

SAORSTÁT EIREANN.

TUARISGABHÁIL AN BHINSE
UM PHRAGHASANNA

Report of the Tribunal
on Prices.

BAILE ATHA CLIATH :
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REPORT OF THE TRIBUNAL ON PRICES.

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ORDER OF THE MINISTER FOR INDUSTRY AND COMMERCE
APPOINTING A TRIBUNAL TO INQUIRE INTO THE PRICES OF
ARTICLES OF GENERAL CONSUMPTION AND OTHER MATTERS.

WHEREAS it has been resolved by both Houses of the Oireachtas :

“That it is expedient that a Tribunal be established for inquiring into a definite matter of urgent public importance, that is to say, the retail prices (and wholesale prices if necessary) of articles of general consumption and practical methods of effecting reductions therein, with special regard to the difference between the prices received by producers or importers and the prices paid by consumers.”

Now I, Patrick McGilligan, Minister for Industry and Commerce, in pursuance of the aforesaid Resolution, hereby nominate and appoint :—

Senator S. L. Brown, K.C., Chairman.

Professor Busteed

R. A. Butler, Esq.

Máire Ní Chinnéide, M.A.

Major Bryan Cooper, T.D.

Senator T. Farren

Joseph Johnston, Esq.

J. F. McGuire, Esq.

P. W. Shaw, Esq., T.D.

to be a Tribunal to inquire into and report to me upon the following matter, that is to say, the retail prices (and wholesale prices if necessary) of articles of general consumption, and practical methods of effecting reductions therein with special regard to the difference between the prices received by producers or importers and the prices paid by consumers.

AND I hereby appoint Senator S. L. Brown, K.C., to be Chairman of the aforesaid Tribunal.

AND I hereby declare that the Tribunals of Inquiry (Evidence) Act, 1921, shall apply to the aforesaid Tribunal.

Dated this 10th day of February, 1926.

(Signed) PATRICK MCGILLIGAN.

DEPARTMENT OF INDUSTRY AND COMMERCE.

ORDER OF THE MINISTER FOR INDUSTRY AND COMMERCE
 APPOINTING MEMBERS OF THE TRIBUNAL TO INQUIRE INTO
 THE PRICES OF ARTICLES OF GENERAL CONSUMPTION AND
 OTHER MATTERS IN LIEU OF MEMBERS WHO HAVE RESIGNED.

WHEREAS by Order dated 10th day of February, 1926, the Minister for Industry and Commerce appointed a Tribunal to inquire into the prices of articles of general consumption and other matters.

AND WHEREAS P. W. Shaw, Esq., T.D., and J. F. McGuire, Esq., being appointed members of the said Tribunal by the said Order, have since resigned.

Now I, Patrick McGilligan, Minister for Industry and Commerce do hereby appoint Martin Roddy, Esq., T.D., and M. B. McAuliffe, Esq., to be members of the said Tribunal in lieu of the said P. W. Shaw, Esq., T.D., and J. F. McGuire, Esq.

(Signed), PATRICK MCGILLIGAN,

Dated this 9th day of July, 1926.

DEPARTMENT OF INDUSTRY AND COMMERCE.

PART I.—GENERAL.

PART I.

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TO THE MINISTER FOR INDUSTRY AND COMMERCE.

I.—INTRODUCTORY.

1. By your Order of 10th February, 1926, we were appointed a Tribunal, to which the provisions of the Tribunals of Inquiry (Evidence) Act, 1921, should apply, to inquire into and report upon the retail prices (and wholesale prices if necessary) of articles of general consumption, and practical methods of effecting reductions therein with special regard to the difference between the prices received by the producers or importers and the prices paid by consumers.

2. At our second meeting, held on Tuesday, 10th March, 1926, we decided :

(a) that the proceedings of the Tribunal should be open to the public except in cases where a witness desired to give his evidence in private for reasons which satisfied the Tribunal that it was in the public interest that he should do so;

(b) that representation of individuals or interests by Counsel should not be permitted; and

(c) that evidence should be tendered on oath.

