

*Mr. Wilkinson :* It would be handy to have those prices, Mr. Chairman.

*Mr. B. Sutherland :* We did not have the time to get it typed.

*Mr. Wilkinson.]* You said you would agree to the retailers receiving a profit of 10 per cent. on the sales?—We could make it sales or cost, it does not matter which. Provided you will not refuse any article that you made 10 per cent. on and that you sold no article under 10 per cent. That would cut out the long list which is rapidly growing where they are trying to make 84, 35, and 73 per cent. of profit. That would cut that out.

*Mr. Sullivan.]* You mean fixation of profits?—The idea is to do away with what is called "price-cutting." In grocery there is little or no price-cutting.

*Mr. Wilkinson.]* That would get over a good many objections to the Bill, would it not? You would sooner have this left as it is at present?—I will have to close up and get rid of my men as soon as I can if this goes through. I reckon I will have to start reducing staff as soon as this goes on the statute-book. It will throw five hundred men out of employment in our business alone.

*The Chairman.]* I think that must be an exaggeration.—It is not an exaggeration, and if you knew more about business you would know it.

*Mr. Wilkinson.]* Just another point, and that is the connection between National Distributors and the Self-Help. Your son stated there is no connection between the two.—None whatever.

It is stated that the National Distributors supply the whole of the Self-Help stores?—They do not supply all the Self-Help stores or the business of the Self-Help stores, and the National Distributors supply over two hundred businesses in this city. It has quite a different shareholder list. Self-Help takes its own profits and National Distributors take theirs. The Self-Help is not connected with National Distributors, nor does my son deal with the Self-Help exclusively.

The Self-Help stores are not able to buy wholesale from the National Distributors?—No, they do not buy wholesale from the National Distributors.

*Mr. Ansell.]* On page 25 of this Report you say that some grocers call at customers' homes for orders.—The service stores do.

Do we infer that this is the objection to the proposed legislation?—The objection to the proposed legislation is the fixation of retail prices on every article, covering the whole of the profits, plus bad debts, plus delivery, and working expenses.

But is that so? You have a long list of goods here showing various percentages of profits, but only a few of these articles are under the Trusts Act?—Yes.

You stated to Mr. Harris that the general price would be raised by at least 20 per cent. if this amendment came into force?—Yes.

By what reason have you come to the conclusion that prices will be raised by 20 per cent.? Because it would leave the small merchants sufficiently powerful that they could go to manufacturers and say "Unless you fix a price on your article sufficient for me to make 25 per cent. and 30 per cent. we will not sign." You can see that with the prices that are already fixed. None are fixed at a reasonable percentage; they are all high. There might be one or two exceptions, but they are all high.

In regard to your overhead costs—7·7—I would ask a question on one item, the 10 per cent. depreciation on motor-cars. You say in your evidence that that is adequate?—Yes. Lorries are 15 per cent. and cars 10 per cent.

That is a natural practice?—Yes. We have had cars for seven years and then traded them in. Along with allowing for that and what we have written off it is generally just about 10 per cent. It is 15 per cent. for lorries. The roads are very much improved to what they were a few years ago.

I would like to refer to the question of employees and the evidence you placed before the Committee showing the increase in the number of members in the Grocery Trade Union in the district of Wellington. Do you suggest that the growth of the membership has been influenced by the introduction of the chain stores?—Yes, there are a lot more now than there were when I started in 1922.

How would that square with Mr. Norrie's evidence this morning that the establishment of the class of store he has undertaken displaces labour?—I could not follow Mr. Norrie there, I could not understand him, because it does not fit in with our experience all over New Zealand. There are more shops in Timaru.

You have a cash-and-carry business. Mr. Norrie stated that all employees under the cash-and-carry system could do as big a turnover as eight or nine in the ordinary store. It seems to me to be an extraordinary position when we infer that the growth of these figures is consequent upon the establishment of chain stores.—You have heard that it has been contradicted by Mr. Horsburgh the other witness who came. I have taken these figures from the Department of Labour for six years, and there is no denying them. A check is kept and the figures are accurate. The extra number of stores that are open have provided far more work, and I know of very few stores that were open in 1922 that are now closed unless someone else is in them. There seems to be a far greater number of stores.

What is your reason for the increase in the number of established stores. Shall I put it this way; that the business is sufficiently attractive to attract to it a larger number of business people?—Yes. I started and others followed.

In regard to the question you suggested I should refer to you, the question of the Australian Dried Fruits business. You heard the question I asked your son whether he thought the alleged threat had influenced the Australian distributors?—Yes, it did influence them to a very great extent.

Are you quite certain on that point?—I am quite certain. I had a letter on that point from a man over there who had interviewed the dried-fruit people and they had told him that it was impossible to