

Report was issued in August, 1912; and, furthermore, the investigations of the Cost of Living Commission—I stand subject to correction, because I have not had an opportunity of reading the proceedings carefully—related for the most part to foodstuffs, or, at all events, to articles which were the necessities of life.

Mr. Collins: Yes, it was a very wide range, but I think the definition “necessaries of life” covered a very wide range.

Mr. Myers: That is quite right. As a matter of fact, it is of no moment. I have here the words contained in the order of reference, where it says, “What steps should be taken to reducing the cost of the necessities of life?” Strictly speaking, when one comes to consider the effect of the Cost of Living Commission, it is submitted the observations should be really restricted to the subject-matter to which the Commission was considering—that is to say, what steps should be taken to reduce the cost of living in so far as the necessities of life are concerned. It is necessary for me, however, to refer shortly to the evidence of Mr. Sutherland and some of the other witnesses, but I propose to deal with them as a class, although I want to refer to Mr. Sutherland particularly. Now, gentleman, I want in these observations to include for the moment Mr. Boyd, of Macduff’s stores, because he stands in a different category from the others. So far as Mr. Sutherland and Mr. Earl and similar witnesses are concerned, I submit to this Committee—I feel it my duty to submit this to the Committee—that, instead of their being an actual benefit to the community, they are a menace, and I will tell you why. Take, for instance, Sutherland’s case: He is doing a turnover of * per annum, and his net profit is * per annum only, without taking anything as remuneration for his own services. He says that his services are worth * per annum. If that is so, it leaves * as the net profit derived from this enormous business of a turnover of * per annum. As a matter of fact, I should think that the remuneration of a man doing that work and responsibility might well be more than * per annum; but, even so, that is not right, and for this reason: that he has already told us that part of his receipts in his trading account includes subletting of premises, and I say that that is not trading. I do not know how much that item amounts to, but supposing it amounts to another £500 per annum—it may be more or less, but I am only making the point—it follows that Sutherland is carrying on this enormous business at very great risk to himself and others and he is not making any profit whatsoever. I ask you to think what it means. It means that it requires only the least depression or anything else happening, such as accident, illness, or death to Sutherland, and the business falls crash like a pack of cards. The capital goes and the creditors may suffer, because that sort of thing does not happen in a month, but it happens in three months or more, and the capital gradually goes and thereby losses are made to the creditors. Is that sound trading? Is it to be said that trade is to be interfered with, and that contracts are to be set at nought and not allowed to be made, for the protection of a few traders, because there are only a few, so far as we know, of that description in New Zealand?

Mr. Reardon: Are you including the Star Stores in your argument now?

Mr. Myers: Yes, I am including all the stores, because it is only a matter of degree; and, moreover, you will find that in each case the profits are very small, although in some cases they are larger.

Mr. Reardon: I feel that he is in a class by himself, because he has an objective, and that is to avoid making profits.

Mr. Myers: I have yet to meet the trader who is truly an altruist. I have not met him yet.

Mr. Hayward: I think he exists here and there.

Mr. Myers: All I say is that he ought to have wings; possibly he is qualifying for them. I again refer to Sutherland. He has twelve stores, and it only requires a loss at one or two of those stores and his profits are converted into a loss. If you take each of those stores separately, any one of them, and if you divide the total by twelve—that is not fair, of course, but it is the only way in which I can illustrate my point—it will be found that there is not a profit in any of them which could be regarded as satisfactory or reasonable. When you take Sutherland’s shops, singly or collectively, I do submit that traders of that class are not of any benefit to the public. They may, of course, be a benefit for a limited period, but how long can it last? Now, Mr. Thomson is not in the same category as Mr. Boyd—I am not going to refer further to the grocers. With respect to Mr. Thomson, Mr. Kennedy admitted an error that he made, and it was an error that may have been serious, whereby the Committee might easily have been misled as to Mr. Thomson’s position. You will remember that Mr. Thomson gave certain figures as his turnover for his first six months, and a certain figure for the next six months, and I certainly thought when I heard his evidence that he was speaking of something that had happened during the existence of the same set of conditions; but when we come to examine the position it is found that, instead of progressing, he has retrogressed during the last six months. Now we come to Mr. Boyd, and if it were a fact, as Mr. Boyd seemed to think, that 70 per cent. of articles in his shop are articles which might go on to the P.A.T.A. list, then the position might be serious so far as he is concerned; but I venture to suggest that if members of the Committee were to visit his shop they would find that Mr. Boyd is very seriously mistaken, and that in all probability the percentage is more like 2, 3, 4, or 5 per cent. than the 70 per cent. he suggests. I do not want to make any further observation regarding Mr. Boyd, because his case, like that of other cutters, will be dealt with comprehensively under one heading. I want to point out to the Committee that it is only establishments like this and the cash grocers that have to be looked into; and there is also McKenzie’s, Hart’s, and stores such as the Bargain Stores in Hamilton, which are typical stores which exist throughout the length and breadth of the country—in fact, one of the persons I have mentioned has a large number of shops throughout New Zealand. My learned friend Mr. Kennedy, and also Mr.

* Regarded as confidential and deleted.