At an early stage in our proceedings it became manifest that the powers conferred on us by the Tribunals of Inquiry (Evidence) Act were necessary. While we are satisfied that a large proportion of traders would have been willing, in the absence of these powers, to furnish us with all the information which they did supply, we feel that in many cases only the knowledge of our power to secure production of documents had the desired effect. In one instance a witness refused to answer questions relevant to our inquiry, and our Chairman was under the necessity of certifying under his hand to the High Court an offence under Section I., sub-section (2), of the Act referred to. The Court after inquiring into the alleged offence and hearing evidence, committed the offender to prison for contempt.

3. For the preparation of this Report we have held fifty-four Sittings and twenty-four private meetings, and have examined three hundred and seventy-nine witnesses. Twenty-four Sittings were held in Dublin, five in Limerick, five in Galway, five in Sligo, four in Dundalk, three in Waterford, five in Cork, and three in Kilkenny. To our great regret our colleagues Professor Busteed and Mr. McAuliffe found it impossible, owing to more pressing public duties, to attend most of the meetings of the Tribunal, and, therefore, do not feel justified in taking any part in our Report, for which they are in no way responsible.

4. The articles of general consumption into which we have inquired are :—

Bread
Meat
Milk
Porter and Stout and

Groceries and Provisions, under which heading we have included :—

Bacon	Jam
Butter	Oatmeal
Eggs	Margarine
Flour	Cheese
Tea	Condensed Milk
Sugar	Cornflour
Rice, Tapioca, Sago	Custard Powder.

In addition we have made inquiries, which, for reasons which we will subsequently state, were not so exhaustive, in the cases of Vegetables, Fruit and Fish.

5. In this part of the Report we deal principally with matters of general application to the whole problem of our inquiry. In Part II. we detail the methods of investigation followed in regard to particular commodities, examine the evidence tendered with reference to costs and prices, and, as far as possible, the conditions governing them, and state the specific conclusions we arrive at and the recommendations we make.

II.—NEED FOR PERMANENT INVESTIGATION.

6. The outstanding impression left on our minds as a result of this inquiry is the need for continuous investigation and supervision. We have reason to believe that the fact of the existence of this Tribunal, and the publicity which its proceedings obtained, were instrumental in securing reductions in the prices of some of the principal articles of general consumption, and of restraining tendencies to increase prices. We have no doubt that similar effects accompanied the investigations of the two bodies which were appointed with similar objects shortly after the establishment of Saorstát Eireann. At the best, however, such effects are transitory, and no lasting results or steady improvement can be expected to accrue solely from the work of Commissions of this nature.

7. We have satisfied ourselves that in certain areas consumers have to pay too high prices for particular articles of food, (bread in one town, for instance, meat or milk in others), in the sense that at some stage in the handling an excessive margin of profit is secured. Excessive profit-taking is, in some instances a cause of unduly wide margins between the price received by the producer or importer and the price paid by the consumer, though it is

not the sole cause. We feel that it is not sufficient to report such a finding, indicating what in our opinion fair retail prices should be, and trusting to legislation to make such prices effective; nor is it feasible, except perhaps in the case of bread, to specify completely the various conditions which should govern these prices, and to declare the prices which should result from specified conditions. Price-fixing, we think, must be regarded as a last resort, but even if it were adopted, a permanent investigating and advising body would be required. Production and trade conditions vary in different places and at different times. Primary and wholesale prices fluctuate for reasons which are dimly apprehended, and often totally misunderstood by the consuming public, whose first intimation is a changed and often increased retail price. A new inquirer set the task of ascertaining facts and their causes is faced with a complex interaction of productive, wholesale, distributive and retail functions carried out with varying degrees of efficiency for the production or handling of a commodity in varying degrees of quality which finally emerges to the consumer at a price which is rarely, if ever, uniform. The ascertainment of the facts is fundamentally a statistical investigation, the value of which largely depends on its continuity. The best results cannot be achieved by sporadic inquiry at intervals of years by temporary bodies however competent in personnel.

8. Queensland Legislation.—The action taken by the Queensland Government in dealing with this matter of excessive prices has been brought to our notice by one of our members who has had the advantage of inquiring into its working at first hand. In March, 1920, an Act was passed by the Queensland Legislature, entitled the "Profiteering Prevention Act," "to make provisions against the charging of unfair prices for certain commodities, and for other incidental purposes." The commodities to which the Act applies are extremely varied, and include food commodities, fuel, articles of clothing, agricultural implements, public utility services (viz.: light, heat and power), freight and transport charges. In addition, other articles may be added by proclamation. In point of fact a perusal of the Reports on the administration of the Act reveals that even Board and Lodging (Hotels) were included in the purview of the Act.

