

APPENDIX No. 6

By Mr. Knowles :

Q. Will you tell us this, Mr. Sprague, if you please ? When the prices are raised at your mill I suppose they are sent out from time to time ?—A. If you want to get at the way we treat the matter of prices at Winnipeg I will explain it to you. Of course that is all I have any knowledge of.

Q. It is all we want ?—A. Because I have nothing to do with outside prices.

Q. How are prices arranged in Winnipeg, is it by the dealers ?—A. Yes, the dealers meet together and make a price. No, that is not absolutely correct. They figure out what they consider would be a fair price to charge for lumber to yield a profit. Now any dealer can go out of the meeting—and of course we meet together, we have to do that, in order to get a price at all—any person can go out of that meeting and sell his lumber at cost if he likes.

Q. Yes ?—A. Or he can charge any price he likes that he can get. Now that is the extent of fixing prices in Winnipeg.

By Mr. Lancaster :

Q. What do you meet for ?—A. We don't meet very often.

Q. But when you do ?—A. I may say that to my mind it has been absolutely useless to meet because there is no question of a uniform price. There is no question of sticking to prices as far as Winnipeg is concerned.

Q. Are not prices discussed at these meetings ?—A. Yes, and probably they go over the price list with the wholesale price list, and figure, as I say, what would be a fair profit or fair price to charge for lumber in order to yield a profit on the sale of it. Now, after that is done they are at perfect liberty to sell at any price they like, and the experience has been that they have sold at as low as 5 and 10 per cent gross profit and probably less than that.

Q. You had this understanding about prices, what you think fair in a general way ?—A. Yes.

Q. You settle upon the date at which these prices will come into effect in your mill in Winnipeg ?—A. Yes.

Q. That will probably be a week or a month after a meeting is held ?—A. Yes, or it may be on the 1st or the 15th of the month.

Q. A couple of weeks afterwards, perhaps ?—A. Yes.

Q. And generally in these words : ' We will raise prices on that date ?—A. Yes, or if it is a reduction that the reduction will take place on the same date.

Q. So that they do not come out and act from their independent judgment as you a moment ago said they might ?—A. They do.

Q. You say they do ?—A. I say they do.

Q. Do they generally ?—A. Yes, they do generally.

Q. Did I not understand you to say a moment ago there would be a general adherence to it on that date which was set ?—A. No, excuse me. I said there was not an adherence on that date, and our experience has been that there never was an adherence to the price list, that is my experience.

Q. And yet you keep on making price lists ?—A. Well, you have to have some sort of a price list and we aim to make a fair price list.

Q. What about all joining together, they all join to keep the prices ?—A. I do not think there is any need, it all amounts to the same in the end.

Q. On your oath do you say that each man would make his own prices ?—A. Yes, I think they would.

Q. And do you say on your oath that it would come to the same thing in the end ?—A. I think so.

Q. With regard to this meeting, did your mill increase the price on the day it was agreed the increase should take place ?—A. I suppose so.

Q. Your judgment coincided with the agreement arrived at in the meeting as to the day on which the price was increased ?—A. I do not deny that the meeting fixed