

1900.

NEW ZEALAND.

THE TRADING - STAMP SYSTEM

(CORRESPONDENCE WITH REFERENCE TO THE WORKING OF) IN THE CITY OF WELLINGTON
TO THE 30TH DECEMBER, 1899.

Laid on the Table of the House of Representatives by Leave.

DEAR SIR,—

Wellington, 1st August, 1900.

This report concerning the working of the Trading-stamp Company is, to the best of my belief, absolutely correct in every detail. It constitutes the working in the City of Wellington for ten months, or, more correctly, from the time the first collection was made right up to the 30th December.

When the company commenced business here the trading-stamps cost the tradesman 2s. 6d. per hundred, and the value of the presents which were to be given in exchange for all albums redeemed (every album containing 990 stamps) was to be £1 5s. retail value. After a short time the price of stamps was reduced to 2s. per hundred, thus reducing the value of presents to £1.

When the showroom was first opened there were presents (very few) worth £1 5s.; but when they were taken their places were filled with inferior goods. The average value of these presents was 11s. or less; the average value of the presents that are being given at present is between 4s. 6d. and 8s. 6d.

There have been some twenty thousand albums printed, and up to the 30th December there were less than nine hundred redeemed, or, on an average, twenty per week. For the first three months there were not more than sixty-two albums redeemed.

The amount collected for this period was £2,936 4s. 2d. Of this amount £2,613 4s. 10d. was deposited in the Bank of New Zealand, £161 5s. paid in salaries, £161 14s. 4d. paid away for alterations to building, freights, printing, &c.

For every album the company gets £1 in advance.

There is no company in existence, and the said company is not a registered one.

The Premier.

JAMES ST. CLAIR.

Total amount collected, £2,936 4s. 2d. Salaries, £161 5s.; rent, £130; 900 albums at 11s. 6d., £517 10s.; general expenses, £161 14s. 4d.; deposited in bank, £2,613 4s. 10d.

The cost of goods and total expenses amounts to £970 9s. 4d.

DEAR SIR,—

The Trading-stamp Company, Auckland, 4th August, 1900.

I enclose for your information, as requested, a detailed statement of the working of the Trading-stamp Company since the month of December, 1898, to the 31st July, 1900, a period of nineteen months. The figures are exact, without fractions, and can be verified under oath, if necessary. All books and papers are at your service, or the service of the Committee reporting the Bill. In a personal interview I called your attention to the fact that the trading-stamp system was particularly adapted to the working-man's condition, as being the only means of giving him a discount upon small purchases. Never before in the history of trade has a system been so generally adopted, and so fairly and honestly carried out, or has conferred so much benefit on a class who had hitherto no means of enjoying a state of things that a comparatively well-to-do person has had. Any one in comfortable financial circumstances could make large purchases, and secure a discount by paying cash; but the working-man, receiving his wages weekly, is more often than otherwise living from hand to mouth, and the majority of his purchases average from 6d. to 2s. Upon such small amounts there has not been hitherto any means of keeping track of such purchases. The trading-stamp system enables these small buyers to enjoy the same benefit as their richer neighbours. The trading-stamp system is also a great benefit to the small trader, who cannot, like his richer neighbour, spend thousands of pounds a year in advertising, the consequences being that he has been gradually driven to the wall, until in desperation he has sought some means of saving himself from utter extinction in trade. The trading-stamp system is also a boon to him; it is at present his only salvation, which has enabled him to give to his customers something that the large shops cannot give, and any opposition that there is against the trading-stamp system has had its origin in the overgrown general stores throughout the country, who have found the small