

15. No ?—I have read about the Commission of Inquiry in Canada, and I have my views. I may possibly be taking quite a wrong view of the P.A.T.A.

16. I quite appreciate your point of view, and I have got it now : You take exception to the manufacturer saying at what price his goods should be sold ?—Unless he sets the same right to the man himself ; and if he allows that right I will say that we are in agreement.

17. You are not an opponent of the principle that, so far as labour is concerned, there should be a minimum price under a particular set of conditions ?—I am not opposed to that at all, and in proprietary articles either, provided it is done by an independent tribunal or a kindred tribunal.

18. You must see that the Arbitration Court cannot have the same facilities for fixing prices as they have when dealing with the principal question which they are now dealing with ?—Precisely.

19. You understand the constitution of the Board of Trade, do you not ?—Yes.

20. Supposing prices were fixed, would you object to that so long as they had the approval of the Board of Trade ?—I would only agree to the Board of Trade fixing prices of articles after first making investigations into the labour cost, the cost of distribution, and the elimination of waste in distribution which is going on to-day.

21. What kind of tribunal do you suggest ?—A tribunal consisting of the Government, the people who buy the goods, and the people who manufacture the goods.

22. You understand what is meant by a patented article as distinct from a particular article or any other article—an article which is protected by patent under the Patent Designs Act : you know, of course, that the manufacturer of such an article can fix his own price and insist upon that article being sold at that price fixed ?—No ; that does not generally follow.

23. I can assure you that it does ?—For instance, Edison invented the phonograph, and he charged what he liked ; but other phonographs were invented later on, and Edison had to come down in price. It has its limitations. You want me to agree with you.

24. I would never be able to do that ?—The point is that these things have limitations. As an illustration we will take the monotype. The man who invented that said that he would charge whatever he liked ; but six or seven years after the linotype was invented, and down came the price of the monotype. In all the inventions that have been on the market, after a while there is a brother invention that will spring up.

25. Exactly. In other words, you have competition among the manufacturers ?—Yes.

26. The remedy is this : if Mr. Edison, as you say, charges too high a price—well, the people will not buy his goods so long as there is something on the market which will do the work as well, or nearly as well ?—That is so. What I would object to is this : any one saying, “I will supply you with Edison’s machine,” but if I want to buy another machine I have to go to Napier for it. As I say, I would object to that very strongly. That is the point.

27. When you make objections to the P.A.T.A. do you assume that that is how it will be carried on ?—If you give the power of any section of the community to fix the price it is a dangerous practice.

28. You say that you have no objection to fixation so long as it is done fairly ?—Absolutely.

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WALTER NASH sworn and examined. (No. 20.)

1. *Mr. Collins.* What is your official position ?—I am here to represent the National Labour Legislation Committee, which consists of representatives from the Alliance of Labour, the Trades and Labour Councils Federation, and the New Zealand Labour Party. I understand that the Proprietary Articles Trade Association, otherwise known as the P.A.T.A., has been established for the purpose of fixing minimum prices for certain commodities in general use ; that the membership of the association consists of manufacturers of proprietary articles, wholesalers, and retailers ; that the Minister of Industries and Commerce has set up a Committee of inquiry to inquire into the working of the association, to determine whether the results will be beneficial or otherwise to the general public. Whilst the method by which the association proposes to attain its end may deserve some consideration, it is not, I understand, the main subject of the inquiry. If the result of the method of working proposed by the association is likely to work to the disadvantage of one or two individuals and is yet beneficial to the public, then there is at least some reasonable ground to allow it to commence operations. If it is found that the fixing of minimum prices will be beneficial to the general public, then the means or method by which it can be accomplished should be found, and if it is also beneficial to the P.A.T.A. I believe that it will be found. If it is admitted that an individual has, subject to his ability to exercise it, the right to determine the conditions, including the price upon which he will transfer any commodity manufactured, owned, or controlled by him, then it appears reasonable to assume that he also has the right to obtain assistance from another person, particularly in cases where two persons co-operate for each other’s benefit. If two, then three ; if three, then why not any number ? The establishment of the association, I understand, has chiefly been brought about for the purpose of preventing price-cutting ; and with some experience that I have had there is evil price-cutting, and if effective and justifiable means can be found to check or suppress cutting of this type, then it should be done. With qualifications regarding old stock and other factors, I consider that, irrespective of its advertising value, it is dishonest to sell articles under cost ; but with this qualification I consider that it is not possible to fix a legitimate minimum profit on any article. The equitable price under the present system cannot be determined. It has been stated, I believe, that all price-cutters are working for the advantage of the public of New Zealand. Well, I do not know whether