So that this shortage of bran and pollard is not due to a short wheat crop ?—No.

Could bran and pollard be imported at reasonable prices ?—Well, I have no doubt that New Zealand could always get plenty of bran and pollard from Australia or Canada, but the prices would be higher than those current in New Zealand.

What has been the average price of bran and pollard since 1925 in New Zealand and Australia respectively ? Can you give us that ?—Not offhand, but I have the figures on record. They are in my statement so far as New Zealand is concerned. In Australia they fluctuate very considerably. They are not often lower than they are in New Zealand. In fact, bran is invariably lower in New Zealand. Pollard is sometimes 10s. lower in Australia, but immediately New Zealand starts to buy pollard or bran from Victoria or New South Wales the price goes up.

That is what I wanted to get at : our buying affects the price ?—Yes.

Can you tell us what the freight is from Australia to New Zealand—I think it is the same as for flour ?—About £1 15s. per ton.

Now, with regard to the prices of bread, is that for delivery over the counter ?—That is the cash price over the counter. Those are the lowest prices ruling in New Zealand to-day.

In Schedule C, in 1921, the price of flour is given as £21 per ton and the price of bread at 6½d. ?—Yes. Then there was a subsidy of £1 10s. per ton.

In 1922 flour was £18 a ton and bread was 6d. Can you give any reason for the variations in prices as compared with 1929 ?—Well, the cutting that is going on at the present time in the main centres with respect to the price of bread is very acute. For instance, a 4 lb. loaf can be bought in Wanganui to-day at 9¾d., and in Dunedin at 9½d.

At 9½d. in Dunedin ?—I think it can be bought for 9½d. in Dunedin, but I think that is fairly rare. Two or three shops are selling at that price. If my Department were asked to investigate and report upon the economic price of bread, allowing for reasonable overhead charges and the bakers' profits, we would probably fix the price at 1s. per 4 lb. loaf.

The Chairman.] Schedule G states that the prices of bran and pollard in 1929 are £7 and £8 per ton.—Those are the prices in Sydney.

What are the prices of New Zealand bran and pollard locally in Wellington ?—With bran at £6 10s. and pollard at £8 the cost of freight would be about £1 and 19s. per ton respectively, and the charges to store about 8s. 6d. per ton. That would make bran £7 18s. 6d. and pollard £9 7s. 6d. in the store.

And what would Australian prices be for both at the present time locally ?—At current prices, £10 10s., duty paid, in Wellington, for pollard, and the same for bran.

How does that compare with the New Zealand prices ?—The New Zealand prices are much cheaper.

Hon. Mr. Forbes.] The duty is £1 per ton ?—Yes.

The New Zealand product would still be cheaper if there was no duty ?—Yes. In Australia they are very reluctant to sell bran and pollard. It is a dry country, and they want as much as they can produce.

What is the price of bread by contract ? We hear a lot about institutions making contracts for bread : have you any idea what the prices are which are charged to those institutions ?—I think some of the Government contracts are made as low as 9d. ; but in many cases they take stale bread.

Mr. Jones.] With regard to the price of bread, can you let me know the value of the flour as compared with the value of the wheat ?—Your question is, What is the value of the wheat when it becomes flour ?

Yes ; and, of the price per loaf, what proportion goes to the farmer ?—I will try to get that information.

Another question is, If a 2 lb. loaf is reduced by 1d., what reduction would that be in the price of wheat ?—That would be very difficult to say. I used to work on a formula that every penny rise in price of wheat equalled 4s. per ton of flour.

It is the bread point I want to get at. Take 1d. off a 2 lb. loaf, what would it amount to in the value of the wheat ?—I have worked it out in flour, but never in that way. I will try and work it out.

The Chairman.] In Schedule F you state that the price of New Zealand wheat is 6s. a bushel, and the average price of the 4 lb. loaf 1s. ?—Yes.

While the average price of wheat on trucks in Melbourne is 5s. 9d. That is in Schedule G ?—Yes.

And the loaf of bread is from 8½d. to 9d. ?—Yes.

Well, now, the prices of wheat being approximately the same, do you think that the wheat-grower in New Zealand gets the benefit of the protection now given ?—I would prefer that that question should be put to one of the expert witnesses.

You are not prepared to answer that ?—No, sir ; I am only prepared to give an opinion.

Can you tell me this : If flour in Melbourne is £13 a ton and wheat 6s. a bushel, how is it that in Auckland flour is £17 a ton with wheat at 6s. 3d. a bushel ?—You are quoting wheat-prices f.o.b. Lyttelton. You are not including the cost of freight and railage to Auckland.

The price of flour down South is £15 16s. 10½d. net ?—Yes.

But the average for wheat is 6s. 3d. ?—Yes.

And in Melbourne flour is approximately the same cost ?—No. In Melbourne the mills work twenty-four hours a day ; in Canterbury they are working only eight hours.

The point I want to get at is, Does the farmer actually receive the benefit of the protection ?—I would prefer that you put that to an expert witness.

Mr. Macpherson.] I would like to ask a question in connection with the cost and the price of bread. If there is a reduction of 1d. in the price of bread, is it not probable that the farmer would have to carry 90 per cent. of that ?—No.

He would have to stand a loss of probably 1s. to 1s. 4d. per bushel if there is 1d. reduction in the price of bread ?—That is your statement, Mr. Macpherson.