

The figures given in Schedule A must be read subject to the foregoing remarks regarding the production and sale of light-weight and fancy bread, and are not intended to show the cost of production and delivery of standard bread. The difficulty of ascertaining and stating the cost of standard bread has already been referred to.

Selling-prices of Bread in relation to Average Cost of New Zealand Flour.

—	Auckland.	Wellington.	Christchurch.	Dunedin.
	£ s. d.	£ s. d.	£ s. d.	£ s. d.
Flour	17 11 0	17 3 5	15 16 5	16 6 8
Bread-prices—				
Cash over counter ..	1s. 1d.	1s. 1d.	1s.	11d.
Price to store	11d. to 11½d. net	Is. less 5 per cent.	11d. less 2½ per cent.	10d. net
Price delivered ..	1s. 2d.	1s. 2d.	1s. 1d.	1s.

Retailers' Margins of Profit.—On the selling-prices above retailers' (shops) margins of profit would be :—

—	Auckland.	Wellington.	Christchurch.	Dunedin.
	Per Cent.	Per Cent.	Per Cent.	Per Cent.
Cash over counter ..	14·61*	12·3	10·64	9·09
	11·54†			
Delivered	21·43*	18·57	17·5	16·6
	17·85†			

* At 11d. † At 11½d.

Prices quoted are those which apply to the bulk of the bread sold in each district. In all these districts there are bakers who do their own baking, and, not being subject to award conditions of wages and working-hours, are able to undersell larger producing units who have to employ all outside labour and conform to arbitration award conditions.

Investigations into the cost of production of bread sold by these bakers were most difficult ; the records in the majority of cases were meagre, and any attempt to construct cost accounts was one of estimate and conjecture. In one or two instances estimates were made and it was definitely ascertained that the low selling-price was made possible by low labour-costs due to long hours worked by the proprietor for a minimum return for his labour. A further important factor in the price to the public is the small margin sought by some retailers. Many stores are now selling at margins much lower than those shown above.

In the experience of bakers from different centres it would appear that a sack of flour (200 lb.) will produce on an average between 64½ and 65 4 lb. loaves. On a tonnage basis this represents 645 to 650 loaves. With the use of Canadian or Australian flour the yield would be approximately 655.

The following table shows the cost of flour used per 4 lb. standard loaf, based on the average price of flour in each centre :—

—	Auckland.	Wellington.	Christchurch.	Dunedin.
	£ s. d.	£ s. d.	£ s. d.	£ s. d.
Cost of flour per ton ..	17 11 0	17 3 5	15 16 5	16 6 8
Cost of flour per 4 lb. loaf	6·48d.	6·34d.	5·851d.	6·031d.

Owing to the limitations of our coinage system, there are considerable difficulties in practice in reducing or increasing the price of the 4 lb. loaf to the consumer by smaller amounts than 1d.

Delivery-costs.—The delivery-costs as shown by Schedule A show the cost of delivery in each centre as under :—

—	Wellington.	Auckland.	Christchurch.	Dunedin.
	d.	d.	d.	d.
Highest	2·166	1·758	1·810	0·720
Lowest	1·254	1·600	1·712	0·410
Average of three bakers ..	1·684	1·679	1·753	0·613