9. The Act provides for the appointment of a Commissioner of Prices who shall not be a member of either House of Parliament or act as a director, auditor, or in any other capacity take part in the management of a company, financial institution, or of any trade or business. He is subject to the control of the Minister in charge of the Act. His duties are, generally speaking, to hold investigations and report to the Minister on the state of prices, and the demand, supply, etc., of commodities in Queensland. His main duty, however, is to fix prices. These prices, which are called "declared prices," are published in the

“ Queensland Gazette,” and no trader may sell above the declared prices. On a report made by the Commissioner that any goods, or goods in excess of a prescribed quantity (the prescribed quantity” being determined in individual cases by the Commissioner), are being withheld from sale and should be distributed, powers are given to the Minister to authorise the seizure of such goods or of such excess, and the payment for them at the declared price minus expenses, and their distribution. The bases on which prices may be fixed are also extremely wide. The relevant section is as follows :—

“ (i.) The Commissioner may fix and declare—

- (a) The maximum price at which any commodity may be sold ;
- (b) Different maximum prices according to differences in quality or description or in the quantity sold, or in respect of different forms, modes, conditions, terms or localities of trade, commerce, sale, or supply ;
- (c) Different maximum prices for different parts of the State ;
- (d) Maximum prices on a sliding scale ;
- (e) Maximum prices on a condition or conditions ;
- (f) Maximum prices for cash or for delivery, and in either case inclusive or exclusive of the cost of packing ;
- (g) Maximum prices on a percentage basis on landed or other cost ;
- (h) Maximum prices according to or upon any principle or condition prescribed ;
- (ii.) In the case of carriage or transport services, fix and declare different maximum prices according to the nature of the carriage or service ;
- (iii.) In fixing and declaring any price, do so relatively to such standards of measurement, weight, capacity or otherwise howsoever as he thinks proper ; or so that such price shall vary in accordance with a standard, or time, or other circumstance, or shall vary with profits, dividends or wages ;
- (iv.) Vary any price previously fixed by him, but so as to apply only to future transactions.”

Incidental provisions include powers given to the Commissioner to compel the attendance of witnesses, to enter and inspect either by himself, or by duly appointed agents, business premises. Any action taken by an Association for the purpose of controlling, determining or influencing the price of any commodity is unlawful, and members are individually liable for the acts of the Association. An annual Report is prepared on the administration of the Act for each year ending 30th June. The reports in our possession relate to the years 1922, 1923, 1924, 1925 and

1926. In the year 1926 the Office of the Commissioner of Prices appears to be included in the Office of the Board of Trade and Arbitration.

10. These statutory reports reveal that the cost of living in Queensland from the date of the Act has been consistently lower than in any other State of the Commonwealth, in spite of the fact that it was higher previous to the passing of the Act. The cost of living returns are compiled by the Commonwealth Statistician, and he reported in 1922 that his returns were based mainly on the retail prices of primary products, the wholesale prices of which are uncontrolled and generally much higher in Queensland than in any other State, and he adduced therefrom that Queensland owed its position as the cheapest living State in the Commonwealth to reduced costs of distribution between the retailer and the consumer, and to the then low prices of meat.* The decrease in the cost of living in Queensland in 1922 was no less than 22 per cent., being greater there than the rate of decrease in the other States of the Commonwealth by an average of 10 per cent. It is mentioned that one other State, New South Wales, had in operation a Prevention of Profiteering Act which had been abolished. The immediate effect of its abolition was to increase the margin between the cost of living in that State and in Queensland from 3 per cent. to 6.9 per cent.

11. The *modus operandi* of the Commissioner is to issue lists to traders in cases where prices had been agreed upon and on assurance given that such charges would not be exceeded. Notifications were only gazetted where it was considered possible that further action might be necessary to secure compliance. Where gazetted prices were not adhered to—the offender, or offenders, were liable to prosecution in Courts of Law.

