

Another new and very interesting phase of the unemployment issue is raised in the Canterbury Grocers' award, now before the Court, in which it is agreed that the proportion of juniors to seniors shall be reduced. This will result in a considerable number of boys being dispensed with ; almost without exception they will not be replaced with men.

Price-cutting virtually concerns every section of the community, and in as much as it reduces the margin of profit of any one under any given line, from the primary producer to the manufacturer and retailer, it reduces the standard of living of each in turn.

Primary producer, manufacturer, and retailer, receive less for their labour ; each must contrive how to reduce expense. The primary producer dismisses one of his men, and the maid in the house, adding two to the unemployment as a result. The farm is not so well cultivated, the stock is not so well cared for, and this farm, which was prosperous and thriving, becomes poor and profitless.

Passing on to the manufacturer, if he is getting a fair margin, he will have money to spend on improvements and his factory is kept in good repair and order, inside and out. Worn machinery and conveyances are scrapped and new purchased. Welfare work and benefit schemes are probably initiated, while better wages are always paid by thriving industry.

Where prices are cut the other side of the picture is seen. The factory is poorly equipped and in bad repair. Minimum wage for employees. No bonuses, no benefit funds, accommodation kept down to the minimum laid down by law. Frequent changes in the staff have been caused by a financially pressed employer seeking to get more than a day's work out of employees. Frequent clashes with labour, late employees starting " one-man " factories and cutting prices still further, and the factory becomes in the same position as an " under-rate " worker who cannot earn standard wages on account of some disability, poor in appearance, poor in ability, poor in the class of work produced.

Coming now to the retailer, price-cutting has been probably more injurious to him and caused the dismissal of more employees than in primary production and in manufacturing. Before the days of chain and department stores practically all grocers were conducted under the service system—that is, men collected orders weekly, and twice weekly ; these were booked and delivered, thus giving employment to the men who collected the orders, clerks, and delivery men. The introduction of the cash shop at cut prices eliminated these service items and these order collectors ; clerks and drivers became unemployed. When the writer changed over from service to cash, of sixteen five were dismissed—namely, two order collectors, one driver, one clerk, and one boy.

Ten years ago in Christchurch, practically every suburban store had a motor-van and senior driver. To-day these have been largely replaced by a boy on a cycle. The boy is usually one of the storekeeper's sons.

Here lies the crux of the question. Should the right of retail price fixing be granted to the manufacturer ? Then the tendency will be to compel retailers to compete in service rather than in price and that automatically means a larger staff, and more prosperity for everybody concerned.

True the purchaser will have to pay slightly more for the few proprietary lines for goods which would only amount to one or two shillings per week in the average household budget.

The Government, however, recognizes, in the application of the unemployment levy and sales-tax, that those who are working must help to keep those who are unemployed, so that although price-fixing would mean a very slight increase in the cost of certain lines yet it would be the means of bringing a considerable number of more men into regular employment in the grocery trade.

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Evidence of ALBERT EARNEST KINCAID, Managing Director of Kincaids Limited, Grocers, Christchurch.

I am president of the Canterbury Master Grocers' Association, and I am giving evidence on behalf of the larger " Individual grocers."

My association is of the opinion that the present legislation is detrimental to the best interests of both traders and the public and consider the suggested amendment to the Act to be necessary, and in the best interests of all concerned.

I do not wish to go over the ground covered by other delegates, but just to state one of the most serious difficulties which is common to larger individual grocers and is mainly a matter of employment.

My firm employs sixty-one hands, made up as follows :—

|                                                 |    |    |    |    |    |
|-------------------------------------------------|----|----|----|----|----|
| Senior hands of over twenty-five years service  | .. | .. | .. | .. | 14 |
| Senior hands of under twenty-five years service | .. | .. | .. | .. | 20 |
| Total senior hands employed                     | .. | .. | .. | .. | 34 |
| Junior hands—boys and youths                    | .. | .. | .. | .. | 14 |
| Females                                         | .. | .. | .. | .. | 13 |
| Total                                           | .. | .. | .. | .. | 61 |

Our weekly wage bill is £200 9s. 9d.

Each year we have engaged some boys, and several of the juniors are approaching seniority. We do not put off youths as they approach seniority. The proportion of seniors to juniors is becoming greater each year as the juniors come up.

We have now arrived at a position where we cannot afford to pay any more senior hands, and our problem is what to do. Are we to dispense with some of the older hands who have had over twenty-five years of service to their credit or the younger men, many of whom are married with young families ? We would much prefer to keep on all our hands, and if we could get a small profit wages could be increased.