

122. And I suppose that would apply to practically the whole range of ordinary groceries?—Yes.

123. I suppose it is only in out-of-the-way things that she is not discriminating?—There are no such things as out-of-the-way things in the grocery business. Everything is handled every day.

124. *Mr. O'Leary.*] Do I understand that the Self-help shop was established in Willis Street when you opened your shop in that street?—When I took over, yes.

125. Then, subsequently, did you take over or open another shop in Aro Street?—I took over the shop, less the stock.

126. And the Self-help shop is so placed that it trades with both the Aro Street and Willis Street locality?—Yes.

127. I take it that there are many lines which you sell and the Self-help sell on which there is no cutting?—Oh, yes, there are certain lines which are not cut.

128. How do your prices for the non-cut lines compare with those of the Self-help?—The same.

129. *Mr. Walker.*] I put it to you that you fought your way to your present position by hard work and good salesmanship?—Yes.

130. You are a well-trained salesman with long experience?—Yes.

131. A good salesman is the very reverse of an order-taker?—Yes.

132. It would follow, therefore, that in any kind of trade you would naturally employ the methods of salesmanship for your benefit?—Yes.

133. Does it not follow, then, from the fact of your being a good salesman that a customer would frequently go out of your shop with a different article from the one he or she came in for?—That is a sound argument you put up, and it is quite right that in my position as a smaller buyer than the bigger man I have to do that; but I do not substitute an inferior article, otherwise customers would not come back.

134. Substitution is capable of an ordinary interpretation or a sinister one. There are two forms—one a despicable one, deceit, and the other, legitimate salesmanship?—Yes.

135. And you admit that in any trade you would use your gift of salesmanship?—Yes.

136. *Mr. Myers.*] Do you mean to tell Mr. Walker that where a person comes in for a particular article which you have in stock, and on which you would obtain a reasonable profit, you would endeavour to sell something else in its place?—Oh, no; certainly not.

137. But if the same line is being cut elsewhere, and you cannot obtain a reasonable profit on it?—Then we would endeavour to substitute.

138. You were speaking of cutting having gone on from the time you started in Willis Street and Aro Street: would you say whether that cutting has become more or less intense during the last three years?—I think it has found its own level.

139. But during the last three years?—I think it has remained about the same. It has, of course, extended to new lines.

140. You were asked whether different groceries did not sell at different prices, and whether some grocers cannot afford, in certain circumstances, to take less profit than others. Can any grocer, in your opinion, legitimately afford to sell at cost or at a very small percentage above cost?—No.

141. You stated that in respect of the non-cut lines you get the same prices as the Self-help?—Yes.

142. When you speak of those non-cut lines, are you referring to proprietary articles which are not cut, or open lines which are not cut, or both?—I was speaking of both.

143. So that you do not take advantage of "come-back" or recovery lines except where you substitute in the manner you have already mentioned?—That is so.

144. Take, for instance, an article like flour: is it usual or otherwise for persons to come in and say, "I want six-pennyworth of flour?"?—Yes, it is quite usual.

145. Without asking for any particular brand of flour?—Yes.

146. Do you, or do you not, know how much flour Self-help give for, say, 1s.?—I did know.

147. Have you seen their packages?—Yes; this week they had it marked in the windows 4½ lb. for 1s.

148. But, as a rule, how much have they been in the habit of giving?—I have not seen their packages, but I know what they were giving when flour was costing £20 a ton.

149. Were they advertising?—No; it was announced in their windows.

150. Do you know, or have you seen from any of their packages, how much flour they have given for, say, 1s. or 2s. 6d.?—No.

151. So that in an article like flour you do not know whether you are selling at the same price or not?—No.

152. And do you not know whether or not they use it as a recovery line?—I could not tell you.

153. Or whether they use salt or soap as a recovery line?—No; I do not know.

154. *Mr. Hayward.*] You mentioned that you had had twenty years' experience of the grocery trade in England. The P.A.T.A. has been in operation there for many years. Have you had any experience of its operations in England?—I was in the co-operative movement in the Old Country.

155. But have you been in a business where you were observing the P.A.T.A. list prices?—No. I was in private business before the P.A.T.A. came into existence.

156. It has been going for twenty-nine years?—I observed the prices on the list, but it would not come under my notice.

157. In estimating your earnings which you handed in just now you did not allow for interest on your capital?—No.

158. Your capital is only buying you a position at the rate you handed in?—Yes.

159. You derive no interest at all from what you have invested in your business?—No.