

249. Has the establishment of the Millers' Association enabled you to keep up the price of your flour both when you were a member of the association and since?—We could keep it up before, but not since. It has been all the other way since. It has been a process of gradual reduction.

250. But when you were a member of the association the price was £3 a ton more?—Wheat being proportionately the same in September last year and September this year, the difference in the value of flour and its by-products would be from £2 5s. to £2 10s. per ton.

251. What is the total milling-power of the mills running an average time per month or per day?—As near as we can apportion it, it is generally accepted that the milling-power is sufficient to provide for three times the present population. I think the chairman of the association, Mr. Meek, stated that that was so at the annual dinner last year.

252. Then, if you were all running, from the nature of the competition it would resolve itself into a question of the survival of the fittest?—There was always an understanding as to the price, and there was before the formation of this association.

253. And independently of the association, without an understanding as to the price, under a natural competition it would be a case of the survival of the fittest?—Yes.

254. *Mr. Rutherford.*] In your opinion the reduction in the price of flour has not resulted in a reduction in the price of bread generally?—I think it has. The price of bread in Dunedin is 6½d. I cannot speak for the other centres.

255. What was it last year?—It went up as high as 7½d. That was the highest figure.

256. Then you think your action has had the effect of reducing the price of bread?—Yes, the price has come down.

257. *The Chairman.*] Can you tell the Committee what the export of flour formerly was before New Zealand lost its export trade in that product?—No.

258. You said there was a milling-power for three times the population of the colony: do you think the export trade formerly was three times what it now is?—I could not say.

259. You say you had no opportunity of checking the quota awarded to you: but had you any information that it was not absolutely fair?—We were not working in very good harmony with the association, and we rather thought— I do not wish to make any reflection upon the management—but we rather thought that in some cases favouritism was shown.

260. You thought the prices of 1902 were not excessive on the restricted output basis, but in taking an individual mill such as yours it was?—Yes.

261. Having the producing-power of the mills in view, if the whole of the mills were working and only getting their share, there was only a third of the producing-power to be allotted: do you think the price under those circumstances was excessive, speaking for the whole of the mills?—I would not like to say that it was.

262. Do you know how many years ago it was before the association started when bread was 7½d. a 4 lb. loaf in Dunedin?—Not within the last sixteen or seventeen years, I think.

263. Can you tell us what the price of wheat was at that time?—No; I would not like to state definitely what it would be.

264. Would you be surprised to know that wheat was far higher sixteen or seventeen years ago, when bread was at 8d., than when bread was at the present price?—No.

265. Does that not point, then, to an undue price being charged to the consumer?—Perhaps it does.

266. Then, it is evident that either the millers or the bakers are getting that difference?— It is certainly not the millers.

267. That is the point I am trying to get at, whether it is the miller or the baker that is getting it: how would you allocate it?—That is exactly my difficulty.

268. You would not like to deal with that?—No.

269. Do you not think the price of bread at 7½d. is excessive when wheat is about 4s. a bushel?—It was more than 4s. a bushel when bread was 7½d. It was about 5s. 3d.

270. Do you not think when bread is 7½d. and wheat is 5s. 3d. it is an excessive price for bread?—I think it could be done for a shade less.

271. At that time who got the most profit, the baker or the miller?— That time they got about equal profit, but just now the baker is getting all the best of it.

272. Wheat is about 4s. per bushel now?—About 4s. 2d. in Dunedin.

273. What was the position of the milling trade before the association was formed—was it successful or the reverse?—Speaking for my own firm, it was fairly successful. My firm is a comparatively young one, doing business during the last eight or nine years, and they have had no reason to complain about the remuneration they have been getting.

274. Was that due to better management on the part of A. Steven and Co., and to keener knowledge of the trade?—Perhaps it was, to some extent.

275. Were the large mills in Auckland over-capitalised?—I think so.

276. And have not been worked with that knowledge employed in a smaller mill?—I think so. It was the larger mills that were suffering.

277. *Mr. W. C. Buchanan.*] The price of wheat remaining the same, you say that the price of flour has fallen some £2 5s. to £2 10s. since last year?—That is so.

278. Does that mean the disappearance of all profit to the flour-miller?—Just about it.

279. So that the public or the bakers have a great advantage?—Some one is getting the profit, not the millers.

280. *Mr. Loughnan.*] You say that the flour-millers had a profitable business before the association started—that is the experience of your firm?—Yes.

281. Your firm signed this agreement. Let me read the recitals: "Whereas for many years