

38. No. First of all, the chemist's turnover : is it large or small ?—Slow.

39. Are you able to tell the Committee, for example, what effect it would have upon a chemist's business in regard to his dispensing if he were unable to obtain a fair and reasonable profit on what I call the proprietary articles ?—As a matter of fact, the price charged for dispensed articles in New Zealand is considerably in excess of that charged in New South Wales.

40. Supposing a chemist is not able to sell a proprietary article at a fair and reasonable profit, what is the result ?—He has to sell at a price greatly in excess of the price now charged for dispensed medicines or go out of business.

41. You have had experience of the result on broad lines of the cutting of prices on particular proprietary articles by retailers ?—Only from the principal agents of a line.

42. You cannot give us figures, except by hearsay ?—That is so.

43. Have you, as a matter of fact, purchased certain goods at the establishment of some of these cutting stores in Wellington—that is, both fancy-goods stores and grocery stores ?—Yes, I have.

*Mr. Myers* : I may say at this stage, Mr. Chairman, that I do not want to mention names unnecessarily, but I am prepared to give them if it is deemed desirable.

*Mr. Collins* : We quite realize that.

44. *Mr. Myers* (to witness).] I think in that six months you have been investigating some of the prices charged by certain fancy-goods stores in Wellington with respect to a number of leading lines ?—Yes.

45. What stores ?—(The witness mentioned three stores).

46. I have here an advertisement of ——— which appeared in the *Evening Post* on Wednesday, 16th February, 1927. I want you to look at this advertisement ?—Yes.

47. It says there, " 1s. 6d. bottle Dr. Morse's Indian Root pills, 11½d. bottle " : do you know what is the best wholesale price at which that article can be purchased ?—The best price at which the wholesaler can buy is 11s. per dozen.

48. Then it says, " 1s. 6d. cake Cuticura soap, 11½d. tab. " : what is the best wholesale price ?—13s. per dozen.

49. And ——— is selling at 11½d. a tab. ?—Yes.

50. *Mr. Montgomery*.] What is the best price that the retailer could obtain if he got in touch with the manufacturer ?—

*Mr. Myers* : I am afraid you are at cross-purposes with the witness, sir.

51. *Mr. Myers* (to witness).] Do you know the manufactured price of Cuticura soap ?—I am not quite sure.

*Mr. Montgomery* : It is important to know that.

*Mr. Gresson* : I think it has been made clear that the price quoted by the witness was the price that the manufacturer charged the wholesaler.

*Mr. Myers* : That is in the case of Dr. Morse's pills. ——— is charging at less than the wholesaler would charge to the retailer.

52. *Mr. Myers* (to witness).] You do not know what is the price which the wholesaler has to pay for Cuticura soap ?—No.

53. ——— would have to pay—what ?—Not less than 13s. per dozen.

54. The next is, " a 6d. tube Piver's shaving-cream " ?—20s. per dozen is the price from the wholesaler to the retailer.

55. The next is, " 9d. tin Calvert's carbolic tooth-powder, 2 tins 11½d. " ?—The best price that the wholesaler can buy from the manufacturer is 6s. 1d. per dozen.

56. These are all proprietary lines ?—Yes.

57. Now we come down to another portion of the advertisement, wherein it says, " 1s. 9d. tin Palmolive talcum powder, 11½d. tin " ?—12s. per dozen is the best wholesale price.

58. Now we come to the advertisement for Blue Seal vaseline, which shows that a bottle of vaseline at 1s. 3d. can be purchased for 7½d. per bottle. What is the best price at which it can be purchased ?—7s. 10d. is the best wholesale price.

59. Now we come to a 3s. 6d. bottle of Clements' nerve and brain tonic, advertised at 2s. 7d. per bottle ?—The best wholesale price is 31s. 6d. per dozen.

60. Then we come to De Witt's bladder pills ?—The best wholesale price is 53s. 3d. per dozen, buying it in £20 parcels.

61. *Mr. Montgomery*.] For what length of time do these prices remain in operation ?—

*Mr. Myers* : It is a general advertisement.

*Mr. Montgomery* : I am under the impression that they restrict their sales at that price to one day in the week.

*Witness* : At times, but they advertise it everywhere.

62. *Mr. Myers* (to witness).] This is a general advertisement : this store is not primarily a store for the sale of chemists' sundries or proprietary articles ?—No.

63. He deals in, I suppose, hundreds and hundreds of different articles which are commonly called fancy-goods ?—Yes.

64. He has to make up his profit somehow ?—Yes.

65. You made a number of purchases at Macduff's store, did you not ?—Yes.

66. You have in your possession a tab. of Palmolive soap which you purchased there ?—Yes. [Soap produced.]

67. You bought that soap yourself, did you not ?—Yes.

68. What did you ask for ?—A cake of Palmolive soap.

69. You asked for an invoice, did you not ?—Yes.

70. And they invoiced it as one cake of Palmolive soap ?—Exactly.