

- (d) National Distributors, Ltd., is entitled to the best treatment because, in the first place, its competitors have been given such treatment, and, in the second place, because of the magnitude of its operations. It is the biggest buyer of grocery goods in New Zealand. Its purchase of dried fruits is practically equal to the whole of Australia's trade with the East in these goods. Its purchase of dried fruits can immediately under equal treatment be brought up to one-tenth of the total New Zealand trade with Australia in these goods, and it has in the past taken the trouble to push the sale of Australian and other Empire products even where this trading has been a disadvantage to the company. Reference is particularly made to the company's letter of 3rd October, 1934, in this connection.
- (e) Under the trade agreement between Australia and New Zealand every New Zealand importer is entitled to fair and reasonable treatment. It is submitted that the company has not received such treatment. Reference here is made to the extracts from the Hon. Massey Greene's letter on page 24 hereof.
- (f) The Board was set up to control and expand the sale of Australian dried fruits. Reference is made to the extracts from the Board's report of 31st July, 1934, set out on page 24 hereof. The Board apparently recognizes the importance of the New Zealand market. It is suggested that the history of the Board's dealing with the company does not support the views set out in the report. On the contrary, the largest buyer of dried fruits in New Zealand has for a period of four years consistently been discouraged by the Board, with the result that it is now buying Californian and other dried fruit in spite of a tariff preference in favour of Australia.
- (g) The company is a large buyer of other products from Australia not controlled by the Board. Refer to cable from New Zealand dated 18th July, 1935, on page 24 hereof, which reads as follows: "Under best treatment could buy Australian products thirty thousand pounds excluding dried fruits twenty thousand pounds and sugar ninety-five thousand pounds." Sugar mentioned in the cable is being purchased from the Colonial Sugar Co., a company which has a monopoly and which is most conservative and particular in its choice of distributors. National Distributors, Ltd., is on the most favoured list of the Colonial Sugar Co.
- (h) Fruits produced and exported from Australia may be divided into two classes (a) vine-fruits controlled by the Dried Fruits Export Control Board, (b) fruits produced from trees—*e.g.*, prunes, peaches, apricots, &c., which are marketed by the Australian Dried Fruits' Association. National Distributors, Ltd., has for some three years past enjoyed the best terms from the Australian Dried Fruits' Association resulting in a large and increasing business with that association, while similar terms have been refused to it by the Board controlling the vine-fruit section, leaving that Board in the extraordinary position of being the only distributor or wholesale organization in the British Empire adopting such an attitude to National Distributors, Ltd.

20th November, 1931.

W. C. P. Thomas, Esq., Chairman,  
Commonwealth Dried Fruits Control Board,  
Perpetual Trustee Building, Queen Street, Melbourne.

DEAR SIR,—

On numerous occasions we have approached your local agents in an endeavour to purchase supplies of an Australian dried fruits direct from your Board, but so far our requests have been ignored. We rather think pressure is being brought to bear by some of the wholesale trade in consequence of which your agents are somewhat loath to act. This we are at a loss to understand since several of our competitors are already on your list, as instanced by—

Oswald M. Smith & Co. (Star Stores),  
Goldingham & Beckett Ltd. (Community Stores),  
Hutchinson's (W'sale) Ltd. (Hutchinson's Stores),  
Burns Philp & Co. Ltd. (Yates Stores),

and for that reason we feel sure that given your permission, your agents would be only too pleased to encourage our very substantial business.

Might we here be permitted to explain that National Distributors Ltd. is a wholesale company whose shareholders have no financial interest in any retail stores although it supplies exclusively Self Help Co-op. Ltd. and we carry large stock for the 120 stores of that Company, and that our purchases of Australian currants, sultanas and leixas this year have already exceeded 7000 boxes. Where possible we give preference to produce grown within the Empire (which is only natural when our title "Self Help" is considered) and for many years we have featured Australian fruit both dried and canned. This fact we think entitles us to a certain amount of consideration.

We are familiar with your methods of shipping and payments and we are prepared to give you our assurance that National Distributors Ltd. will at no time pass on any extra discount to Self Help Co-op. Ltd., or indulge in any price cutting whatsoever. In short we are prepared to give you an undertaking to abide by any scheme of price fixation which you or your agents or the merchants already on your list might decide upon.

We think the foregoing explains the position fully, for we desire to be most frank with you and hope soon to have the pleasure of receiving your favourable reply.

Yours faithfully,  
NATIONAL DISTRIBUTORS LIMITED.  
(Signed) A. F. H. SUTHERLAND, Director.

5th October, 1932.

W. C. F. Thomas, Esq., Chairman,  
Commonwealth Dried Fruits Control Board,  
Perpetual Trustee Building, Melbourne.

DEAR SIR,—

Almost eleven months have elapsed since National Distributors applied to the Commonwealth Dried Fruits Control Board to be placed on the wholesale list for Australian Dried Fruits in New Zealand.

As explained in our letter of 20th November 1931, National Distributors Ltd. is a wholesale company supplying exclusively the Self Help Co-op. Limited which operates one hundred and thirty retail stores through New Zealand. National Distributors Ltd. has a larger turnover than any other grocery merchandising company in New Zealand and has branches in each of the five main centres.

Its shareholders have no financial interest in any retail grocery stores whatsoever and all its profits are divisible amongst its own shareholders. During recent years it has been forced to adopt a policy in conflict with its wishes which are, wherever possible, to give preference to Empire produce. We have found in the case of dried fruits the Agents and principals of foreign firms are willing to co-operate with us, and seeking our business, but with the Australian dried fruits the apparent policy is that this is the largest merchandising company of groceries in New Zealand must be placed at a disadvantage compared with its competitors.

This has now been endured for many years and the enormous growth of our business in foreign fruits is distasteful to us. Such growth being caused by Australian produce not being available to us on equal terms as our competitors as well as the fact that the foreign produce is purchasable cheaper by us on account of being placed on the full wholesale terms by agents. Generally, this would not be cheaper to us if Australian produce was available on wholesale terms.