

49. You say that you object to the principle of any manufacturer fixing the minimum price at which his goods are sold?—To the final consumer.

50. You say that that is contrary to the interests of the public?—I say so.

51. Do you know how long the P.A.T.A. has been in operation in England?—I cannot tell you definitely, but it has been in operation for many years.

52. Before your institution came into being?—No.

53. Since?—Yes.

54. I suppose you know something of the cutting of prices by retailers?—Yes.

55. Is there much cutting going on in England?—Just as much as anywhere else.

56. Do you have, for instance, a retailer selling any particular proprietary article outside the P.A.T.A. at cost price or below cost price?—They might.

57. Is there much of that done?—I cannot tell you; I am not in private trade. It is not done in the co-operative societies.

58. You say that you cannot tell the Committee what is done outside co-operative societies?—That is so.

59. Can you tell us anything of the extent of cutting operations?—In some instances retailers do take a line and slaughter it.

60. Supposing a retailer sells a particular line at cost or less under normal conditions, would you not call that slaughtering?—I would call that bad business.

61. Why?—Because he is doing his business for nothing on that particular article; and, besides, it is immoral.

62. I am very much obliged to you?—I will admit that.

63. I am not doubting anything you say, but I am just trying to get your real views. You say that that practice is immoral in practice?—Yes, certainly.

64. And the co-operative societies would not do it?—They do not practise it.

65. But you would admit that against such an immoral practice a manufacturer is entitled to protect himself?—Up to a certain limit, yes.

66. I suppose you will admit that if that kind of cutting became general it would mean the ruination of business in that particular line in the course of time?—It would mean the ruination of the retailer.

67. It would damage the sale of the line?—After twenty-five years' experience in the retail trade I should not think so. It would popularize it.

68. Do you not know that cutting operations of that kind almost invariably lead to the substitution of another article for that particular line?—Not necessarily. The public are not so stupid as to be palmed off with a substitute.

69. You say you are prepared to admit that a manufacturer is entitled to protect himself against cutting operations?—What I say is that he is thoroughly entitled to sell his article at a price which covers the cost of his production and a reasonable profit.

70. I am putting to you the case where a cheap-jack or a few cheap-jack stores here and there are cutting the article in this immoral way that you have mentioned. I suggest to you in such a case the manufacturer is entitled to protect himself by seeing that the article goes to the public at a reasonable price fixed by him?—To the public, I disagree.

71. That is what is done by a number of manufacturers through the operations of the P.A.T.A.?—You ought to know better than I do, because you are connected with the P.A.T.A.

72. You are giving evidence?—If you ask me a definite question relating to the operations of the P.A.T.A. as affecting the consumers I will answer you.

73. Does not the conference of the P.A.T.A. consist merely of a number of manufacturers who are associated with the P.A.T.A. and fixing the price at which their goods are sold to the public?—They go beyond that—in the first place, in fixing such a price which, in my opinion, is too high for the consumer to pay; and, in the second place, they prevent, whether it is a co-operative society or a well-managed private establishment, giving the consumer the advantage of efficient distribution.

74. You have stated that so far the P.A.T.A. has not touched foodstuffs. Does it not touch infant-food?—Yes; and I would like to say something in regard to that.

75. Does not the P.A.T.A. in England have foodstuffs on its list?—Yes. I appeal to any fair-minded man and ask him whether it is fair in the event of, say, my wife going into my store and wanting to buy a bottle of perfume that is on the P.A.T.A. list, and the manager serves her with that bottle of perfume without putting on the dividend, that that would entail not only the supplies of perfume being stopped, but would entail the stoppage of infant-food as well.

76. Until you toe the mark with regard to the perfume?—“Toe the mark” is a very good expression.

77. I know that. However, I suppose in England there are quite a number of infant-foods on the list?—Yes.

78. In the case of your own manufactures, do you sell your manufactured goods to traders outside your own organization?—No.

79. Why not?—Because we are a federation of co-operative capital.

80. Precisely?—And we are registered under the Industrial and Provident Act, which provides that we must supply to our members.

81. And anywhere else?—We do supply to others. We are not debarred from supplying others.

82. In point of fact, your immense organization does not supply its manufactured goods to any persons outside your own organization—that is, to traders outside?—If an ordinary customer comes into an ordinary co-operative society and buys the goods, he is entitled to do it.

83. In other words, you do not sell to the trade outside your own organization?—Exactly.