

RALF JAMES LANDER THOMSON sworn and examined. (No. 31.)

1. *Mr. Kennedy.*] You are in business in Wanganui, are you not?—Yes.

2. You have had experience in both the wholesale trade and the retail trade, which is your present business?—Yes, for the last twenty-one years.

3. In addition to confining yourself to your business you have taken a University course in economics?—I had a course for a period of two years in connection with economics at the Victoria University.

4. Your present business is known as the Renown Store?—Yes.

5. How many stores have you got?—Three.

6. What is the system you adopt?—Cash and service.

7. Any credit?—Absolutely none.

8. What is the class of shop that you run?—Very similar to that adopted by Macduffs, Ltd., Wellington.

9. Have you been able to sell with adequate profit to yourself at prices lower than are customarily charged?—I have. I find that in Wanganui my prices are at least 10 per cent. on the whole cheaper than similar firms doing business in the lines in which I operate.

10. Have the public given you support?—They have to a very great extent, and this will be proved on an examination of my turnover. Before proceeding, I would prefer that my evidence be given in private.

*Mr. Collins:* I would ask that all persons present leave the room.

[Questions 11 to 27 deleted as confidential evidence.]

28. *Mr. Kennedy.*] You claim that you should be allowed to give to the public the benefit of better buying as well as the benefit of the economic way in which you conduct your business?—I have no reason for coming before the Committee if I thought otherwise. I consider that if a line costs me, say, 12s. and I sell the individual article at 1s. 4d., the recognized price of which may be 1s. 6d., it is my bounden duty to pass that economy—namely, 2d.—on to the public.

29. You contend, then, that so far as the articles you sell are concerned the cost to the general public will be greater than it is now in your store if the P.A.T.A. functions?—I am certain of it. To prove that, I have prepared a list of lines which I am selling (not the total number, but I think the number will cover proprietary articles) showing my price—that is, the price which I charged when opening my business in Wanganui and the price which others were charging.

30. Will you put that list in as evidence?—Yes.

31. Do you find that the public has judgment in their purchasing?—I find that the public, when it comes to a question of price and quality, know almost as much as I do. As a matter of fact, I have such faith in the knowledge of the public that on occasion, through sickness or such other cause, when I have had to replace the assistants working for me by others I have said to them that if they were not sure of the price of an article asked for to ask the person buying, and on several occasions I have noticed that the price given by the purchaser to my temporary assistant was absolutely correct; especially is this so with respect to cut lines. I might state that since the operations of the P.A.T.A. were being investigated, or, rather, it was mooted that an investigation was going to be made by this Committee, I wrote to the newspapers and pointed out the position, and many of the right-thinking and professional men in Wanganui approached me and wished me luck in fighting, to use their own terms, this particular trust.

*Mr. Myers:* I do not want to unnecessarily stop the witness, but I want to bring under notice that that is not evidence.

*Mr. Collins:* That is not evidence. If necessary, we could obtain this information from the professional men and public who made such remarks.

*Witness:* May I state that in the event of my prices being raised we would not be patronized by the public as we are now with the low prices of commodities. That is the point I wish to make.

32. *Mr. Kennedy* (to witness).] You wish to produce your balance-sheet, which was taken out by a professional auditor?—The last one was not; but the previous one was taken out in this way: I submitted my books and figures to this auditor, and he prepared it from that—though not actually signing my balance-sheet.

33. However, you understand books and accounting, and have investigated balance-sheets for others?—Yes.

34. These balance-sheets which you produce are in respect of the periods here named?—Yes. [Balance-sheets handed in.]

35. The balance-sheet shows what you regard as a generous profit?—Yes, especially when it is taken into consideration that my business is a comparatively new one.

36. You expect, with the progress of time and when the pioneering-work is done, to get better returns than you have got?—Yes.

37. You were in the wholesale trade, were you not?—Yes, I was for nineteen years in the wholesale trade.

38. What section?—Grocery, and to a certain extent the fancy-goods trade.

39. You were in the firm of Thomson Bros., of Wellington, were you not?—Yes. I would like to state generally that I have run out my turnover on a line such as Palmolive soap—I am referring now to the period of purchase covered by my balance-sheet. I was buying Palmolive soap then at 6s. 2d. per dozen, buying in 10-gross parcels. I had to sell at 9d., showing me a profit of 32 per cent. on turnover. I maintain that the difference between 18 to 20 per cent. and 32 per cent. was