12. We do not consider similar legislation necessary in this country at this stage. It is not desirable in our opinion to give drastic powers of this nature to an official of the Government, unless and until it has been found that the method which we are now about to recommend has failed to produce the desired results. Even in that event we think that the functions exercised by the Commissioner of Prices should be given to a representative body, capable of securing a greater measure of respect from the business world, and the confidence of the consuming public.

13. **Prices Board.**—In our reference to permanency of investigation we have in mind a continued association between some permanent department of State and the traders whose businesses we have been investigating. We recommend the establishment of a permanent Board (referred to later in this Report for convenience as the "Prices Board"), whose duty it shall be to

* NOTE :—The low price of meat here referred to may have been due to State Trading which we understand resulted in a loss.

study current and future problems of the supplies and prices of articles of general consumption (including in this description fuel and clothing) and to issue periodical reports. This Board would consist of (say) five members, including two officials of the Government, of whom one should be the Director of Statistics, and another a representative of the Department of Lands and Agriculture, and three non-official members. One of the non-official members should be Chairman. We consider the inclusion of the Director of Statistics on this Board of the highest importance, as the closest co-operation between his department and the Board is essential. The primary evidence, as we have already stated, would be statistical in its nature. At present retail prices are ascertained quarterly for the purpose of the compilation of the Cost-of-Living Index Number. These statistics we have no doubt are sufficiently accurate for the purpose of estimating percentage changes in price levels, but we have been informed that they are not to be taken as representing average prices ruling at a particular date in a particular area. We consider that such statistics should be made capable of serving both purposes, and that it should not be necessary for the Prices Board to undertake special statistical investigations requiring the employment of a large staff. In addition, we feel that the collection of price statistics at quarterly intervals is not sufficiently frequent for the purpose we have in view. At the outset of our investigations we felt that a proper appreciation of the nature of the question presented to us might be attained by a statistical examination of the course of retail and wholesale prices in recent years. An obvious approach to an examination of the spread between primary, or wholesale, and retail prices would be by a comparison of retail and wholesale index numbers. Unfortunately no wholesale index number has yet been compiled in this country. We think that this omission should be remedied as early as possible. It is mainly for reasons of this nature that we consider the appointment of the Director of Statistics to the proposed Prices Board to be essential.

14. It must not be understood, however, that the Prices Board should rely solely on statistical information of a general nature. From time to time detailed information from individual traders should be required. For this reason we think that the same powers should be vested in the Board as have been granted to our Tribunal.

15. **Procedure of Prices Board.**—The procedure of the Board would be to consider, either on the basis of statistics supplied to it dealing with recent movements of prices and supplies, or as the result of particular investigations, or of specific complaints received from the public, or from information obtained from trade journals or other sources, whether the consumer was obtaining supplies of the staple articles of consumption in the most

economic manner and at the lowest reasonable price. After examination of the statistical evidence, and of witnesses from the trade concerned, the results of the inquiry should be embodied in reports presented to the Ministry for Industry and Commerce who may authorise their publication. The aim would be chiefly to inform the consumer of changes in primary or wholesale prices which should be reflected in retail prices, to educate the public in the matter of more economic methods of purchasing, and generally by methods of wide publicity to carry on propaganda with a view to reductions in excessive prices. This may not be sufficient. Particular cases may arise where it will be discovered that a particular person, or firm, or some particular trade or association, is acting contrary to the public interest by maintaining prices at an unduly high level, and reaping therefrom an unduly large profit. In such cases the Prices Board should request such individuals or bodies to desist from such action. The mere threat of publicity would probably in most cases have the desired effect. If not, the matter should be reported publicly to the Minister for his consideration of appropriate legislative action, either in the direction of the compulsory fixing of prices or of the licensing of retail traders to which we refer later in this Report.

16. We do not suggest that the activities of the proposed Prices Board should be confined to the investigation and supervision of prices. One of its chief functions would be to ensure a wider knowledge of the elements affecting price changes; and for this purpose it would require to have at its disposal information relating to production, import, consumption and stocks. It might well be entrusted with the general supervision of the amount and availability of the stocks of essential articles of general consumption.

17. It is essential that the establishment of such a Board should not entail any large expenditure of funds. Provided that the fullest co-operation is secured with the Department of Statistics we think that a small staff would be sufficient.

III.—MULTIPLICITY OF SHOPS.

