured in the Dominion. Until a few years back we were able to get quotes, and of course buy in the cheapest market. The position now is that we are practically on one basis—it does not matter where we buy.
6. Is that within the last ten years?—Yes, but within the last two or three years it has been much more so.
7. It is increasing?—Yes. For instance, jam has increased. The current price for jam—2 lb. jars—is 10s. 6d. a dozen jars. That was retailed at 1s. a jar; but to-day you cannot buy it anywhere at less than 12s. I understand that the jam-manufacturers of the Dominion are practically a ring, and have a price fixed. There are one or two small manufacturers outside; but the leading lines are in a ring. 1s. 2d. is the retail price for it now. Sugar has increased a great deal in price; but when sugar was increased by £3 a ton last year the manufacturers of lollies did not advance their prices at all. It seems apparent, therefore, that there was no need why the jam-manufacturers should have increased their price.
8. *Mr. Macdonald.*] You say the prices are fixed?—Yes, practically.
9. Does that mean the price at which you buy, or does it mean the price at which you are compelled to sell?—We have a free hand in regard to selling.
10. Have you any knowledge of, or do you deal in, any goods which you are bound to sell at prices fixed by the combination? We have heard that there are lines of that description?—I believe there are such lines. For instance, the agent for Colman's goods will not supply you if you cut under the fixed price. They have an agent in Dunedin.
11. *The Chairman.*] Is that the case with Keiller's goods?—Yes, the selling-price is fixed for them too.
12. What is the position in regard to goods which you can obtain in the Dominion—say, soap and candles?—I think the market is open for soap and candles. There is a lot of competition from outside the Dominion in the case of candles.
13. Can you tell us whether the Merchants' Association is registered?—The retail grocers have met the Merchants' Association as a body at one of the offices of the local merchants. We had an interview with them.
14. Do you know who their secretary is?—No.
15. *Mr. Veitch.*] Who are the members of the Merchants' Association?—They comprise all the wholesale merchants.
16. All of the wholesale merchants here?—Yes, practically all.
17. Can you name them?—Neill and Co., W. Scoullar, Rattray, Mackerras and Hazlett, R. Wilson, W. Taylor, and Tucker.
18. *Mr. Hall.*] Is there a retail grocer's association as well?—Yes.
19. Who is the secretary?—A. B. Mercer.
20. *Mr. Robertson.*] What is the object of that association?—It is to prevent an undue cutting of prices. It is quite a common thing for a new man to start in the business. A new man started recently. He advertised himself as a cash cutting grocer. He cut things down to very low prices—selling at less than $\frac{1}{2}$ d. profit. He went bankrupt. He did the trade a great amount of harm—in fact, it has not recovered yet. That was about three years ago.
21. *The Chairman.*] When you use the expression “cutting prices,” do you mean selling below the ordinary rate, or do you mean using unfair means of selling some lines absolutely below cost?—He was selling many lines actually at cost.
22. Is that considered in the trade as unfair cutting?—Yes.
23. *Mr. Robertson.*] What means does your association take to prevent unfair cutting?—We take no means. It is quite optional whether a man joins the association or not.
24. Do you draw up a scale?—No—just for certain lines which we call “bread-and-butter” lines.
25. You spoke of a rise in the price of jams and said you believed it was owing to an arrangement amongst the jam-manufacturers?—Yes.
26. Does that apply to all New Zealand jams on the markets?—Yes, I understand so.
27. You buy those jams through the wholesale merchants?—No, direct from the manufacturers.
28. The Merchants' Association does not control those?—They buy cheaper from the manufacturers than we could, but they sell to us at the same price as the manufacturers.
29. *Mr. Macdonald.*] Is kerosene one of the things controlled by this ring or combine?—I think not. Not since the Shell Company started. There has been competition since that company started.
30. Is tobacco one of the articles?—We cannot buy that except under a tariff.
31. *Mr. Robertson.*] Has the effect of the competition in kerosene been to bring down the price to you?—Yes, it did at the start, but I fancy it is back at the old price again now. There was an advance of a farthing just at the beginning of the winter.
32. *Mr. Fairbairn.*] Is it within your knowledge that the Merchants' Association exists for the purpose of maintaining certain prices on certain lines which they control: is that within your knowledge?—Yes.