

*Cite Possible Example.*—A reseller, having a “Europa” pump, being refused supplies of another brand or brands of petrol for other pumps on his station unless he agrees not to trade in “Europa.”

The provisions of the Motor-spirits (Regulation of Prices) Act, 1933, are specific and definite, and the Courts would have little difficulty in interpreting them and recording a conviction for an offence in regard to price.

*Submission 2.*—If “motor-spirits” are not entirely eliminated from the operation of section 2 of the Bill, section 2 should be amended by striking out the words “or section four” where they occur in line 11 of the Bill.

Both sections 3 and 4 (particularly section 4) of the 1910 Act are valuable aids in assisting to keep the oil trade on a reasonable footing. There has been extreme difficulty in the past in enforcing the provisions of the 1910 Act, and it is submitted that nothing should be done which will increase that difficulty by giving offenders a further line of defence. It is to be noted, moreover, that up to the present no Order in Council fixing prices under the 1933 Act has been promulgated, and during such periods as no such Order in Council is in force sections 3 and 4 of the Commercial Trusts Act, 1910, are the only legally enforceable safeguard against price-cutting (by giving secret rebates, &c.) and against a boycott.

*Submission 3.*—Unless the implied request in submission 1 is acceded to and “motor-spirits” entirely excluded from the operation of section 2 of the Bill, a section should be added to the Bill to the same effect as section 14 of the Motor-spirits (Regulation of Prices) Act, 1933, to make it quite clear that nothing in section 2 of amending Bill is to affect the provisions of the Motor-spirits (Regulation of Prices) Act, 1933.

*Mr. F. W. Johnston:* I will limit my statement directly to those things which are of moment. The first is this: you all appreciate that section 3 of the 1910 Act has placed a ban on concessions, refunds, and so on—in other words, price-cutting on certain conditions. Section 4, of course, is the opposite and operates when a man absolutely refuses to deal at all or refuses to supply unless subject to certain of the other prohibited conditions. Now, Sir, so far as we are concerned, there is a very great deal of value in those sections 3 and 4, albeit that there is a Motor-spirits (Regulation of Prices) Act of 1933. What we would ask is this: that the amendment, and the amendment only—that is to say, section 2 of the amending Bill—be excluded from operation concerning the articles in the Schedules of the 1910 Act—that is to say, petroleum or other mineral oil, or by-products of any such oils. If you are not inclined to go to that length, we would at least ask that motor-spirit as defined by the Motor-spirits (Regulation of Prices) Act, 1933, should be excluded from the amendment. I refer specifically to the amendment because, speaking as a lawyer, an amendment becomes and is specifically stated to be part of the original Act, and I did not wish to make a suggestion which would look as if it were going to cut out the 1910 Act. So that if any article at all were excluded from the operations of this amendment I would ask that it be specifically limited to the operation of section 2 so that it could not have more read into it than is intended. In other words, that it would not be argued afterwards that it would cut out the whole Act because the amendment was part of the original Act. Now, the difficulties arising out of attempting enforcement of the Trusts Act, particularly with regard to motor-spirits, were recognized, hence the special legislation of the Motor-spirits (Regulation of Prices) Act of 1933. This Act, together with the Commercial Trusts Act of 1910, affords reasonable protection not only to the public against excessive prices, but it also affords reasonable protection to any oil-distributor who is threatened. The existence of a competitor might be threatened or a distributor might be threatened by a competitor or combination of competitors price-cutting—that is to say, committing a breach of section 3 of the 1910 Act or a breach of section 4 of the 1910 Act. Although we have the Motor-spirits Act of 1933 on the statute-book, we say that the 1910 Act is still extremely beneficial. For instance, the Motor-spirits Act has no reference to refusing to supply on certain conditions such as are set out in section 4 of the 1910 Act. I would state a possible example of pressure being brought to bear on a reseller who has a “Europa” pump and three or four other pumps. It would be quite possible for pressure to be brought to bear on that reseller to get rid of his “Europa” pump or he would be refused supplies of other brands of petrol for his other pumps. The company I represent has a very definite danger—we have not got any concrete evidence of anything of that sort, nor is it suggested that such a thing has been attempted in the past; but it is such an obvious danger that one has only to point it out and one will see the application of it generally. We certainly do hope that the operation of section 4 of the 1910 Act will not be curtailed by the amendment because that would take away a very great advantage to any independent company which is endeavouring to conduct its business on fair and reasonable methods. Now a great deal has been said about the Trusts Act being exceptionally well drawn and so on by the late Mr. Justice Salmond, and that is true in one sense; but I think we all know the very great difficulty in enforcing the provisions, and we say if these difficulties are having added to them something akin to the provisions of section 2 of the proposed Bill it will make the position so that it will be almost impossible to obtain a conviction. Supposing another distributor refused to supply his wares to a reseller (who is also a reseller of ours) unless he would refrain from taking our goods; then we look at the Bill and the Bill says that he must be able to supply sufficient evidence that the specific case or cases against him were not unfair to the person or persons immediately affected. The question is, Who would be the person or persons immediately affected? And B., that the specific act or acts charged against him were not prejudicial to any industry carried on in New Zealand or to the public welfare. We have heard about the difficulties of Judges at Home and in America and also what has been said in regard to these chain stores; what would be the