18. We have already stated that unduly wide margins between primary prices and prices paid by the consumer may be due to reasons other than excessive profit-taking by intermediaries. A similar condition may result from an organisation of the distributive machinery which is defective in the economic sense. This subject has been investigated by one of our members, whose views as to the existence and consequences of the evil may be summarised in the following extracts from a memorandum which he has kindly furnished to us.

19. "The main features of the Distributive System in most countries appears to be the excessive number of retail trading

businesses of all sorts, conditions and sizes—excessive, that is, in relation to the requirements of the community for this kind of service. People desert the uninteresting drudgery of country life and crowd into the towns and villages, or even open shop in the country itself, and attempt to make a living by means of retail trade. The overcrowding is worst in the retail stage of the distributive system because the latter is easiest to get into and is commensurate with almost any scale of business enterprise. The consequences are that prices and gross profits in the retail trade are unnecessarily high, while the net incomes of retailers as a class are on the whole much less than popular imagination supposes them to be. Because of the excessive numbers engaged in retail trade the average turnover is small; because the average turnover is small, overhead expenses eat up a large proportion of the rate of gross profit charged and necessitate a higher level of retail prices than would otherwise be necessary; and because retail prices are so high consumption is restricted and the proportion of goods bought, but not sold, is increased.

20. “The ordinary process of economic competition and the principle of the survival of the fittest have been looked to in the past as the natural and self-acting remedies for a condition such as now exists in the retail trade of certain countries. Before the war period of easy profits had demoralised the character of large numbers among the distributive classes it is probable that competition among retail traders did aim at increasing trade for the successful by driving the less efficient out of the business, and that the policy in fixing prices had this object in view. Even then it was true that the marginal or least efficient among the surviving retailers fixed the prices at which the whole of his similarly situated rivals could and did sell, and that a price level which just enabled the marginal trader to survive afforded a differential surplus of net income to the more efficient among his rivals. Since the War there appears to be a greater disposition among retail traders to practise a policy ‘Live and let Live.’ The least efficient amongst them charge what they must; others charge what they can. Competition for trade indeed survives, but the lowering of prices with a view to capturing a large trade by pushing less efficient rivals beyond the ‘margin’ appears to be incompatible with the ethics of post-war retail trade. In other words, the margin of business efficiency has been lowered. Redundancy of shops diminishes the efficiency even of the best managed among them. Under present conditions any individual business man who set out to practise a policy of lowering prices in the hope of attracting a larger trade would require a large reserve capital, since the diminution of gross profit would be immediate and the ultimate compensation by way of larger turnover long delayed and problematical.

21. " By the courtesy of the Department of Justice and the Chief Commissioner of the *Gárda Síothchána* a census was made of the number of shops in each *Gárda* Division by members of the *Gárda*. The Returns made to the Tribunal on Prices show the number of Butchers' Shops, Bakers' Shops, Grocers' Shops, General Stores, and all other shops in town and country areas separately, sub-divided into shops kept by persons who are shopkeepers only and shops kept by persons with other means of livelihood. The following Table is a summary of these returns :—

TABLE I.
NUMBER OF SHOPS IN SAORSTÁT ÉIREANN (DIVIDED INTO *GÁRDA* *SÍOTHCHÁNA* DIVISIONS) SHOWING :—

(A) Shops kept by persons who are shopkeepers only;

(B) Shops kept by persons with other means of livelihood.

DIVISION.	Total No. of Shops for Town and Country.		Grand Total (A and B).
	(A)	(B)	
Carlow and Kildare	767	432	1,199
Cavan and Monaghan	998	898	1,896
Clare	917	646	1,563
Cork E.R.	3,740	1,215	4,955
Cork W.R.	1,171	679	1,850
Donegal	992	891	1,883
Dublin Metropolitan Division	5,760	668	6,428
Dublin and Wicklow	863	472	1,335
Galway	1,007	884	1,891
Kerry	1,326	822	2,148
Kilkenny	589	341	930
Leix and Offaly	732	439	1,171
Limerick	1,690	831	2,521
Longford and Westmeath	754	477	1,231
Louth and Meath	1,104	551	1,655
Mayo	1,174	989	2,163
Roscommon	578	375	953
Sligo and Leitrim	702	967	1,669
Tipperary	1,619	791	2,410
Waterford	963	486	1,449
Wexford	851	414	1,265
TOTALS	28,297	14,268	42,565

22. " The total number of shops arrived at by this enumeration is thus 42,565 in a country the population of which, according to the recent census, has shrunk from 3,139,688 in 1911 to 2,972,802 in 1926. This is in the ratio of one shop to every 70 inhabitants.

