

*Hon. Mr. Forbes.*] According to that, if it drops 5d. he would get nothing?—Of course, 1d. reduction would have an enormous effect. It would effect flour to the extent of £2 13s. 4d. per ton.

*Mr. Macpherson.*] Can you give us any information as to how many bushels of wheat there are to the ton of flour of Australian wheat as against New Zealand wheat?—There is a variation of 1 or 2 bushels in favour of the Australian wheat. Round about 47 and 48.

*The Chairman.*] You stated previously that the sliding scale is responsible for the increased output, while just now you could not tell us whether the farmer actually gets the protection given?—Oh, undoubtedly he benefits from the protection.

*Mr. Jones.*] The wheat-farmers' organization has helped them in regard to protection?—Undoubtedly the wheat-growers' organization has helped them. Your point is that without that organization the millers might get the wheat-growers in their grip, and might be able to give them less than what its real economic value is.

*The Chairman.*] You think that but for the imposition of the wheat duty wheat would be cheaper in New Zealand than it is to-day?—Absolutely.

Much cheaper?—Yes.

The prices in New Zealand and Australia would be approximately the same?—Yes.

There is no duty on wheat in Australia?—But, then, you must not think altogether in terms of wheat.

I am concerned with what the farmer is getting.—But the flour which comes in to the North Island ports from Australia must be converted into values of wheat in the South Island. The mills could not buy the New Zealand farmers' wheat against this cheap flour. The millers could not afford to pay present prices for it. They would say to the farmer, "If the landed cost of flour from Australia was £14 a ton, we can only afford to give you, say, 4s. 7d. a bushel."

*Mr. Jones.*] I would like Mr. Collins to give us some returns as to the actual costs of bread contracts. Whatever Mr. Collins's opinions may be, I want to get at the actual cost of bread-making. An explanation has got to be found by somebody for the difference in the prices. The price of bread to the Christchurch Hospital is 9d. a loaf, and to the people it is 1s. 1d.—I think that question had better be put to the bakers.

*Mr. Jones.* But if Mr. Collins is in touch with Government institutions he should be able to get the contract prices and all information as to the costs.

*The Chairman.*] Can you get that information, Mr. Collins?—I will try to, sir. Please understand that when I gave you those prices for bread they were made up by an accountant after a careful inquiry. The accountant took a liberal view of what a baker should receive, and took into account the actual wages paid, often in excess of those fixed by awards. He allowed the master baker a reasonable profit. On that basis a commercial accountant would probably say that they are entitled to 1s. cash over the counter.

*Hon. Mr. Forbes.*] That is based on the present price of flour?—Yes; and by cutting it has been reduced down to as low as 9½d.

*Rev. Mr. Carr.*] Do not the bakers use a certain amount of imported flour to mix with the New Zealand flour?—Some of them do.

About what percentage of imported flour do they use for that purpose?—That is a technical question that I do not know definitely. I know as a matter of fact that some bakers do import both Canadian and Australian flour. I think they use from about 10 to 20 per cent. of imported flour.

*Mr. McCombs.*] They have been doing it for years. Is that due to the price, or due to the necessity for mixing the flour in order to obtain a good loaf?—That is a question of opinion among the bakers. Some maintain that the mixing with imported flour, especially Canadian and Australian flour, makes a better loaf. It costs them more to make bread out of combined flour than it does if they used New Zealand flour solely.

*Mr. Macpherson.*] Is it not also a fact that many of those who buy large quantities of second-class New Zealand flour mix that with Australian flour?—I do not know of any second-class flour marketed as such during the last three years.

During the last three years?—Yes.

But it has been marketed?—Well, it was. Invercargill used to supply a flour at one time which was not quite satisfactory in quality.

Is a certain proportion of Australian or Canadian flour required to bring New Zealand flour up to the necessary standard?—I will not admit that. I do not admit that the flour in New Zealand is of a second-class quality and that it is necessary to mix imported flour with it. The predominating number of bakers throughout New Zealand use New Zealand flour entirely, and make a perfectly satisfactory loaf.

I suppose you are aware that during the last two or three years there has been a variation in some of the wheat. You cannot get the same results from some of the wheat as you can from high-class Velvet, Pearl, or Hunter's. Perhaps that is the reason why the bakers import the flour.—Well, I have had a good deal of information on the point, and I know that many of the bakers make a perfectly satisfactory loaf out of New Zealand flour. If our bakers had the privilege accorded to Australian bakers of mixing a certain amount of Arcady and other chemical compounds with the flour, there would be less flour and wheat imported into the Dominion. But that is a matter controlled by the Health Department. I suppose the Committee is aware that research experiments have been recently carried out in Canterbury with a view to treating our own flour to make it equal in strength to flour from overseas, and that these research experiments are proving to be very satisfactory.