

This PUBLIC BILL originated in the HOUSE OF REPRESENTATIVES, and, having this day passed as now printed, is transmitted to the LEGISLATIVE COUNCIL for its concurrence.

House of Representatives.
8th November, 1907.

Right Hon. Sir J. G. Ward.

FLOUR AND OTHER PRODUCTS MONOPOLY PREVENTION.

ANALYSIS.

Title.	
1. Short Title.	6. Act to apply also to wheat.
2. Flour may be exempted from Customs duty.	7. Act to apply also to potatoes.
3. Order in Council remitting duty may be revoked.	8. How average price determined.
4. Court of Arbitration may inquire as to price of flour.	9. Court to have powers of Commission.
5. Unreasonable price of flour.	10. Representative of agricultural and pastoral societies to be a member of the Court.
	11. Quorum.

A BILL INTITULED

AN ACT to prevent the Establishment of Monopolies in the Sale of Flour and other Products.

BE IT ENACTED by the General Assembly of New Zealand in Parliament assembled, and by the authority of the same, as follows:—

1. This Act may be cited as the Flour and other Products Monopoly Prevention Act, 1907. Short Title.

2. Notwithstanding anything contained in the Tariff Act, 1907, it shall be lawful for the Governor at any time and from time to time, on the recommendation of the Court of Arbitration made in accordance with this Act, to declare, by Order in Council gazetted, that, on and after a date to be specified in such Order in Council, flour imported into New Zealand shall be admitted free of all duties of Customs, and so long as any such Order in Council remains in force flour shall be exempt from such duties accordingly. Flour may be exempted from Customs duty.

3. Any such Order in Council may be revoked by the Governor at any time as from a day to be specified in the Order in Council revoking the same, not being earlier than three months from the gazetting of the last-mentioned Order in Council. Order in Council remitting duty may be revoked.

4. The Court of Arbitration may from time to time, at the direction of the Governor, make an inquiry as to whether the wholesale market price of flour in New Zealand is unreasonably high, and if on such inquiry the said Court finds that such price is, or has at any time since the receipt of such direction from the Governor been, unreasonably high, the said Court shall recommend the Governor to exercise the powers conferred upon him by section two of this Act. Court of Arbitration may inquire as to price of flour.

Unreasonable price
of flour.

5. For the purposes of such inquiry the price of flour shall be deemed to be unreasonably high—

- (a.) If the average price of flour in New Zealand is, relatively to the price of wheat in New Zealand, higher than the average price of flour in Australia relatively to the average price of wheat in Australia, unless in the opinion of the Court of Arbitration the additional price in New Zealand is justified by additional cost of production ; or 5
- (b.) If the average price of wheat in New Zealand has by reason of any combination among the holders of stocks of wheat, or by reason of any complete or partial monopoly established by any such holder, been raised above the price which would be determined by unrestricted competition. 10

Act to apply also to
wheat.

6. (1.) The provisions of sections *two*, *three*, and *four* of this Act shall also apply to wheat in the same manner as to flour. 15

(2.) For the purpose of any inquiry by the Court of Arbitration under the authority of this Act, the price of wheat shall be deemed to be unreasonably high if the average wholesale price in New Zealand has by reason of any combination among the holders of stocks, or by reason of any complete or partial monopoly established by any such holder, been raised above the price which would be determined by unrestricted competition. 20

Act to apply also to
potatoes.

7. (1.) The provisions of sections *two*, *three*, and *four* of this Act shall also apply to potatoes in the same manner as to flour.

(2.) For the purpose of any inquiry by the Court of Arbitration under the authority of this Act, the price of potatoes shall be deemed to be unreasonably high— 25

- (a.) If the average wholesale price in New Zealand exceeds seven pounds per ton ; or
- (b.) If the average wholesale price in New Zealand has, by reason of any combination among the holders of stocks, or by reason of any complete or partial monopoly established by any such holder, been raised above the price which would be determined by unrestricted competition. 30

How average price
determined.

8. The average price in New Zealand of any of the aforesaid articles shall be determined by the said Court for the purposes of this Act by reference to the ordinary market price for the time being in Invercargill, Dunedin, Timaru, Oamaru, Christchurch, Wellington, and Auckland. The average price in Australia of any of the aforesaid articles shall be likewise determined by reference to the ordinary market price for the time being in Adelaide, Sydney, and Melbourne. 35 40

Court to have powers
of Commission.

9. (1.) In making any inquiry under the authority of this Act, the Court of Arbitration shall be deemed to be a Commission within the Commissioners Act, 1903, and shall have all the powers conferred upon Commissioners by that Act, and shall be subject to all the provisions of that Act accordingly. 45

(2.) In making any such inquiry the said Court may receive and act on any evidence which it thinks fit, whether the same is legally admissible in a Court of law or not.

Representative of
agricultural and
pastoral societies
to be a member
of the Court.

10. (1.) For the purposes of this Act there shall be added to the Court of Arbitration one additional member thereof, to be appointed by the Governor from time to time in the case of any 50

inquiry under this Act, on the recommendation of a majority of the societies incorporated under the Agricultural and Pastoral Societies Act, 1877.

5 (2.) The member so appointed shall be deemed to be a member of the said Court in respect of the exercise by that Court of the powers and functions conferred upon it by this Act, but for no other purpose whatsoever.

10 (3.) The recommendation of the said societies shall be made in such manner as is prescribed by regulations made by the Governor in Council.

(4.) If the said societies fail to make any recommendation in accordance with such regulations, the Governor may appoint as such additional member of the said Court any person whom he thinks fit.

15 11. (1.) In the case of any inquiry under this Act the Court of Arbitration may exercise its powers and functions at any sitting thereof at which there are present three members, including the Judge of the said Court. Quorum.

20 (2.) In the case of any division of opinion, if the members of the said Court who are present are equally divided in opinion, the decision of the said Judge shall be deemed to be the decision of the Court.