23. " It will be informative to refer to similar statistics, supplied by the courtesy of the International Labour Office.

" According to the census of 1921 there were in England and Wales 390,520 proprietors and managers of dealing businesses. This gives a ratio of 1 : 97 of the total population.

" The census of 1921 in Denmark showed a total of 36,226 proprietors and managers (exclusive of large departmental stores). The ratio in this case is 1 : 91.

" According to the census of 1920 in Holland the number of independent shopkeepers was 58,640—a ratio of 1 : 116.

" The census of 1920 in Norway shows a total of 17,385. The ratio is 1 : 152.

" In the case of Switzerland the census of 1920 gave 22,120 as the total number of shopkeepers. The ratio is 1 : 176.

" With regard to Belgium, France and Germany the available information relates to pre-war years.

" According to the professional census of 1920 in Belgium the number of proprietors and managers of *wholesale* and *retail* businesses was 130,895. The population of Belgium in 1913 was 7,550,000. The ratio in this case is 1 : 58.

" The French census of 1911 showed a total of 1,007,043 persons engaged as proprietors or managers of *wholesale* and *retail* businesses. The population of France in 1913 was 41,476,000 and the ratio in consequence 1 : 41.

" According to the industrial census of 1907 in Germany the total number of commercial enterprises, *wholesale* and *retail*, was 840,808. If the population of Germany in 1907 is estimated at 62,000,000 the ratio works out at 1 : 74.

" According to Professor Boyle in his ' Marketing of Agricultural Products ' (p. 87) the ratio of retail traders to total population in 1920 was 1 : 75 in the United States. This is a smaller ratio than we appear to have in the Free State. The national income of the people of the former country was in 1919 about £130 per head, at least twice the amount that the most optimistic estimate could assign as the national income of the people of this island in the most prosperous of recent years. A ratio of shops to population which is right for America is utterly wrong for us."

24. With the views expressed in the foregoing extracts we are in agreement.

We are agreed that there are too many retail shops in this country and that this multiplicity of shops does not create competition or tend to reduce prices. It has, in fact, the con-

trary effect. Prices are fixed at levels which enable the least efficient shop to live, and it is allowed to live to the advantage of the more efficient shops in the same trade, and at the expense of the consuming public. Every shop in excess of the most economic number adds its burden of unnecessary overhead and running expenses to the price of goods consumed. We are also agreed that a substantial reduction in the number of shops, accompanied by supervision of prices by the Prices Board, would enable material reductions in the prices of articles of general consumption to be realised. The only practical means of securing this reduction which occurred to and has been considered by us is the licensing of shops; but the subject is one of such difficulty and complexity that we are not prepared, with the information at our disposal, to make any definite recommendation.

IV.—ACCOUNTS.

25. In the course of our investigation we were met with the difficulty that a large number of traders were unable to produce statements of account, even of an elementary nature. This fact rendered our inquiry much more laborious than if the habit of account-keeping amongst retailers were more general, and may similarly hamper the work of the proposed Prices Board. Since 1808 there has been in existence in France a law which deserves to be better known in other countries. The eighth article of the "Code du Commerce" requires the keeping of Accounts from all business men and business establishments. The sanction imposed is liability to prosecution for fraudulent bankruptcy in certain events, if proper books have not been kept. A useful beginning in the reform of methods of retail businesses could be made by enacting a law of this character, with the provision that no trader who has not kept proper accounts of his business should be allowed to carry an arrangement in Court with his creditors.

V.—WEIGHT AND MEASURE.

26. An examination of prices involves of necessity reference to the question of weight and measure. Prices are quoted with reference to units of weight or measure, and it is of importance to the consumer to ensure that the stated quantity is in fact given. We hoped that the consuming public would have been in a position to state whether in general the practice of giving short weight or measure existed to any great extent; and in our invitations to consumers to give evidence before us we laid particular stress on this point. Consumers as a body displayed little practical interest in our proceedings, and where evidence was volunteered from individual members of the purchasing public we found that it was not their practice to test the weight or measure of their purchases of food. We have, therefore, of

necessity considered the question solely with reference to the legislation at present in existence dealing with Short Weight and Measure, and have taken evidence regarding the present administration of these Acts.

