

5. And you prepared and distributed printed price-lists for a cash business there, to be served from your Johnsonville premises?—Yes.

6. You intended to go out and pick up the orders yourself, and you actually did go?—Yes.

7. What was the result?—The result was that one of the two shops in Khandallah was offered to me and I bought it. My predecessor was carrying on the old credit style of business, and his best month was —.

8. What is your present Khandallah business returning?—[The witness wrote his reply and handed same to the Committee.]

9. When did you buy the Khandallah business?—In November, 1925.

10. And the results you achieved in Khandallah induced you to change your business into a cash and delivery one, cutting out all other service?—Yes.

11. Did you stock Amber Tips tea, Bell, Roma, and an unblended B.O.P. tea?—Yes.

12. Under the old regime what were your purchases of Amber Tips?—Approximately 10 lb. a month.

13. Immediately you changed your business into a cash and delivery one what were your sales at the Johnsonville branch?—Approximately five cases a month.

14. And for Bell tea?—Approximately the same.

15. Did those results take place practically immediately after you changed your business into cash?—In a very short time.

16. Did you reduce the price of Roma tea?—No.

17. How did those sales move after you converted your business?—They remained practically stationary.

18. You did not reduce your prices for Roma?—No, and they remained stationary.

19. Prior to your reducing prices under the new system, how much bulk tea did you sell?—Five chests a month, the retail price being 2s. 8d.

20. Did you maintain the price at 2s. 8d.?—Yes; the price is now 2s. 8d.

21. How were your sales?—I have a standing order for five chests a month now.

22. Do you stock Radiant butter?—Yes. I have reduced the price of that by 1d. a pound under the new system, and the sales showed an increase to ten boxes a week; previously they were four.

23. What about Velvet soap?—Under the old system we charged 9d., and now it is 8d. Formerly I bought one box a month, and now I get it in ten-box lots, with a reduction in price of 10 per cent.

24. Did you receive any complaints from any of the proprietors of these standard lines about reducing your prices?—None whatever.

25. What about Oak jams?—Formerly I was a small buyer, and was subsequently able to purchase in fifteen-case lots, which was much larger than my previous purchases.

26. What about tomato sauce?—That was previously sold at 1s. 8d., and under the new system was 1s. 5d., the result being that where we used to buy one case a month we now buy five.

27. Tell us about Granose biscuits?—I used to sell them at 1s. 2d., and purchased a dozen a month. I am now selling them at 1s., and disposing of anything between two and three cases of 3 dozen each. That only refers to the Johnsonville business.

28. Edmonds' baking-powder?—Sales have increased since I reduced the price—from 3 to 18 dozen a month.

29. With regard to competition in Johnsonville, you have four competing stores altogether?—Yes.

30. Do they all carry on the old style of business?—Yes. They do not display prices. I do; every line is ticketed.

31. Is there any other strictly cash business in Johnsonville?—No.

32. Did you reduce your tobacco prices by 1d.?—Yes.

33. Did you ever miss getting your tobacco discounts?—No, except by oversight; but I seldom got my tobacco discounts before.

34. You produce your expenses for the three months ended 31st January, 1926, compared with the corresponding period for 1927?—Yes, I produce them.

*Mr. Myers*: Who prepared those figures?

*Mr. Walker*: Mr. Earl prepared them.

*The Chairman*: Why did you take the monthly average?

*Mr. Walker*: The position is that Mr. Earl is a very hardworking man, and further, he had sickness; and I did not like to impose too much work on him. If more figures are required they can be supplied. I am responsible for asking for those limited periods, knowing the stress he has been under.

35. *Mr. Walker* (to witness).] In spite of your increased turnover your stocks increased by only £50 to £60?—Yes.

36. So that you did a vastly increased turnover with a small increase of stock: why was that?—It was owing to the quick turnover.

37. Would you go back to your old booking and canvassing business?—No, because I am more than satisfied with the new style of business.

38. With regard to the population of Johnsonville, has it advanced at all during the last few years?—Unfortunately it has not.

39. So that the extra business you have done has come from your competitors?—I should imagine so.

40. *Mr. Myers*.] When did you change your Johnsonville business from credit to cash?—After I went to Khandallah.

41. Did you at once commence in Khandallah a cash business?—Yes.

42. When did you change?—About the middle of 1926.