

It was unfortunate that the workers who had been employed at the Golden Bay works were thrown out of work, but a certain amount of unemployment appeared to be inevitable, and the only question was who were to be the sufferers. Unfortunately for them, the Golden Bay workers had to be the sufferers. It was not in the interests of the companies or of the public, after the slump in April, 1921, that all the companies should continue manufacturing, with the result of work being intermittent at the works of all the companies, and all their workers suffering more or less from unemployment. The closing of the Golden Bay works inflicted some hardship on the agents for the sale of the company's cement, because after their stocks were exhausted they had to obtain supplies for their customers from other agents. In this way they suffered a loss of commission, and the evidence shows that the agents were doing much better out of the cement business than were the Golden Bay shareholders.

I proceed now to state my findings with regard to the agreement:—

1. The agreement does not constitute an offence under the Commercial Trusts Act, 1910, or under any other Act.

2. It is not in any way criminal or illegal.

3. It is in restraint of trade, but the restraint is reasonable having regard to the interests of the contracting parties and to the interests of the public, and is, therefore, not invalid.

4. It was not made to prevent people from getting cement, or to stifle competition, or to increase the price of cement, and was not intended by the parties to operate to the detriment of the public in any way.

5. It has not operated detrimentally to the interests of the public in general. The closing of the Golden Bay works has inflicted some hardship in individual cases in the way already specified, but the works probably would have been closed whether the agreement had been made or not.

6. The stipulation in clause 6 of the agreement that the Golden Bay Company should take no steps while the agreement was in force towards reorganizing its capital or improving or reconstructing its works or machinery was in the circumstances a reasonable and proper provision.

7. The stipulation in clause 9 of the agreement that Wilson's Company should take over the Golden Bay Company's stock of bags was inserted in the interests of the Golden Bay Company and without any sinister intention, and the sale of these bags will not prevent or delay the resumption of business by the Golden Bay Company when the agreement expires.

8. The price of cement has not been unreasonably high at any time during the period in question, having regard to the price of cement in the world's markets.

9. There was no action which the Board of Trade could properly have taken in connection with the agreement, and the Board was not lacking in its duty in the matter.

#### COSTS.

It was suggested that an order should be made under section 11 of the Commissions of Inquiry Act, 1908, directing Mr. Masters to pay the costs of the inquiry. I am not satisfied, however, that the case is one in which the jurisdiction conferred by that section should be exercised in the way suggested.

#### EVIDENCE.

I have the honour to forward the shorthand report of the evidence taken, and also the several exhibits produced by the witnesses.

In witness whereof I have hereunto set my hand and seal, this 17th day of November, 1921.

W. A. SIM,  
Acting Chief Justice.

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