

Mr. Myers : That places counsel, I think, in a rather invidious position. So far as the P.A.T.A. is concerned, we have not the slightest objection to anything which occurs here being made public ; but there are witnesses—business men—who say that if their business is to be made public they would sooner suffer any inconvenience or loss than give the details of their business for publication in the Press—or, for that matter, anywhere else. May I refer the Committee to the Board of Trade Act, section 21 ? That section states that an inquiry shall be held in private. Is not the Committee bound by that ? I cannot help feeling that the provision contained in section 21 is mandatory.

Mr. Gresson : I share my friend's view that the section is mandatory.

Mr. Reardon : The essence of the whole thing is that the public should know what is taking place.

Mr. Gresson : The objections I have are similar to those of my learned friend. I think, with him, that the section is mandatory. And, while neither of us, I am sure, wish to burk inquiry in any way, it would not be satisfactory for me to have evidence taken up to a certain point, and then suddenly when it came to balance-sheets and profits have to ask the Press not to report it.

Mr. Myers : The general evidence, of course, I should prefer to have published : I mean the general evidence as to the reasons for the existence of the association, the circumstances which have led to its formation, and as to the cutting tactics and the effects of those tactics. But the difficulty will arise the moment any trader is examined as to his private business affairs.

Mr. O'Leary : I am bound to say that I start out with a prejudice against the body which Mr. Myers represents. We are open to conviction, of course, if we can be persuaded that the activities of his association do not mean what we think they mean. I think, however, that my friend's contention is correct—that the inquiry must be held in private. That does not mean that this Committee cannot sanction the publication by the newspapers of what they choose to allow them to publish ; but I am afraid the provisions of the section are mandatory and that the hearing must be in private.

Mr. Walker : I would like to endorse the views just expressed by my learned friends. The question of profit and loss accounts and balance-sheets is one which we all know is closely guarded by business men. I suggest, therefore, that it would be bound to hamper the course of proceedings if private figures of any business are going to be published in the newspapers, or even finally published in a report issued by the Committee. I cannot see that any disservice would be done to the public by conducting the proceedings in private.

Mr. Collins : We are indebted to you, gentlemen, for pointing out section 21, and we agree with you that it leaves us no option but to conduct the inquiry *in camera*. How far do you think the section would govern the publication of the evidence as supporting the report of the Committee ?

Mr. Gresson : I would suggest that when the Committee finally decide on their report, and attach their evidence, they should ask counsel on either side whether they wish any part of the evidence deleted.

Mr. Myers : We should have to leave that to the discretion of the Committee.

Mr. Collins : I think it would be helpful, when a witness arrived at a stage when his evidence should be regarded as confidential, that that fact should be indicated.

Mr. Myers : I think there will be no difficulty about that.

(After some discussion it was agreed that the Committee should commence its sitting at 10.30 a.m. on the following day, Tuesday, 22nd February, 1927, and that at the close of each day's proceedings the Committee would fix the hours for the next meeting.)

FIRST DAY : TUESDAY, 22ND FEBRUARY, 1927.

Mr. Myers (representing the P.A.T.A.), addressing the Committee, said : Mr. Chairman and gentlemen, as arranged yesterday, I propose to open, perhaps at some length, the case for the P.A.T.A. My opening, of course, is subject to the observation made yesterday that I may take some time because I do not know precisely what it is we have to meet. Therefore, though I cheerfully accept the position, it is a difficult one, because one is in the position to a certain extent of having to prove a negative. However, I quite understand that this is a mere inquiry, and is not like an action at law, and that therefore any difficulty in that respect cannot possibly operate in the minds of the Committee to the prejudice of either one side or the other. The inquiry is under section 13 of the Board of Trade Act. That section authorizes the holding of inquiries for certain purposes. One of these purposes is the discovery of breaches of the law ; another, the prevention or suppression of monopolies, unfair competition and other practices detrimental to the public welfare, the proper regulation in the public interest of the prices of goods, and so on. Let me say at once that that section becomes very important in two ways. True, this Committee has to inquire as to whether in its opinion the practices proposed to be adopted by the P.A.T.A. are fair, and whether they are or are not contrary to the public interest ; but in determining that question the Committee has to look into the practices of those traders whose actions have called for this action on the part of those persons who form the P.A.T.A. Let me say at once that one of the worst evils that certain trades have to meet with is unfair cutting of prices ; and it is submitted—and with confidence—that it is unfair on the part of a trader, or a section of traders, to cut the price of a line, particularly what are called the proprietary lines of goods, down to the cost, or below the cost, of those goods, and thus damage, if not ruin, the trade in that particular article, to the detriment of the manufacturer, and to the