The reason for this is that it is highly essential in the interest of the proper development of industry that there should be uniformity in the conditions applying to employment as between industry and industry in the same locality and as between locality and locality. Now, the Court of Arbitration has been trying for many years past to arrive at a set of fixed principles, if you may so describe them, which they shall apply in all cases as far as possible, with a view to getting uniformity, and if you place it in the power of any lower tribunal—especially if the tribunal is constituted as proposed here—to make a final award, which, if no appeal be made to the Arbitration Court, becomes operative at once, and even if appeal is made to the Arbitration Court may still come into operation with slight amendment, then you have the danger of endless confusion as between one class of industry and another and as between one locality and another. I think I shall not be charged with criticizing these Industrial Councils captiously if I refer to some reasons which I think will operate against the scheme being carried into useful effect. You will notice that it is proposed that separate Industrial Councils shall be set up to deal with each dispute that arises, and that when that dispute is disposed of that particular Council ceases to exist. Well, now, there are a great number of disputes arising throughout the Dominion, and it would mean that a very large number of individuals would be required to constitute these Industrial Councils. It would be very difficult, in the first place, to find qualified representatives—of employers, at any rate—in certain cases without going outside the immediate district or employing persons who are actually interested in the dispute in question. I might mention, for instance, the woollen-manufacturing industry. Supposing a dispute arose in the Christchurch District—there is only one woollen industry in the district—you could hardly expect them to put two of their directors on the Council, and they would have to send to Wellington or to Auckland for these people. There would also be considerable expense for travelling-expenses and fees. The direct cost would be considerable, and the indirect cost would be more considerable still. If you had a hundred disputes with a Council, in each case consisting of seven members, that would mean seven hundred persons withdrawn for so long a time from active work or business, as the case might be, and that would represent quite an appreciable loss to the industrial capacity of the Dominion. But the most serious objection, I think, is the one to which I have already referred, that with such a multiplicity of Councils, possibly no two members ever repeating themselves, as it were, each Council being entirely distinct from every other in *personnel*, you would get such a multiplicity of awards that the industrial condition of the Dominion would get into inextricable confusion—at any rate, if the findings of these Councils are to take effect from the date of issue pending an appeal. In this connection I would like to make a suggestion which you will please accept as an individual suggestion. I am not authorised by the employers' association to make it, although I have reason to believe that it would be acceptable to employers, and I believe that it will prove to be more acceptable to the labour interest than some of the proposals in this Bill. My own feeling has always been that the first object and intention of the Arbitration Act—the whole labour legislation, in fact—was to make the utmost possible use of the principles of conciliation and the least possible use of the compulsory clauses. It was the idea of Mr. Reeves that a very large number of the cases would be dealt with by the Conciliation Boards, and very few cases indeed would reach the Arbitration Court; and I think any amendment now made would do well to go in that direction. You want to avoid as far as possible the setting-up of any formal Courts or Boards other than such as are absolutely necessary. The Arbitration Court is absolutely necessary as a final Court of Appeal, and if we could do without any other Court it would be so much the better. The less formality about the proceedings in the lower Court the better chance there is of conciliation. I do not think enough has been made of the private conference which has been made preliminary to proceedings being taken before the Board or Court. You are no doubt aware that, as a rule, when a dispute has arisen, the employers are invited to meet the workmen in conference. In many cases such conference has been largely successful; but the employers have become more or less suspicious because of the feeling that the dispute does not denote discontent amongst the workers, but has been engineered by outside parties, and that it is these parties the employer will meet, and not his own workmen, and therefore little good is to be expected from a friendly conference. This feeling does exist, and it has brought these private conferences less into favour than they were years ago. I believe the effect of some of the clauses in the Bill will be to make the private conference more effective than it has been in the past. I refer particularly to sections 44 and 53. Section 44 sets up the procedure necessary before the dispute can be raised, and section 53 proposes to eliminate some of the undesirable elements in the *personnel* of a dispute. If these two clauses are brought into effect I believe they will bring the employer and employed nearer together, and will remove a good deal of the suspicion on both sides, while the private conference will become of considerable use in the settlement of disputes or preventing the disputes getting beyond that stage. If, however, the private conference should fail, then the industrial Chairman will come in, and it should be within the power of either of the parties to call upon the Chairman to act as counsel not for the purpose of issuing an award, but for the purpose of bringing the parties together. I would not give him any mandatory power at all—that should rest solely with the Arbitration Court; but I do believe that if expressed sanction and encouragement were given to the private conference, and it was open to the contending parties to call in the aid of the official Chairman as indicated, then a very large number of the disputes would end there, and there would be comparatively little work left for the Arbitration Court to do, except in the way of confirming and reviewing the agreements arrived at. I would just repeat what I said a little while ago as to the necessity of this Court acting as a Court of review for the purpose of obtaining uniformity of awards throughout the Dominion and throughout the different industries. One of the sections that Mr. Pryor left me to deal with particularly was section 18. I do not know that I need say very much about that except to say that the right to appeal to the Arbitration Court is sufficiently provided for in the principal Act, and it might be left just where it is; but subsection (8)