

ment to be in the position of a merchant buying \$40,000 or \$50,000 a year, and owing to the fluctuations in prices it would not pay the merchant or the Government to advertise; it would be far better to come in, look at the goods, take their chances, and buy as they require; the item of interest in a large order would be saved by not buying at once.

To Mr. Ferris—The Government pursues the universal practice of the trade.

To Mr. Gibson—It would place the Government in the position of a retail merchant; I think it better for a merchant or the Government to buy about once in three months.

To the Chairman—I consider Mr. Langmuir and Mr. Short keen buyers, and fully efficient for the duty of purchasing.

To Mr. Lauder—The system I would recommend would not apply to books; the argument is not analogous; tea fluctuates; I have never, in all my experience, been able to duplicate exactly an order for tea.

To Mr. Ross—I don't believe our best houses would trouble themselves to tender for groceries; the sample of tea that might be tendered for at the beginning of the year would not be in stock at a subsequent time, and the quality of the second quantity might be poorer than that ordered.

To Mr. Ferris—I have sometimes seen 120 or 140 chests of the same teas; teas run from 20 to 170 chests; a particular line of tea can only be supplied to the extent of the lot; it is the same as with butter; when the quantity of one farm is exhausted the quality of the next would probably not be the same; there is a fixed standard by which flour can be purchased.

To Mr. Lauder—There are no brands of syrups

To Mr. Merrick—Amber syrups vary in price; there is a number by which they are known.

To the Chairman—I have supplied syrups to the Government.

To Mr. Lauder—The Government can buy the same as any other cash customer at 5 to 7 per cent over cost; I don't think they can do better than that.

To the Chairman—I always believed that we were competing with other houses.

To Mr. Merrick—I am aware that the Government advertised for pork and flour; the prices vary, and I don't think that a merchant would ask for tenders even for pork; I put the Government in a similar position; the same rule regarding the value of pork and flour does not apply to groceries, which have no brand; we know soap by grades; the average lines of teas are 50 to 80 chests; I don't think it is a proper thing to give price lists without samples; I don't think wholesale importing houses would tender, as they very seldom do; they would not bind themselves to supply the particular line of tea all through the year. Groceries are not inspected like flour, consequently the tendering system is open to abuse.

To Mr. Ross—The Government could be imposed upon by a dishonest dealer.

To Mr. Merrick—in politics I am a supporter of the present Administration.

To Mr. Gibson—My opinion is most decidedly opposed to advertising for groceries, on account of the small profit on them and the fluctuation of prices.

To Mr. Lauder—Mr. Langmuir bought them and there when he first called.

To the Chairman—The whole of a long line of teas is not often bought by a retail merchant; I don't consider it advisable in our own business to buy a whole year's stock in advance; I know of no one who does.

The Committee then adjourned till 11 to-morrow (Thursday) morning.