27. The Weights and Measures Acts are carefully administered in the Saorstát, and all weights, measures and weighing instruments used in trade are now periodically tested and either re-stamped or rejected. But the powers of the Weights and Measures Inspectors begin and end with the question of the accuracy of the weighing machine, and no check can be made of the correctness of the actual weighing, with the exceptions hereafter noted. This defect in our legislation is becoming of increasing importance year by year owing to the gradual abandonment of the old type of weights and scales, and the substitution therefor, especially in the sale of foodstuffs, of the automatic, or semi-automatic, weighing instrument, in the use of which the transaction cannot be so readily checked by the purchaser. Existing legislative provisions requiring sale by weight are confined in the Saorstát to bread and coal. The legislation with regard to bread is limited to the Sale of Bread (Ireland) Act, 1838. This Act requires that bread shall be sold by weight, but the procedure by which the sale can be checked and prosecution instituted is so complicated that it has been found difficult to obtain convictions, and the Act has practically dropped into abeyance. The War Emergency Bread Orders, 1917 to 1921, provided that a loaf of bread offered for sale should weigh one pound or an integral number of pounds. Although only in force for a short period, these bread orders had a practical effect in the direction of standardising the size and weight of the loaf. Incidentally they forbade the sale of bread less than twelve hours old, a prohibition which we recommend should be revived. The British Sale of Tea Act, 1922, which does not apply to the Saorstát, required not only that tea should be sold by weight but that it should be sold by net weight; that is, that the weight should be exclusive of the paper or other method of packing. This Act has been found to be extremely useful in England, especially having regard to the growing custom of sale of tea in made-up packets.

28. The British Food Council was appointed originally to consider questions such as the control of prices, but owing to pressure brought upon the Board of Trade by local authorities in England, the Board directed the Food Council to consider whether steps should be taken for the prevention of short weight and measure in the retail sale of foodstuffs. The Council found it an easy matter to obtain evidence, as the British Society of Inspectors of Weights and Measures had for over seventeen years pressed for legislation on this subject, and a considerable amount of time and money (the latter expended by permission of the local authorities) had been applied in the collection of evidence.

There is no similar evidence available at the moment in the Saorstát as Inspectors of Weights and Measures have only recently been appointed from the *Gárda Síothchána*, and as they have had five years' arrears of work in the examination of weights and measures, they have not been able to devote any attention to matters outside these ordinary duties. It may be pointed out, however, that much of the evidence submitted to the Food Council in London by or on behalf of the local authorities is applicable to Saorstát Éireann. The sale of many articles of food in packets is to a considerable extent a trade by England with Ireland; and although recent British legislation empowers Inspectors to test the weight of packets of food on the premises of the packers, it would appear to be equally necessary that the packets should be subject to examination on the premises of the retailer.

29. It may be pointed out that legislative requirement of correct weight or measure is the best possible protection of the honest trader, who is subject to unfair competition if other traders give short weight or measure combined with a reduction of price. This form of competition applies in a widespread fashion to packet foods. Certain packers of dried peas, for instance, still sell an accurate pound packet, but the majority of the peas sold in this form in the Saorstát are sold in packets apparently similar but containing only fourteen ounces or twelve ounces, and the price being slightly less the sale of the accurate one pound packet is unfairly affected. The position is the same with regard to cornflour and other popular foods.

30. Legislation with regard to short weight or measure enabling authorised inspectors to check such weight or measure is of even more importance in Saorstát Éireann than in England. In England the majority of housekeepers use domestic scales for checking the weights of foodstuffs delivered; but we have evidence that the sale of the domestic type of scales in this country in proportion to the population is not more than thirty per cent. of the sale in England; and the prices of domestic scales here are much higher.

