31. *Mr. Montgomery.*] Do you deal in photographic goods ?—Yes.
32. Do you develop films ?—We have that done, like everybody else.
33. What percentage of gross profits comes out of the photographic department ?—We get $33\frac{1}{3}$ by simply taking the stuff in and handing it out: it is the best-paying thing we have in the shop.
34. Do you sell cameras ?—Very few.
35. Do you engage in other activities ?—I manufacture fruit-syrup.
36. What is your opinion as to the state of the chemistry business in New Zealand numerically—that is, is it too great for the population or otherwise ?—It is too great at the present time. It is on a par with Austrailia ; but, at the same time, with the present high examination standards so far as Matriculation and that sort of thing is concerned, from now onwards it will mean that the numbers coming forward will be much less than hitherto.
37. *Mr. Collins.*] How long have you had competition with neighbouring chemists ?—For three or four years.
38. Prior to their setting up business in your town were you doing quite well ?—Yes.
39. And you have had a very close fight since, so to speak ?—We do not fight ; we try and agree Of course, it certainly makes a difference.
40. Your takings have not been as good : you probably share the business ?—We have to.
41. Is your business progressing—that is, is it satisfactory to you ?—We have to meet competition through the price of goods, which means a reduction of 9 per cent. in the net profit.
42. Is it satisfactory as it stands to-day ?—It is just a living.
43. Is it a good living ?—I would not say that.
44. To maintain a good living you have to manufacture other lines, do you not ?—That is so.
45. The most serious check you have had to progress has been the starting of a business—that is, another chemists' business—next door to you ?—No. I think that the cutting of prices has made a big difference to us, because we are not selling the volume that we used to sell. We are up against this difficulty: that we cannot reduce the price to meet competition during the week, and if we keep our business open during Saturday and Sunday we have to pay somebody overtime.
46. Despite the cutting which is at present going on, if your competitor were to close his shop it would make a big difference to you ?—Naturally, of course.

JOHN HEATON BARKER sworn and examined (No. 13).

1. *Mr. Myers.*] What is your occupation ?—I am secretary of the New Zealand Grocers' Association, and I am also editor of the *New Zealand Bakers' and Grocers' Review*, and I reside at Auckland.
2. *Mr. Collins.*] Do you wish to make a statement to this Committee ?—Yes. As secretary of the New Zealand Master Grocers' Federation and as editor of the *New Zealand Bakers' and Grocers' Review*, in giving my evidence I claim to represent a very large body of traders whose interests have a right to be considered. The New Zealand Master Grocers' Federation was organized some few years ago, its aim being to promote, protect, and raise the standard of the retail grocery trade of New Zealand, and for uniting retail grocers to stand by the cause of honest and fair trading. The New Zealand Government has already recognized that the employees have a right to combine with a view to securing a fair return for services rendered. I submit the manufacturer and the distributor —both wholesale and retail—have an equal right to a measure of protection to secure for them a fair return for capital and labour employed. This principle, I would point out, has been in a measure recognized by the recent legislation passed by the Government relative to the control of motor service when in competition with municipal enterprise. I further suggest the same principle is recognized by one of the Government departments—namely, the State Fire Insurance—which, it is understood, having regard to rates charged, acts in co-operation with other companies taking similar risks in the Dominion. The movement for a minimum-price fixation is not new, and is, I contend, one in the right direction. The desire and aim of those interested is to make for the stabilization of business. The Dominion has had too many experiences resulting from the reckless trader, who finally, having either to compromise with his creditors or seek the protection of the bankruptcy Court, has inflicted a serious loss not only upon those with whom he has been trading, but on the community as a whole. Its justice, I suggest, has been recognized by the British Government, for the P.A.T.A., as it is in England, has been in existence for thirty years. I submit the manufacturer has an absolute right to protect his interests, and in turn the right, by adopting a method of minimum-price fixation, to secure for the distributor an equitable return for capital employed and service rendered. I would like to make reference to the business of Boots, Ltd., a concern controlling about seven hundred drug-stores in England and, it is claimed, serving one hundred million customers per annum. The sales-manager of this company, during the course of an address which has been recently reported, stated his firm had been selling goods on the price-maintenance basis for years, and when any one came to them with a trade-marked article the first question asked was as to whether the line was on the price-maintained list. The fact that this company is doing so large a business may be accepted as evidence that the general public are satisfied with the goods, the price at which they are sold, and the service rendered. From what I have been able to ascertain, those responsible for the formation of the P.A.T.A. have no desire for anything other than a fair and reasonable profit. Competition must continue to determine profit, for a manufacturer seeking an undue margin either for himself or for those distributing his goods will soon find competitors in the field who will compel him to