

SEVENTH DAY: WEDNESDAY, 2ND MARCH, 1927.

The Committee met at 10.30 a.m.

Examination of MR. SUTHERLAND continued (*in camera*).

WILLIAM TUCK sworn and examined. (No. 24.)

1. *Mr. Gresson.*] What is your occupation?—I am a grocer carrying on business in Christchurch.
2. What is your system of business?—Cash and delivery and wrap up.
3. Were you originally a credit grocer?—Yes. I changed my system in 1921.
4. Have you found the change-over satisfactory?—Yes.
5. You seem to be in the same position as Mr. Norrie. Did you hear Mr. Norrie's evidence as to the effect of his change-over?—Yes.
6. Can you corroborate him?—In general I can corroborate all he said.
7. Did you find your own turnover increase under the cash system?—Yes.
8. You wish to produce certain figures for the Committee?—Yes. I hand in a certificate from an accountant showing the proportion of overhead charges to turnover.
9. In 1921 you were a credit grocer?—Yes.
10. Actually you find you have been able to largely reduce prices to the public?—Yes. When I first introduced that system I went on the basis of reducing every price approximately 10 per cent.
11. Do you yourself do any importation?—Yes, a good deal.
12. And so you eliminate the wholesaler on those lines?—Yes.
13. Do you purchase for cash or obtain a month's credit?—It varies. Some firms give four or six weeks' credit, and others require net cash; others, again, require weekly payments.
14. But you can always get better terms if you pay cash?—Yes, even with a merchant who does a credit business. He will always allow $1\frac{1}{4}$ per cent. if you pay on the invoice.
15. In your opinion, can a cash business be carried on side by side with the credit business—I mean, do the public want both?—Yes; there is a demand for the credit business. There is a large class of people who will not fetch their own goods or pay cash. They prefer a canvasser calling for orders, which are to be booked.
16. In regard to the question of proprietary articles and patent medicines, I think, in your experience, twenty or thirty years ago the chemists hardly handled patent medicines?—I would not say it was so recently as twenty years ago, but many years ago it was considered to be a breach of professional ethics for a prescribing chemist to sell anything.
17. It has been stated that Creme de Menthe tooth-paste was an article which was put off the market. What was your experience in regard to that?—A representative from Australia offered me minimum lots of six dozen at bed-rock prices, which I purchased on the definite understanding that an extensive newspaper advertising campaign was to be entered upon. This undertaking was never at any time carried out. For that reason I returned the tooth-paste to the merchant, and it was ultimately sold at any cost the retailer could procure to quit the line. Messrs. Rattray told us that soon afterwards the proprietors went into liquidation. The line was never on the market.
18. How do you view the operations of the P.A.T.A. as regards your own business?—I am very much against it. It would compel a man like me, who operates on an average of 12 per cent., to retail at approximately the same prices as businesses which operate from 17 to 35 per cent.
19. Your main attraction, of course, is your price?—It is my only attraction.
20. I suppose grocers' commodities are pretty well the same everywhere?—There is a wide variation in quality. Christchurch, on the whole, demands a far better quality than Wellington.
21. *Mr. Myers.*] Have you ever carried on business in Wellington?—No.
22. Then what is your qualification for presuming to talk about the quality of goods required by people in Wellington?—In walking about the streets I notice the quality of goods displayed in the grocers' shops.
23. You have looked at the windows, but not inside the shops?—That is so.
24. From what merchants do you purchase your coffee and chicory?—From the manufacturers, the New Zealand Coffee and Spices Company.
25. From them direct, and not from the merchants?—That is so.
26. Have you any invoices of those goods?—No. We purchase our coffee and chicory separately and blend them.
27. From what merchants do you purchase your salmon?—We import direct.
28. From whom?—O'Leary and Co. They are not packers; they are brokers in Canada. There are no canners who export direct. All salmon trading is in the hands of brokers, who purchase from all the different canners.
29. What brand of salmon do you purchase?—We purchase O.K.
30. Where do you buy your Kruschen salts?—Fairbairn, Wright, and Co.
31. Do you purchase all your patent medicines from them?—If their prices are the best, and where I do not purchase direct from the manufacturer. I always purchase to the best advantage, whether from a merchant or from the manufacturer.
32. Do you know whether Fairbairn, Wright's prices for patent medicines are very much the same as other merchants'?—Taken on an average, I should say they would be $2\frac{1}{2}$ per cent. lower.
33. I suppose you do not buy better from Fairbairn, Wright and Co. than anybody else can buy from them?—Sometimes I can.