

81. Where have you employed those persons?—The junior is at the Aro Street shop, and the man is at the Willis Street shop, together with my wife.

82. Do you still keep both those hands?—I have discharged the man a week ago, because I could not afford to keep him, but I am still carrying on both businesses. My wife and a boy are carrying on at Willis Street.

83. So that you have your wife and a boy at Willis Street, and yourself and a boy at Aro Street—Yes.

84. So that you were compelled to “sack” a man and put in a boy at Willis Street?—Yes.

85. Would you have had to do that if you had been getting a fair and reasonable margin of profit on these different lines which are being cut?—No, I do not think I should have had to do so.

86. And on some of those lines which are cut quite a substantial business is done.—Yes; they are some of the best lines which are cut.

87. *Mr. Kennedy.* What profit do you say you would have earned if there had been no competition in prices?—The profit I should expect would be 15 per cent. on turnover.

88. I mean your net profit to yourself. You have put down a figure: what would that figure have been had there been no competition in prices?—5 per cent.

89. What would that have worked out to?—About the figure I have given to the Committee.

90. So that had there been no competition you would not have earned any more than the figure you have given to the Committee?—That is what I am living on at the present time, but it is not sufficient.

91. Do you suggest that if there had been no competition in prices you would have earned a larger figure?—Yes.

92. What figure do you think you would have earned if there had been no competition?—About another £2 10s. a week.

93. That is without any increase in volume of business?—Yes.

94. So that in the case of your business the use of recovery lines does not mean that all the loss is recovered by you?—That is so.

95. The consumers have collectively got £2 10s. a week by reason of these competitive prices?—Yes.

96. Was the Self-help there when you started in the region?—Yes, they were there.

97. And, I suppose, carrying on under the same system as they are now, when you commenced in the locality?—Yes.

98. And I suppose you were well aware of the method under which they carried on their business prior to your commencing, and that you went with your eyes open?—Yes.

99. And I suppose the first thing you did was to endeavour to meet their prices?—Yes.

100. You buy comparatively small quantities compared with the quantities bought by the Self-help?—Yes; they have twenty shops and can buy larger quantities.

101. So that they start with an initial advantage over you by reason of the fact that they are bigger buyers?—Yes.

102. I suppose you will concede that different grocers can afford to sell at different prices?—Different things, yes.

103. Because some buy better than others?—Yes.

104. And because some have a quicker turnover?—Yes.

105. And because some perform less service than others?—Yes.

106. Service costs money?—Yes.

107. So that you expect some difference in prices under normal conditions?—No, I do not.

108. Do you expect, notwithstanding the fact that some men buy better than others, and some have larger turnovers, and some give less service, that there should be a uniform price running throughout the grocery trade?—For a standardized article, yes. But if a man can buy, say, prunes, at a better price than his competitors, and he likes to cut that price, and the same applies to all open lines, I say “good luck to him.”

109. That is to say, that if he buys at better prices than others he may pass that on to the consumer?—Yes. I would do the same.

110. Did you have a good capital to start with?—I would prefer not to go into details.

111. Would you write it down for the Committee?—I would rather not write it down for the Committee—that is, the capital I started with.

112. You mentioned St. Mungo’s soap: That is a line you substitute?—No, we cannot substitute that.

113. Laborlite—you said it was a slightly larger bar?—Yes, we get $\frac{1}{2}$ d. more on that.

114. What does it cost compared with the other soap?—It costs the same price, less 10 and $2\frac{1}{2}$ per cent.

115. But the selling price to the consumer?—A halfpenny more. It is slightly larger than the others—say, from 1 oz. to 2 oz.

116. Is it as good as the other?—Yes, I think it is as good. People stand by it. They are the best judges.

117. Do you find that the average housewife is a discriminating buyer?—Yes, very discriminating.

118. Keeps a keen eye on prices?—Yes.

119. So that you have to reduce prices to hold her trade?—Yes.

120. It is hard, I suppose, to work those recovery lines on to her?—No, not always, once you get into their confidence.

121. But she is a careful, discriminating buyer?—Yes; she compares the prices in the various shops.