

increasing volume of business to show decreasing relative profits. Continual comment was made on the cost of credit and delivery, and it was repeatedly emphasized that if buying were generally done for cash over the counter prices could be materially reduced.

It was suggested at an early stage of our investigations by one witness that merchants with stocks in hand at the outbreak of war should be compelled to sell out those stocks at the prices ruling on that date. When, however, it was pointed out that the quantity of stocks held by different merchants varied greatly, that it would be impossible to ascertain when the old stocks had been sold out, and that from a business point of view it was impracticable to have varying prices for the same class of goods at the one time, and therefore that the only possible method of carrying out the suggestion would be for the Government to take over and pool the entire stocks in the Dominion, the witness had to admit that he could not see any practical remedy for what he considered an unfair exploitation of the public. It moreover appeared that it was a common business precaution, when for any reason the cost of replacing goods in hand rose abnormally, to raise proportionately the price of the goods in stock, as otherwise when the prices returned to normal the stocks then in hand and purchased at the abnormal prices would have to be sold at a loss.

As was said by Burke more than a century ago, speaking of a time when, as now, Britain was fighting for the freedom of Europe from a military autocracy, "of all things an indiscreet tampering with the trade of provisions is the most dangerous, and is always worst in the time when men are most disposed to it; that is in the time of scarcity, because there is nothing on which passions of men are so violent, their judgment so weak, and on which there exists such a multitude of ill-founded prejudices."

We had no evidence, nor was it suggested, that there was any combination amongst merchants to maintain a high level of prices. On the contrary, we were satisfied that merchants and traders, with few exceptions, throughout the Dominion had acted fairly and reasonably, and had not sought to take advantage of the war to augment their profits at the expense of the public.

Your Commissioners therefore have not made any recommendations on the subject.

Dated this 28th day of June, 1915.

T. W. STRINGER, Chairman.

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