

Shops and Offices Act in respect of closing-hours and the payment of wages. Sanford Ltd. once had sixteen retail-shops; now they have seven, and some of these will be closed as leases expire. Two rather serious allegations, however, were made by the Fish Retailers' Association in respect of wholesaler competition along these lines. First, that in times of scarcity of certain varieties or of fresh fish generally the wholesale markets supply their own retail-shops, with the result that other retailers are starved of a range of fish. As an outcome of this practice it was stated that the retailers had been forced into the cooked-fish trade to the extent that there are now only three straight-out wet-fish shops in existence in Auckland. Secondly, the Committee's attention was directed to what is a serious matter if it could be substantiated, and that is the allegation relative to a wholesaler expressing his intention of opening a shop or shops in the vicinity of an established one if the latter does not draw supplies from him.

As an outcome of such complaints and of other matters affecting the economic operation of retail-shops, the Fish Retailers' Association asked for fixation of wholesale and retail prices, licensing of shops, and, in effect, complete Government control of the whole industry, or, failing this, at least a partial and yet effective control. Reference is made elsewhere to the question of some control being exercised over wholesale and retail prices, but in respect of the licensing of shops we are of opinion that while such a request might be considered when more important matters are dealt with, it should be deferred in the meantime.

As a means of circumventing strict adherence to standard prices, a number of retailers are showing a tendency to sell at so much per fish, per piece, or so many fillets for 1s. This might tend to develop into an unscrupulous practice, and in conformity with the recommendation made as to sale of all fish by weight upon the wholesale side we are of opinion that the same procedure should be adopted in the retail trade.

Coming now to the complaints made (mainly by fishermen) as to the price spread between their returns and retail prices, this is a matter that should be given some publicity, in order to allay the suspicion that is in their minds, and to some extent in that of the general public as well, that either the wholesaler or the retailer (or both) are securing a profit out of all keeping with the price paid to the fishermen. In comparing the two prices, the full volume of wastage incurred in cleaning and processing is not taken into account, and perhaps overlooked altogether by some. A reference to Appendix M will show that the retailer, upon the purchase of his fish at any price, is immediately faced with a heavy loss in wastage, and in respect of Auckland attention might be directed to the position with snapper and tarakihi:—

Price paid by Wholesaler to Fishermen.	Price charged by Wholesaler to Retailer.	Cost to Retailer.	Retail Price.	Gross Margin.
<i>Snapper.</i>				
Per Pound.	Per Pound.	Per Pound.	Per Pound.	Per Pound.
2d. green ..	3d. green ..	4-5d. headed and gutted and scaled ..	8d. steaks ..	3-5d.
		5-6d. fillets, wings on	10d.	4-4d.
		8-3d. fillets, wings off	12d.	3-7d.
<i>Tarakihi.</i>				
2d. green ..	3d. green ..	5-0 headed, gutted and shouldered ..	8d. steaks ..	3-0d.
		8-3d. fillets, wings off	12d.	3-7d.

Wholesalers' costs and profits on local wholesale have already been discussed under "Wholesale." The gross margins shown to the retailer above are required to cover cartage, rent, wages, wrapping-materials, and general expenses incidental to this class of trade plus profit. In the city areas shop-rents are exceedingly high, instances being quoted as £21, £20, £13, and £11 per week. Unfortunately, it has not been possible to arrive at a true cost upon selling-prices representative of the trade, owing to the combination of the sale of cooked fish with that of wet fish, but from a reliable source the cost has been worked out at 3½d. per pound, thus leaving over and above this figure no excess profits upon the unweighted average of the above-mentioned margins. Perhaps the complaints as to the high price of fish in Auckland can best be answered by a reference to Appendix I, which shows that in the case of eleven representative shops over their most recent twelve-monthly accounting periods the average net profit upon turnover was 6·7 per cent. and the average net profit itself was £248 per annum. It should be explained, furthermore, that some of these retail units are "family" businesses and the payment of any ordinary wages as such is avoided. In accordance with the reduction recommended in local wholesale prices in Auckland, it is expected that a proportionate reduction will be effected in due course in retail prices.

In Thames no representations were submitted relative to retail prices, and investigation of the position showed that these were generally on a slightly lower level than Auckland and were quite reasonable. A loss on the latest year's working was sustained by one shop.