

me to join, stating that it was a capital thing for the millers who had had to suffer bad debts, forward sales, and other things previously.

12. That was, of course, during Mr. Steven's connection with the association?—Yes.

13. He appeared to consider the association a desirable institution?—Yes; all the conversations I had with him went to show that he highly approved of it.

14. Do you remember when he seceded from the association?—Yes.

15. About that time others seceded too?—Yes.

16. What was the effect upon the trade and prices?—The trade rapidly drifted into the old state of matters before the association was formed. Cutting again commenced.

17. Did it come under your observation in Dunedin from what side the cutting commenced?—I have no doubt whatever that it was Steven and Co. who commenced the cutting. I know that from this fact: that they went amongst my own customers—customers that had stuck to me all through the period of the association—and offered flour at a reduced price, and actually made sales.

18. You have been carrying on your business ever since then, have you not?—Yes.

19. How have you regulated your prices?—Of course, I have dropped them to the level of others.

20. And what is the position in regard to the trade and prices in Dunedin at the present time?—Most mills are working at an absolute loss—that is, a miller who has to pay for every item in the manufacture of his flour is now working at a loss.

21. Do you know whether the association, as an association, has taken any active part in the contest that is going on down there?—Yes; they have had to reduce their flour to the level of others. They would have made no sales if they had not done so.

22. It has been given in evidence before this Committee that it was the deliberate action of the association which brought the prices down in Dunedin: what is your observation?—That is absolutely incorrect, and if any one swore it on oath I would say that it was not true. I have facts to prove the reverse.

23. If you can, give us any facts—that is what we want?—I can give you plenty of facts.

24. Will you give them to us?—Facts to prove that the association did not originate the cutting?

25. Yes?—Very well. Steven and Co. went to certain of my own customers and actually made sales below the current price, and the association had to follow suit. In fact, it was known that A. Steven and Co. wrote to the Bakers' Association and offered to sell flour at the association's price or under. Their letter is in existence. There is no getting away from the fact that they originated the cutting.

26. Are there any other millers in Dunedin except yourself that are not members of the association? It has been stated that all the millers excepting yourself are members of the Millers' Association?—No; there are a large number outside.

27. Name some of them?—Fleming and Gilkison, Shand, Ireland and Co., Milligan and Bond, Mether; they are all out of the association.

28. It has been suggested that the Master Bakers' Union of Dunedin united to effect a boycott of the free mills in that district: what observation have you to make upon that statement?—I say that is not correct, because I have been a free miller—absolutely free in every sense—and the bakers have never boycotted me; in fact, I could have sold three times what my mill put out during the existence of the association, and I know for a fact that the bakers have been taking Steven and Co.'s flour since they left the association.

29. At any rate, they have taken your flour, have they not?—Yes.

30. What is your opinion with regard to supplying cutting bakers with flour?—I would say that in nineteen cases out of twenty it is very hazardous to supply them. I will give you two examples of what has happened in my own experience. A baker in Gore wrote to me for flour, complaining bitterly about the treatment he had received from the association. He got friends in Dunedin to call upon me, and the result was that I sent him flour to the value of £80. Of that baker's money I have never received a penny, and never will. There will not be as much in his estate as will pay the assignee's expenses. Another case was that of a baker at Waitahuna, whom the association would not supply. He got into me to the extent of £150. He had a great complaint to make against the association as well, but, unfortunately, I lent my ear to his cock-and-bull story, and gave him flour to the extent of £150. I got notice just before the day I left for Wellington from the Official Assignee that there was a first and final dividend being paid out of that baker's estate of 3s. 9½d. in the pound. I might state that I afterwards found that the baker at Gore had been selling bread at 1d. a loaf cheaper than any other baker in the town. I also lost £60 through another baker, and I have resolved, on moral grounds as well as from self-interest, never to supply a cutting baker again if I know it. A man who cuts prices has either no money at his back—it is a hit-or-miss game with him—or if he has money, he is trying to take an undue advantage of his neighbour. That is my firm conviction after experience.

31. It has been suggested that through supplying cutting bakers certain bakers in Dunedin have refused to buy flour from Steven and Co.?—I know that some bakers, not from any aversion to Steven and Co., or from any feeling because they left the association, have refused to take their flour, but because of the antipathy they have towards their traveller, Mr. Dall.

32. Do you know that of your own knowledge?—Yes, I know one baker who told Mr. Steven in the presence of Mr. Dall that so long as he retained him in his service he would never take a sack of his flour.

33. Do you remember the millers in your district making a money contribution to the Bakers' Union down there?—Yes.

34. Were you a subscriber to that?—I am not absolutely certain whether I subscribed to that or not, but I know I have been in the habit of making an annual contribution to the Bakers'