

117. *Mr. Myers.*] You were asked as to why the applications had not been examined, and I think you said that the P.A.T.A. has not yet functioned. That is correct. Do you know that it is at the request of the Board of Trade that the P.A.T.A. has not functioned: I believe that is right?—I do not know.

*Mr. Collins:* Yes, that is correct.

118. *Mr. Myers* (to witness).] You had this read to you: "In addition they have enabled you to make abnormally large profits on Palmolive soap during the past four months." That is so, is it not?—Yes.

119. But you did not have read to you the remainder of the sentence, which says, "by allowing you to buy Palmolive soap at February 1st price, months in advance of the reduction to the consumer." It was allowing them to purchase in larger quantities?—Yes. You cannot reduce the price in a day; you have to notify the people.

120. When you speak about normal profits, can you tell us what the turnover was?—It varies.

JOHN ALEXANDER NORRIE sworn and examined. (No. 8.)

1. *Mr. Gresson.*] You are a grocer at Timaru?—Yes.
2. You were originally a credit grocer, and you changed over to a cash grocer in the year 1921?—Yes.
3. Cash over the counter, and delivered all parcels of £3 and over?—Nothing less than £3.
4. What did you find as a result of your conversion of your business as regards the volume?—It jumped ahead by leaps and bounds.
5. Were you able to undersell your credit competitors?—Yes, any line.
6. You have figures showing your turnover?—Yes.
7. *Mr. Collins.*] Are they confidential?—They are, but if the members of the Committee wish it I will put them in.
8. *Mr. Gresson.*] In 1919 you had two seniors and a junior?—That was commencing 1919.
9. What was your turnover per month?—[*Figures deleted.*]
10. Next year?—[*Figures deleted.*]
11. With the same staff?—Yes.
12. You were still carrying on a credit business?—Yes.
13. In 1921?—The financial year finished in 1922, and I took the horse and cart off and for two and a half months I was credit and delivery. I finished that in April.
14. What was the turnover?—[*Figures deleted.*] per month.
15. In 1922 you added a junior?—Yes, and the turnover was [*Figures deleted.*] That is the average for the month.
16. The next year?—[*Figures deleted.*]
17. The next year?—[*Figures deleted.*]
18. The next year you added to your staff?—Yes, and the turnover was [*Figures deleted.*] per month. In 1927 I have not got my balance-sheet out yet, but my figures are [left blank] for the year ending January.
19. So far as you are concerned, you have been underselling your competitors on all sides?—Yes.
20. Will you hand your balance-sheets in?—Yes. [Balance-sheets handed to the Chairman].
21. In respect of that and speaking generally you have made a good profit on your business?—Yes, a handsome profit.
22. How do you view the application of the P.A.T.A. as regards your own business?—They are going to force me out of business through not being able to purchase certain lines or go back to the old system, which I refuse to do—that is, the old credit system of delivery with extra overhead expenses.
23. You have already felt the effect of price limitation in the case of aspro and Johnson's baby-powder?—Not on Johnson's baby-powder, because I have a stock which was obtained before the price was fixed. I will be unable to get any more unless I sign up.
24. What about aspro?—I am absolutely boycotted. They were charging me 36s. less 2½ per cent. per dozen, and a reasonable profit was 3s. 6d. They wanted me to sell at 4s. 6d., which I refused to do.
25. Are aspros what you may call a quick-selling line or slow-selling?—It is a fairly good seller—that is, when I had it.
26. Since you have gone on the cash basis—I do not want to put it with unnecessary detail—I think on three occasions you have had to change the butter that you were supplied with, because the other merchants boycotted you on account of the fact that you were underselling that butter? That is so.
27. That is to say, the merchants threatened to boycott the butter company if they supplied you with butter?—They did everything they could to cut me out, which they did. That happened on two occasions, once in Timaru and in Temuka.
28. As a result of your experience in all classes of business do you consider that there would be no fear or risk of price-cutting at all if business concerns were conducted on a cash basis on the same lines as your business?—That is so.
29. Do you wrap up parcels in your shops?—Yes; that is the service we give.
30. *Mr. Myers.*] Of course, you do not suggest that it is possible for all retail business concerns to sell on a cash basis?—I do not see why they should not.
31. You do not see why every one should not deal for cash, and cash only?—I think it is quite feasible.