31. Recent legislation in the Saorstát has enabled the Minister for Justice to make an Order requiring that beer and stout shall be sold by imperial measure, and the Weights and Measures Inspectors acting under the direction of the Minister for Industry and Commerce have now taken up the duty of verifying bottles in which beer and stout are sold. There is, however, an even more important matter in this connection regarding which legislation appears to be necessary, viz.: the sale of milk. The sale of milk by bottle has made extremely rapid progress in this country, and it appears to be the opinion of the trade that within a comparatively short time milk will be sold in cities almost exclusively in bottles. There is, however, no requirement of honest measure in regard to the milk bottle, nor is there any

existing legislation enabling such requirement to be enforced. A purveyor of milk by bottle advertised for some time the sale of milk in "pint" bottles. By direction of the Department of Industry and Commerce the Inspector of Weights and Measures for the area visited his bottling premises for the purpose of testing the bottles. The trader stated that he did not guarantee a pint. When it was pointed out that he had advertised a sale by pint, and, therefore, brought his trade under the Weights and Measures Acts, he stated he would have to alter the advertisement, and the change was immediately effected. Several samples of the bottles in which milk is sold by various bottlers were procured and tested by the Department of Industry and Commerce. It is fair to say that some of them were only very slightly less than a pint in capacity, but a considerable proportion of them showed appreciable shortage, the average shortage being ten per cent.

32. Need for New Legislation.—We report that there is necessity for new legislation dealing with this matter. It should provide that in the sale of any article of food by weight or measure, a less weight or measure than is purported to be sold shall not be delivered. Special provisions, which should be permanent, should be embodied with respect to the sale of bread and butcher's meat by net weight, and for the sale of milk by standard measure only, and it should be provided that certain other kinds of food specified in a schedule, subject to revision from time to time by regulation of the Minister for Industry and Commerce, should be sold by net weight. These foods should include tea, cocoa, potatoes, bacon, butter, margarine, flour, cornflour, oatmeal, sago, tapioca, sugar, dried beans, peas, currants and raisins, and jam. It might be necessary to make a specific allowance for the weight of the wrappers or containers in which certain of these articles are sold. The administration of the Act should be vested in the Inspectors of Weights and Measures, and substantial penalties prescribed for offences.

VI.—MISCELLANEOUS MATTERS OF A GENERAL NATURE.

33. Price Lists.—We are of opinion that it should be made compulsory for traders engaged in retailing articles of general consumption to exhibit prominently in their shops a list showing the prices at which the various commodities sold can be purchased. It is important that all the different prices of different qualities, or brands of the same commodity, should appear on this list.

34. Credit.—One of the principal causes of excessive prices in the Saorstát is the system of credit which exists very generally. Except in the large multiple shops and a few individual concerns, the greater part of the trade of retailers of groceries

and provisions is with customers who do not pay cash when making a purchase. We have no evidence to show that any extra charge is made to such customers, and it appears that this type of customer is welcomed rather than discouraged by the shopkeeper. The effect is that particular customers are to some extent bound to confine their purchasing to particular shops, and a system of intelligent and economic purchasing on the part of the housewife, entailing examination and comparison of prices, is largely prevented. On the other hand, no inducement by way of discount is held out by these shops to attract cash customers.

The remedy for this condition of affairs is largely in the hands of consumers themselves. It cannot be emphasised too strongly that apathy, thriftlessness, and unintelligent purchasing on the part of the housewife have a very great effect in maintaining retail prices at too high a level.

35. Responsibilities of Consumers.—In this connection we find it necessary to record that the consuming public generally showed little or no practical interest in our investigations. Despite repeated invitations, and the wide publicity given to our proceedings, we were unable to obtain the co-operation of the consumers which we hoped for. We make our principal recommendation in favour of the establishment of a Prices Board in the hope that its methods of informative publicity will educate the public mind to a better realisation of its responsibilities. The success of the Board in reducing retail prices will largely depend on the mode in which the consumer responds to its efforts.

36. Auctions of Farm Produce.—We refer in Part II. of this Report to a system of marketing of farm produce existing in Limerick which deserves to be more widely known. There is in that City a weekly auction conducted by a local auctioneer of the produce of farmers and market gardeners, at which eggs, potatoes, vegetables, fruit and poultry are sold direct by auction to members of the consuming public. The goods are sold in small lots, and no discrimination is made in respect of any type of purchaser. We consider that this system could be introduced with advantage in Dublin and other large centres with the assistance of the Local Authorities.