

APPENDIX No. 6

secretary attend to the arrangement of some prices along some of the lines in which they were interested. I told them then that so far as my idea of the objects of the association were concerned, fixing prices was not one of them and that I would not give authority for the secretary to interfere in that at all, that they could fix their own prices, that that was not the object of the association. Of course they did not agree with me, but it was not done—the secretary did not do it—and so long as I am connected with the association and have anything to say in its management it won't be done.

Q. If the fixing of prices is not in your opinion one of the objects, I want to know what, in your opinion, the association is for?—A. I can explain that. That is what I am going to say now.

Q. Is the preservation of the trade for the retailers and the prevention of consumers buying direct from the manufacturers one of the objects of the association?—A. That is one of the objects.

Q. Very well, now, in regard to what you said just now to Mr. Knowles, do you think that is a natural and proper thing to do?—A. I think it is proper in any case.

Q. You thought it would be the natural thing for the association to accomplish that object?—A. Yes, but if you will allow me, I was going to say that having this experience with the newer members, the line yard men, I thought that at the annual meeting it would be a proper thing to review the reasons which led to the organization of the association and give them my views of its objects. Now that is what I did, and if you will allow me I will read it.

By Mr. Knowles:

Q. You give your word it is correct?—A. This was my annual address.

By Mr. Lancaster:

Q. It is not only what you said, but what you believed to be true?—A. I believed this was true, certainly.

Q. When was this delivered?—A. On February 13, 1907. This occurrence was before that. Now this is what I said in my annual address on the date mentioned (reads):—

'It may not be amiss, in view of the constant admission of new members who are unfamiliar with earlier conditions, to briefly review the circumstances which led to the formation of the association; in fact rendered its organization almost imperative if the retail lumber business was to be placed upon a satisfactory basis and the public furnished the best facilities for procuring lumber, one of the first and probably the most important commodities required by the new settler. At this time'—

That is the time when the association was formed—

'the demand for lumber was not large, the number of dealers greater than was required to do the business, and as a result, too many ill-sorted and incomplete stocks, customers in many cases financially weak and not able to pay their accounts. Then after these the poaching or sale by manufacturers to the retailers' customers direct'—

Now that, to my mind, is one of the principal points—

'and you have a condition which existed when this association was formed. In short, a business unsatisfactory and often unprofitable alike to the retailer and manufacturer of lumber.'

Now as to the manufacturers:

'The manufacturers were in sympathy with the objects of the association, realizing that it would tend to improve the financial standing of their customers, the retail dealers, and place the trade generally upon a more satisfactory basis, and theoretically, at least, to discontinue one of the universally recognized customs of trade, namely, selling direct to the customers of the retail dealer in the same line, and who might also be a customer.' Now that, to my mind, is one of the great objects in the formation of the association.