By Mr. Factor:
Q. Does the supply of free merchandise enable them to sell their drugs, for instance, at a lower price? Do they take advantage of that and thereby sell lower? There are examples of items being sold at low prices in the drug and toilet goods departments.

By Mr. Kennedy (Winnipeg):
Q. Do you mean below cost?-A. Yes.

## By Mr. Edwards:

Q. That would be below cost to the ordinary retailer, but where those bonused goods come in it reduced the limit cost to the big store?-A. Yes.
Q. Which gives them some advantage over the small store?-A. I do not know. I think the free goods is a general practice in the drug and toilet goods.
Q. The small store gets it as well?-A. To what extent I do not know.

Mr. Nash: I think the amount depends upon the amount they purchase.
The Chairman: We come to that in the later examination?
The Witness: Yes. Dealing with loss leaders I have a memoranda in connection with individual departments.

Memorandum in connection with Furniture Department-No. 401.
Memorandum in connection with Men's Clothing Departments-
No. 260-Men's Overcoats.
No. 262-Men's Suits.
No. 265-Men's Custom Tailoring.
Memorandum in connection with Ladies' Dress and Coat DepartmentsNo. 301-Ladies' Coats.
No. 305-Medium-priced Dresses.
No. 306-8-Moderately-priced Dresses, House Dresses, Jr. Misses' Dresses.
No. 316-Lower-priced Dresses, Self-Serve Dresses and Coats.
No. 317-Ladies' Lower-priced Store Outer Garments.
Memorandum in connection with Boys' Clothing Department-No. 266.
Memorandum in connection with Shoe Departments-
No. 276-Women's Shoes.
No. 283-Childrens' Shoes.
No. 285-Men's Shoes.
No. 287-Lower-priced Shoes.
Memorandum in connection with Men's Shirt Department-No. 251.
Memorandum in connection with Paints and Wallpapers DepartmentNo. 391.

Memorandum in connection with Knit Underwear Department-No. 332.
Memorandum in connection with Drugs and Toilet Goods DepartmentNo. 203-Drugs.
No. 204-Toilet Goods.
Memorandum in connection with Groceries and Provisions DepartmentsNo. 501-Groceries.
No. 505-Candies.
No. 509-Fruits and vegetables.
No. 512-Meats and Fish.

