

FRIDAY, 11TH OCTOBER, 1907.

WILLIAM PRYOR examined. (No. 27.)

1. *The Chairman.*] What are you?—Secretary of the New Zealand Employers' Federation.
2. You have come here to give evidence with regard to this Bill?—That is so.
3. On whose behalf?—The New Zealand Employers' Federation.
4. You have seen the Bill, and considered it?—Yes.

5. Will you please tell us what you think of it, in your own way?—In the first place, Mr. Chairman, the Federation is distinctly of the opinion that the best settlement of the whole difficulty would be met by a provision that all disputes should be referred direct to the Arbitration Court, or Courts, if it were deemed necessary to appoint two Courts. The Federation feels that if that course were adopted there would be more true conciliation effected than it is possible to get under such conditions as are laid down in the Bill. What I mean is this: that immediately you set up by law a tribunal of any sort, the spirit of true conciliation is removed and the spirit of compulsion enters. If all disputes have to be referred direct to the Arbitration Court all parties would realise that only certain things could be obtained from the Court. What I mean is that standard award conditions would be laid down. The employers, for instance, would know as the result of previous decisions of the Court that it would be useless asking for ridiculously low wages to be awarded. The workers, on the other hand, would know just as certainly that it would be absolutely useless to ask for ridiculously high wages. The same thing would apply to other conditions, and the result would be that, instead of the parties being anxious to refer the matter to any tribunal, they would meet together with the single idea of coming to a settlement on the basis of the Arbitration Court awards. If you have either Conciliation Boards, or Industrial Councils, or any inferior tribunals set up like those, no matter what you call them, you have always the position that one side or other is hopeful that it will be able to obtain better conditions from this inferior tribunal than they could obtain from the Arbitration Court. Notwithstanding that opinion, the Federation, having in view the request of the Minister of Labour for a trial of the Industrial Councils, and his expressed intention of giving the system a trial, has agreed to the setting-up of the Industrial Councils if certain modifications are allowed. I would like to say, too, that the Federation—and I am sure I am speaking for the employers of the Dominion generally—will also give the system a thoroughly honest trial, and if it be successful there will be no stronger supporters of the system than the employers of labour throughout the Dominion. I may say that the proposals the Federation is submitting to the Committee, a copy of which I have handed to you, sir, have been arrived at as the result of exhaustive consideration both on the part of the various affiliated associations and of the Parliamentary Committee of the New Zealand Employers' Federation. While there was, as is only natural, some difference of opinion at the outset, the proposals I am putting before you now are those which were unanimously agreed to by all the bodies affiliated with the New Zealand Employers' Federation. I will deal now only with the proposed alterations to the Bill, Mr. Chairman, and the first suggestion is in connection with section 5, subsection (3), that the Industrial Councils should consist of five members only, two from each side and the President or Chairman. The Federation feels that quite as good results, if not better, will be attained by this restriction of membership. In some cases it will be difficult for either one side or the other to secure three capable men, and if two on each side cannot come to a satisfactory settlement it is believed that it will be just as impossible for three or more on each side to do so, perhaps more so. Section 5, subsection (4): We ask that permanent Presidents be appointed by the Government, two for each Island, or four for the colony, and we make a special point of urging that the salary offered should be sufficient to induce competent men to accept the positions. Both Mr. Booth and Mr. Bennett will deal more largely with this point, so I will just leave it here. Section 5, subsections (5) and (6): We ask that the words "or have been" in these two clauses be struck out. We think that those sitting on these Councils should consist only of those who are actively engaged in the industry. To provide otherwise will open the door to some degree of abuse, at any rate, because on either one side or the other some persons may engage themselves to an industry for a very short time in order to raise a claim that they have a right to sit. I might say that quite a number of Wellington unionists, in discussing this matter, have told me that that would probably happen. Then, we feel that if you confine the *personnel* of these Councils to those who are engaged in the industry you secure those who are quite up to date and in touch with absolutely present-day conditions. We ask also, in connection with subsection (6), that the second paragraph be struck out altogether—"Provided that under special circumstances, and with the approval of the Minister of Labour, persons who are not and have not been workers engaged in the said industry may be so recommended and appointed." We are not aware of any reason why the principle of the *personnel* of the Council should be given away in that manner. What I mean is, that if it is agreed that the Council should consist of experts and those who are engaged in the trade, there shall not be left this loophole for others to come in. Subsections (10), (11), and (12) will, of course, not be necessary if we have permanent Presidents, as these are machinery clauses which deal with the election by members of the Council. Section 10, subsection (1): We ask that this should be altered to read, "The presence of the President and an equal number on each side shall be necessary to constitute a sitting of the Council." As it reads here, it is the President and four other members of the Industrial Council which is necessary to constitute a sitting of the Council. Well, in a Council of seven members there would only be three employers and three workers.

6. You would have the representatives on each side equal?—Yes, it must be equal. If you have a Council of seven, you must have three on each side, or two, and if you have a Council of five you must either have two or one on each side. Clause 18, subsection (1): We ask that the words "apply to the Court for leave to" be struck out. We think that if either party is dis-