68. Which have been made quick-sellers by advertising and other means ?—And also by Macduffs and other establishments.

69. I suppose you agree with Mr. Boyd that the retailer who buys proprietary articles should be able to sell at any price he thinks fit ?—I do not altogether agree with that. The question, I consider, is that there should be a small percentage placed on an article, below which price no one should be allowed to charge.

70. You have no objection to fix a minimum price so long as it does not come to a high rate of profit ?—I cannot answer that question " Yes " or " No," because my contention is this: that the average retailer's cost of turnover would undoubtedly be different from mine.

71. I understood you to say that it would be quite right to fix a definite price ?—I do not believe in cutting at cost.

72. Does that not involve fixation of a minimum price, so long as it does not give what in your view would be too high a rate of profit ? I am speaking of the ultimate retail price: who is going to fix that minimum—is it Mr. Thomson ?—I do not think it is possible to fix it, but it is not as low as I would like to have it fixed.

73. Subject to that, you think that the person should have the right to do as he likes ?—I do not think so, but I think it is fair trading.

74. Well, let me put the case that you put just now—of 2½ per cent. upon the wholesale price. Could a shopkeeper afford to sell at 2½ per cent. above the wholesale price ?—I do not think that 2½ per cent. would be possible.

75. You think it is quite fair, but you do not think it is possible ?—No.

76. Then, I may take it that you do not think it is fair to a proprietary article, or those interested in it, that a retailer should make that line what I may term " a decoy line " by selling it at cost or under ?—I do not consider it is good business. I am of opinion that each retailer should regulate all these things carefully.

77. You are doing your best to sell goods to the consumer at what you consider is a fair and reasonable profit to yourself ?—Quite.

78. And you hold the view that you have cut your prices to the lowest possible extent ?—At the present moment.

79. This is what I mean: Supposing you have a number of proprietary lines which are costing you, say, 1s., and you are satisfied that they cannot be sold at less than 1s. 2d. to enable you to obtain a fair profit, what would you say if those lines were being sold by your next-door neighbour at, say, 10d. merely as an advertisement for the purpose of drawing customers in to the shop and selling other goods at a considerable profit ?—We say that is bad business.

80. He is selling retail. Would you not expect him to go out of business in a short time ?—I have bought under similar circumstances.

81. What would be your view of that trader ?—I consider that it is not possible to sell under cost, for the simple reason that not only the public but the keen buyers would make a particular point of purchasing from that man, and he gets to know and stops it—it stops itself.

82. I am putting it to you that we have had it proved that there are men who do make a point of selling from time to time what I call decoy lines at cost or under ?—I beg to differ. I have had experience extending over a good many years throughout the Wellington district, and I cannot say that my experience has led me to think that your statement is correct.

83. Have you followed Hart's trading, for instance ?—Yes.

84. And yet you are asking me to assume that that is not correct—namely, selling under cost ?—I say you are not aware of their cost.

85. I am putting it to you that they are selling at below cost at which any ordinary trader could buy. Would you justify that trading, and do you not consider that those who are dealing legitimately in the article are entitled to protection ?—Knowing the different prices obtainable, I do agree with McKenzie and Hart in doing that.

86. You agree with what they do ?—Knowing the different prices of the different articles available to the different traders, yes.

87. In the case of Kolynos you know that that article cannot be bought at 11s. 6d. per dozen ?—Not bought ?

88. Yes, by anybody ?—I presume I do. I may be wrong.

89. I take this as an illustration—that it is sold, and consistently sold, by cutting traders at 11½d. ?—My experience must contradict your statement.

90. I am asking you to assume this. Would you justify that as proper trading, and do you not think that those who are operating legitimately in the trade are entitled to some form of protection ?—I would not justify a man selling at 11½d.

91. Do you not think that those persons who are trading legitimately in the article would be justified in obtaining some form of protection ?—No, sir.

92. You do not think they would be entitled to some protection ?—No.

93. Why not ?—Because I think that the manufacturer or wholesaler would use that discretion against the interests of the public.

94. Because you think the price-fixation would not be honestly used ?—That is my belief.

95. *Mr. Reardon.*] I see here an item of ——— as goodwill in the business ?—That was the price I had to pay for goodwill for one of my leases, and I included it because I paid it during the last year after I started trading. I pointed this out to the accountant of the bank, and he considered that it was only right that that amount should be included. I may say that there is still that goodwill in my lease, although I do not necessarily work on it. It is simply a statement, and that is all.

96. *Mr. Collins.*] You maintain that this business is akin to that of Macduffs ?—Yes.

97. So that you claim that 70 per cent. of your business is in proprietary lines ?—Yes, and probably greater.