

12. *Mr. Macdonald.*] Relatively?—Yes.

13. The price of bread has no bearing on the rise in the cost of living?—Not at the present juncture.

14. Have you any information that you can give us as regards the price of bread as it affects the cost of living which you think would be of benefit to the Commission?—Only in a general way, as giving the position. At the present time the price of bread in Dunedin retailed to customers is 6½d. booked or cash, and I consider that a fair paying-price, considering the price of flour. Both my partner and myself do our share of the work, and, from our standpoint, it only leaves a fair margin of profit. Nevertheless I and another man bake all our bread, and yet it takes to distribute that bread two men, two boys, three horses, two carts. The distribution of bread in Dunedin to-day is at least a farthing a loaf more than the manufacturing cost.

15. *Mr. Hall.*] How many sacks of flour are you estimating that on?—Between thirty and thirty-six per week.

16. *Mr. Fairbairn.*] Do you think the method of distribution could be improved upon, in the sense of cheapening the cost and maintaining the efficiency?—I certainly do. I have emphatic opinions. It is being under the free competitive system that is the reason of the cost. I believe that a private monopoly would give the public cheaper bread than the free competitive system we are under to-day. Of course, I personally prefer it should be a municipal monopoly. It is the only solution, to my mind.

17. Is there waste in the competitive system?—The trade I have just given you, one man, one horse, and one cart could easily do if he just took one part of the town and delivered the bread, and he would not put in such a long day as the men do now.

18. *The Chairman.*] You serve one house here, another a hundred yards away, and another a mile away, and other competitors go over the same ground?—Yes, all doing the same thing. That, in my estimation, is one of the principal causes of the high cost of living in New Zealand, owing to the sparseness of population as compared with older countries.

19. *Mr. Macdonald.*] Have you any idea of the cost to the Municipality to establish a bakery business to supply the whole town?—I have figured it out, and as far as I can get it the cost of an up-to-date municipal bakery, with all the necessary machinery, would be £40,000 at the outside. That is for a complete plant for the baking and delivery of bread.

20. *Mr. Fairbairn.*] An up-to-date plant for baking means that the human hand does not touch the bread?—Very nearly so.

21. Have we any up-to-date plants in connection with the bakery business?—There is not an up-to-date plant in this city, and I doubt if there is in New Zealand. I could for £40,000 start a bakery and supply the whole of the people of Dunedin.

22. *The Chairman.*] You think, as regards your own trade, you have shown us a way of reducing the cost of living?—The only way. It is not my idea to have a private monopoly, but it would cheapen the cost.

23. Its organization would render it possible to reduce the price, but it would depend on the directors whether it was done or not?—That is so. No company is in business for fun. I have watched a number of carts, and bakers, grocers, butchers, milkmen are in exactly the same position as I have described in connection with my own business. If you go into the wholesale trade you will find the same thing. You will find five travellers in the same carriage all going to one town with boots.

24. Has there been any increase in wages in the bakery business during the last ten years?—Yes, but not from the Arbitration Court. All the master bakers but four in this city agreed to pay their men 5s. a week increase all round.

25. Did they carry that out?—As far as we can gather they did, and they are paying that increased wage to-day.

26. *Mr. Veitch.*] They did it on their own volition?—Not altogether. There was a little pressure brought to bear.

27. From the men?—No, from some one else.

28. To what extent did that appreciate the price of bread?—That is a question I do not want to answer.

29. *The Chairman.*] How much would it put on to a dozen loaves?—It would be so small that I do not think you could work it out. The largest bakery business in Dunedin, say, five thousand loaves a week, has six men engaged in making bread.

30. *Mr. Macdonald.*] Was not there a suggestion to have bread on a sliding scale in accordance with the price of flour?—That is what it is now, I understand. I think I am right in saying that the association's scale price for bread is a halfpenny more than the present price of bread to the public.

31. *The Chairman.*] Have you any doubt as to whether the Millers' Association treat the bakers fairly in the matter of flour?—The Millers' Association is for the purpose of working in the best interests of the miller, and they have not had the opportunity to treat bakers in any other way. There are five mills outside the association where we can buy flour.

32. If you could consider the Millers' Association as a trust, it is an ineffective trust?—It is ineffective at the present juncture, although all sell in accordance with the association's price-list. Some of the mills outside the association are asking 10s. per ton more than the association's price. The Millers' Association, in my opinion, want to make those mills lose as much money as possible so as to drive them into the association.

WILLIAM HENRY WARREN, Carpenter and Joiner, examined on oath. (No. 27.)

1. *The Chairman.*] What is your occupation?—Carpenter and joiner.

2. Have you any information at your disposal which would be of service to this Commission?—The circular forwarded to me had clause 12 underlined, which is an indication, I take it, that