

TAILORING TRADE REGULATIONS.

On the 1st March, 1925, regulations, administered under the Board of Trade Act, came into force relating to the manufacture of tailor-made and factory-made garments to measure. The legislation made it an offence to sell or offer for sale as "hand-made" or "hand-tailored" any garment which was not completely made by hand; and also made it an offence to sell or offer for sale as "tailor-made" or "tailored to measure" any garment which did not contain a specified amount of hand-work.

Since that time this Department, in co-operation with officers of the Labour Department, has seen that the regulations have been given effect to, and has taken action where necessary. The provisions of the regulations are well known now by the trade, and they have a deterring effect on any efforts at misdescription or misrepresentation. Nevertheless, breaches of the Act do occur, and the Department then takes prompt action. Several cases were reported during the past year and were duly investigated, in one or two instances convictions being obtained and fines imposed by the Court.

Amongst the matters that have come up for consideration is that of the employment of unfair tactics against legitimate trading. The advertising of non-existent goods, and other methods that are of such a nature as to attract customers when it is not intended to deliver the goods advertised, are dishonest, and should be prohibited. It might be mentioned that efforts are being made by interested parties to obtain legislation making such tactics punishable offences.

CHATTELS TRANSFER ACT, 1924.

It is provided by this Act that Orders in Council may be issued to extend the Seventh Schedule of the Act by adding further classes of chattels recognized as being the subject of "customary hire-purchase agreements."

Section 57 of this Act provides for the protection of bailors of such chattels as are referred to in the Seventh Schedule, without the necessity of registration. During the past year several applications for the addition of certain classes of articles to the schedule have been received and dealt with by this Department. These applications necessitate investigation and inquiry as to the customary trade practices, and as to the desirability or otherwise of adding such articles to the schedule. Applications during the past year were made in respect of the following chattels: Cinematograph-projection machines, and lighting and other equipment peculiar thereto; iron and steel fireproof safes and strong-room doors; radio apparatus and material; law books and law reports.

In the great majority of instances that have come before the Department requests to add to the Seventh Schedule of the Act have been refused. In the case of the application for the inclusion of cinematograph-projection machines, and lighting and other equipment peculiar thereto, it was, however, considered that the whole of the facts justified the power given in section 57 being availed of, and the application was accordingly approved.

The matter of including safes and strong-room doors was given very careful consideration in October, 1927, and was refused. When, therefore, a further application was recently made in respect of the same class of chattels the Department was unable to recommend any departure from the decision previously made. The matter of adding radio apparatus to the schedule also received careful consideration, but the circumstances were such that no action could be taken. An application has recently been made to include law books and law reports, and this is being inquired into at the present time.

In recent years considerable discussion has taken place regarding the general question of transacting business on time payment and by the system of hire-purchase. Instalment selling is not new; it has been employed for many years in the purchase of homes, in the furniture trade, in the sale of musical instruments and sewing-machines. With the development of the automobile, electrical appliances, and labour-saving machinery the volume of instalment selling has increased very considerably during the past few years. A vast volume of business has for years been done upon open-account credit, and it is reasonable to assume that a large proportion of the business now carried on under the hire-purchase system would formerly have been done on open account, and to the extent of this substitution no additional credit has taken place merely through the change in the method of transacting the business. It is simply a change in the form of credit previously created on ordinary open account, and now created by a method providing for payment by instalments.

On the other hand, there can be no doubt whatever that instalment selling has been of great service in business development, and has tremendously increased sales and expanded credit. Just as the credit system is the framework upon which for many years production has been based and our modern industrial organization built, so the time-payment or hire-purchase system is a method of financing consumption by the ultimate consumers.

The attitude of the various sections of the trading community appears to be influenced very greatly by the class of goods in which those traders are interested, and, while sellers of foodstuffs, clothing, and similar articles object most strongly to time-payment or hire-purchase methods, dealers in automobiles, musical instruments, furniture, and certain classes of machinery are equally emphatic in their support of the virtues of and necessity for the system.

It appears to be true in this, as in other instances, that it is the excessive and extravagant adoption of the principle of deferred payment which constitutes the only serious objection to a system of business which in certain respects has decided economic benefits. The time-payment system may claim to be an influence towards thrift as much as a cause of extravagance, and a means of enabling producers to use modern appliances or machines earlier than they would otherwise find possible.