

20 per cent. on popular selling lines, and that on very quick-selling lines, such as butter, he makes as low as 4 per cent.

*Mr. Myers* : I am endeavouring to show that his statement is not correct.

*The Chairman* : I daresay he may have difficulty. I can quite appreciate his position, knowing something of the grocery trade, in taking out particular items on which he gets 35, 30, and 25 per cent.

*Mr. Myers* : Then I will put it, anything over 20 per cent.

54. *Mr. Myers* (to witness).] You said you get 4 per cent. on butter ?—Yes.

55. Your sales of butter would be pretty substantial ?—Yes, about a fifth of the turnover.

56. And on that your gross profit is only 4 per cent. ?—Yes.

57. What is your gross profit on sugar ?—Twenty-one per cent. in single pound lots, and 10·8 per cent. on 70 lb. lots.

58. And I suppose you sell a considerable portion of 70 lb. bags ?—About half and half.

59. So that we may say that your average on sugar would be 15 per cent.—Between 15 and 16 per cent.

60. What proportion of your total turnover would be in sugar ?—About 8 per cent. The figures I have given you relate to Christchurch and Dunedin.

61. What is your gross percentage on flour ?—We get 16 per cent. on 7 lb. bags and 13 per cent. on ordinary sales.

62. And what percentage of your turnover would be in flour ?—About 8 per cent.—the same as sugar.

63. And what are your other leading lines ?—Tea.

64. And what profit on that ?—One brand, 16·6 ; another, 16 ; and another, 20 per cent.

65. And what proportion of your turnover would be in tea ?—About 12½ per cent. That is for proprietary brands. Proprietary teas allow us a margin of 15 per cent.

66. What teas are they ?—Amber Tips and Bell tea.

67. What do you sell those at ?—3s. 4d. a pound.

68. Do you sell at 3s. 4d. ?—Yes.

69. And they allow you 15 per cent. ?—Yes.

70. I suppose we may take it that in this 18s. you have been talking about there is sugar, and flour, and butter, and tea ?—I do not think sugar was included. I think at that time every shop was selling it at cost.

71. Anyhow, the other three items would be included ?—Yes.

72. There would not be much in the way of proprietary lines in that 18s. outside of foodstuffs ?—I do not think there would be many. We were appealing to the housewife as grocers.

73. Advertising ?—Yes.

74. Now, we have got the leading lines that you sell, and we have the percentages that you get on them : do you suggest that other grocers were getting 16 or 20 per cent. gross profit more than you ?—On the actual lines which appear on that list, yes.

75. You are the chairman of the Canterbury Retail Grocers' Association ?—Yes.

76. What are the rules of that association ?—To create uniformity amongst traders on questions which arise in our trading, apart from price-fixing.

77. Not to fix prices ?—No, not to fix them.

78. A gentleman's agreement ?—Not even that. The only prices which have been adjusted are sugar, butter, and porridge-meals. The prices I have here are what have been suggested. When I say "fixed," that is not quite correct.

79. You mean suggested by your association ?—Yes, for sugar, butter, flour, and porridge-meals—oatmeal.

80. Bacon ?—No.

81. But, anyhow, sugar, flour, oatmeal products, and butter ?—Yes.

82. In respect of those items the prices are suggested by the Retail Grocers' Association ?—A cash price is suggested to adopt if they wish to do so. There is nothing compulsory about it.

83. The prices are suggested by the association of which you are chairman. Do you adhere to them ?—All except butter.

84. And what do you do with butter ?—I am cutting that lower than the original price.

85. What are you selling it at now ?—1s. 5d. a pound.

86. And what is the price suggested for you at the present time ?—1s. 6d.

87. But so far as other prices are concerned you adhere to them ?—Yes.

88. And I suppose the other grocers do ?—Some of the grocers charge more because they can sell at those prices. The margin is not wide enough for them.

89. I want you to exclude from your mind all proprietary articles of foodstuffs. Can you tell me what percentage of your total turnover is comprised of proprietary articles ?—I think it would correspond closely with flour and sugar. I am judging from my payments. That would be about 8 per cent.

90. So that your total turnover of proprietary lines would be 8 per cent. of your total ?—I am judging that from the cheques I have to pay to certain houses. We buy other lines through wholesale houses. I should say, on reflection, 10 per cent.

91. What was your total turnover ?—Last year, ———.

92. You may include toilet preparation, patent medicines, and proprietary soaps ?—That would increase my previous figure by making it 30 per cent. Now that bar soaps are included it would easily bring that amount up to 30 per cent.

93. What are your total sales of soap ?—My total purchases are about £150 a month.