

49. *Mr. Kirkbride.*] You ask for this duty to be imposed on Canadian implements, as well as implements from the United States?—That is so. If a loophole were left through Canada it would be fatal to the scheme, because it is a simple matter for the United States to pour any quantity of goods into this country through Canada.

50. Have you anything to prove that the Massey-Harris Company have joined this trust?—No, we have nothing definite, but we are led to believe they have a working understanding—that they are not really competing with the trust.

51. This is only hearsay—it is not evidence?

*Mr. Cooper:* There is something approaching evidence in that report of the Royal Commission in Australia, which would perhaps answer the question. It refers to a secret letter that was put in in Committee.

52. *Mr. Kirkbride* (to *Mr. Cooper*).] Was not that hearsay, the same as we have had here?—No; there was something more definite than that.

*Mr. Duncan:* I might say that in making a comparison between English and colonial machines my object was to show that the English farmer does not get his machine any cheaper than the colonial farmer, although we have to pay freight on the raw material from England.

53. *Mr. Fisher* (to *Mr. Duncan*).] That is one of the things you are asking—that raw material should come in duty-free?—Yes. We sent a circular to the Government enumerating the articles on which we want the duty taken off that is levied now.

54. You pay duty on a great many parts at the present time?—Yes. There is the duty, for instance, on the timber, which we use largely in the manufacture of drills—timber which cannot be produced in New Zealand.

55. The fact of the matter is, when you come to sum the whole thing up you find that under the totally different labour conditions which exist in the colony you are placed at a disadvantage as against the American manufacturer?—Yes.

56. You have no objection to the trust coming into New Zealand and competing under similar conditions?—None at all.

57. You are also aware that, so far as the trust is concerned, you have absolutely no chance of getting direct evidence under any circumstances?—We have none.

58. You said just now, in answer to my question, that it is owing to the conditions of labour here being different from those in America that you are placed at a disadvantage as compared with the American manufacturers. If that is so, would not the labour conditions prevailing here, as against those prevailing in Great Britain, place you at a disadvantage as compared with the manufacturers in the Old Country?—I do not think so.

59. You consider you would not be at a disadvantage as against the manufacturers of the Old Country?—I do not think we should. We have always competed against the English manufacturer up to now.

60. *Mr. Taylor.*] Can either *Mr. Cooper* or *Mr. Duncan* tell us what it costs the New Zealand manufacturer on the average to sell his goods, in the way of commissions and travellers' salaries—what percentage?

*Mr. Cooper:* I reckon from 12½ to 15 per cent.—that is, under the conditions we have to sell under now—with competition from America.

61. *Mr. Taylor* (to *Mr. Cooper*).] Was there not an effort made a year or two ago to combine under one management all the implement-manufacturers in the colony?—There was some suggestion of that. *Mr. Duncan* or *Mr. Trolove* would be more conversant with that matter.

62. Have you any idea what the average cost to the implement-manufacturers is so far as advertising is concerned? What percentage on your business turnover does it cost you on an average?—Unless you call travellers "advertising," it is very small. We do not advertise largely.

63. Taking the whole industry, it must come to a fair percentage?—As a percentage it would be very minute—that is, newspaper advertising?

64. Yes?—As a percentage it would be very small.

65. Were you favourable to the proposed New Zealand Implement Trust a few years ago? What was the attitude of your company?—We were not favourable.

66. Have you changed your opinion now as to the possibility of some such scheme being carried out?—As far as the company is concerned, I do not think it has changed.

67. Have you personally changed your opinion?—It did not exactly coincide with my company's.

68. Do you know that one reason urged by the Harvester Trust of America for their existence is that their present organization results in an enormous saving in the cost of distribution and sale of their products?—That is so. I believe they claim that. But, as far as we can gather, although they may say that, it is not entirely what they are after, because there is the fact that they are increasing the prices of their implements, where there is no competition, too.

69. Do you think, then, that if the implement business in New Zealand was under one management there would not be an enormous saving in the cost of production and distribution, in view of the present duplication, or multiplication, of managements?—There is bound to be some saving. It opens up a big question. The businesses as they are now are all workable—that is, you can get one man who can manage a business of the size the businesses are now. If all the businesses were consolidated the capital would be £300,000, as shown from the papers handed in. Personally, I feel quite capable of managing a business such as we have now, with a capital of £26,000, or up to £40,000; but when the capital gets up to £300,000, I think it needs a different class of man altogether. And that is where I think the weakness of the scheme lay.

70. Do you really tell the Committee that you think no single business should be of a size that involves a capital of more than £40,000?—No. I mean this: if you get a business with a capital of £300,000, you want some extraordinary man to manage it, not because you cannot