

62. I suppose you could tell me the total amount of proprietary lines you purchase during the year?—Are you going to bring baby-foods into this?

63. Certainly not. Are you including those in your estimate?—Yes, I was including them.

64. Does the selling of baby-foods constitute a considerable proportion of your business?—There is a fair amount of it.

65. When you say that 10 per cent. of your turnover might be in proprietary lines, I suggest to you that at least half of it would be in baby-foods?—Yes.

66. I suggest to you that it would be more than that?—No.

67. I suggest that it would bring your trade in proprietary lines down to 5 per cent. of your turnover?—I was working it the other way round.

68. You have gone outside what I had in my mind?—Yes.

69. So you are reducing that proportion of your turnover to 5 per cent.—that is, proprietary lines other than infant-foods?—Hardly.

70. If you have 10 per cent. of your total turnover in proprietary lines and foodstuffs, and half of that is baby-foods, then the proportion is 5 per cent.: as you know, half of 10 is 5?—You have got me in rather an awkward position so far as proprietary lines are concerned, because I have been mixing them up with other things. When you come down to patent medicine it would give over 5 per cent.

71. You keep all your invoices, do you not?—Yes. I have them for the last ten years.

72. Would you have the invoices for the patent medicine and what I call proprietary lines from the different people and from those who supply you with other goods?—Hardly, because they are all classed in together.

73. Do you stock Eno's?—Yes.

74. What do you sell it at?—3s. 9d.

75. What does it cost?—The last I paid was 36s. per dozen.

76. You sell —?—Yes.

77. At what price?—4s. 3d.

78. And what do you buy it for?—38s. per dozen. I cannot be certain.

79. If that is correct, I do not know what you have to fear from the P.A.T.A.?—If they fix the prices with my competitors I have to close my doors.

80. If you can give your customers the benefit of 5 per cent. right away, that would be all right?—I think I could do better than 5 per cent.

81. If you were giving a discount of 5 per cent. to your cash customers you would be on equal terms with the credit men?—No.

82. Why not?—Because he will come along and canvass orders, and deliver orders, and wait for nine weeks for his money.

83. In the case of flour, you sell that commodity on the same terms as your competitors?—My flour, on the average, works out at 10 to 12½ per cent. on cost.

84. That is not so bad on cost?—I am telling you that so far as I am concerned it is not a cutting business, and I am not going to the limits that some people go. The point where this is going to affect me is this: whether they have to be brought up to charge prices the same as the next man.

85. Have Lane's a retail shop in Oamaru?—Yes, and their price is 4s. 6d.

86. *Mr. Hayward.*] Do you think that by your system of selling for cash you can beat the credit seller in regard to your overhead expenses on more than 5 per cent.: you cannot run your business to make a profit on it on less than 12 per cent.?—I can run it on 10 per cent. over all.

87. I have had a little experience in this connection. However, you have not had any experience of the P.A.T.A. in actual operation: your experience is confined to New Zealand?—Yes, with aspro and baby-powder.

88. That is not the P.A.T.A.?—That is all that has been under any control at all.

89. *Mr. Reardon.*] Are you not aware that there are hundreds of lines that are controlled so far as the retailers are concerned in New Zealand?—We know that they have their tariff lines, but we understand that there are a good many broken day after day.

90. Do you get any amount of them?—Yes; for instance, salt and things like that. The position is that if a man is in a position to buy those goods on a better market he can sell them on a better market.

91. Are you a member of the Otago Grocers' Association?—I am not a member of any association.

The Committee adjourned until 10.30 a.m. next day.

THIRD DAY: THURSDAY, 24TH FEBRUARY, 1927.

The Committee met at 10.30 a.m.

WILLIAM FAIR LARKIN, sworn and examined. (No. 5).

1. *Mr. Myers.*] What is your occupation?—I am manager for Sharland and Co., Ltd., Wellington.

2. I suppose you describe yourself as a wholesale chemist?—I am a wholesale druggist.

3. You have been in this business, the wholesale druggists' business, for many years?—About thirty years.

4. With Sharland's all the time?—Yes.

5. And you have been through all the stages of the business?—I have been everything from office-boy to manager.

6. Does your company deal in a wholesale way in proprietary lines?—Very largely.