1908.

NEW ZEALAND.

LABOUR BILLS COMMITTEE

(REPORT OF THE) ON THE INDUSTRIAL CONCILIATION AND ARBITRATION BILL; TOGETHER WITH MINUTES OF PROCEEDINGS AND EVIDENCE.

Report brought up on the 11th September, 1908, and ordered to be printed.

ORDERS OF REFERENCE.

Extracts from the Journals of the House of Representatives.

FRIDAY, THE 3RD DAY OF JULY, 1908.

Ordered, "That a Committee, consisting of ten members, be appointed, to whom shall be referred the Workers' Compensation for Accidents Bill and certain other Bills more particularly referring to labour; three to be a quorum: the Committee to consist of Mr. Alison, Mr. Arnold, Mr. Barber, Mr. Bollard, Mr. Ell, Mr. Hardy, Mr. Poole, Mr. Tanner, Right Hon. Sir J. G. Ward, and the mover."—(Hon. Mr. MILLAR.)

WEDNESDAY, THE 8TH DAY OF JULY, 1908.

Ordered, "That the Industrial Conciliation and Arbitration Act Amendment Bill be referred to the Labour Bills Committee."—(Hon. Mr. MILLAR.)

REPORT.

INDUSTRIAL CONCILIATION AND ARBITRATION AMENDMENT BILL.

THE Labour Bills Committee, to whom was referred the above-mentioned Bill, have the honour to report, after taking considerable evidence, and having given careful consideration to the Bill, that they recommend that it be allowed to proceed with the amendments as shown on the copy of the Bill annexed hereto.

W. W. TANNER,
Chairman.

11th September, 1908.

MINUTES OF PROCEEDINGS.

THURSDAY, 3RD SEPTEMBER, 1908.

The Committee met at 10.30 a.m., pursuant to notice.

Present: Mr. Tanner (in the chair), Mr. Arnold, Mr. Barber, Mr. Bollard, Mr. Ell, Mr. Hardy, Hon. Mr. Millar, Mr. Poole.

The minutes of last meeting were read and confirmed.

Industrial Conciliation and Arbitration Amendment Bill.

The Committee proceeded to deliberate on this Bill.

Resolved, That the figure "5," in line 10, be struck out, and the figure "8" inserted in lieu thereof.

Resolved, That clause 1 as amended be agreed to.

Resolved, That clause 2 be agreed to.

Resolved, That the words "or have been," in line 16, be struck out.

Resolved, That clause 3 as amended stand over for future consideration.

Resolved, That after the word "any," in line 36, the words "employer or any" be inserted.

Resolved, That clause 4 as amended stand over for future consideration.

Resolved, That the word "whether," in line 9, be struck out, and the word "where" be inserted in lieu thereof.

Resolved, That the words "or not," in line 11, be struck out.

Resolved, That the word "of," in line 12, be struck out, and the words "not exceeding" be inserted in lieu thereof.

Resolved, That all the words after the word "pounds," in line 12, to the end of the subsection be struck out.

Resolved, That the word "whether," in line 15, be struck out, and the word "where" be inserted in lieu thereof.

Resolved, That the words "or not," in line 17, be struck out.

Resolved, That the word "of," after the word "penalty," in line 18, be struck out, and the words "not exceeding" be inserted in lieu thereof.

Resolved, That all words after the word "pounds," in line 18, to end of clause be struck out.

Resolved, That clause 5, as amended, stand part of the Bill.

Resolved, That the following words be inserted before the word "every" at the beginning of clause 6: "Where any award applicable to any industry is in force."

Resolved, That after the word "lockout," at the end of line 23, the words "in such industry" be inserted.

Resolved, That the word "a," in line 24, be struck out, and the word "such" inserted in lieu thereof.

Resolved, That the word "of," in line 26, be struck out, and the words "not exceeding" be inserted in lieu thereof.

Resolved, That the word "of," in line 28, be struck out, and the words "not exceeding" be inserted in lieu thereof.

Resolved, That the word "a," after the word "to," in line 30, be struck out, and the word "such" be inserted in lieu thereof.

Resolved, That the word "any," in line 37, be struck out, and the word "such" be inserted in lieu thereof.

Resolved, That the words "or otherwise" be inserted after the word "approval," in line 39.

Resolved, That the following new subclause (3), (*a*), be inserted: "For the purposes of this section a strike or lockout shall be deemed to be a continuing offence."

Resolved, That the following new subclause (3), (*b*), be inserted: "A strike or lockout shall be deemed to have ceased when declared 'off' by resolutions of the union of workers or employers affected, or when the industry affected is again in full work."

Resolved, That subclause (4) be made a new clause under title of (4), (*a*).

Resolved, That clause 6 as amended be agreed to.

Resolved, That clause 7 be passed as printed.

Resolved, That, *re* clause 8, consideration of this clause be adjourned.

Resolved, That in line 3, clause 9, the words "twenty-one be struck out, and the word "fourteen" inserted in lieu thereof.

Resolved, That in line 6 the words "of ten" be struck out, and the words "not exceeding twenty-five" be inserted in lieu thereof.

Resolved, That all the words after the word "pounds" in line 6, to the end of the clause be struck out.

Resolved, That subsections (*a*), (*b*), and (*c*) of subclause (2) be agreed to.

Resolved, That subsection (*d*) be struck out.

Resolved, That subsections (*e*), (*f*), and (*g*) be agreed to.

Resolved, That the word "ferry" be inserted after the word "any" in the first line of subsection (*h*).

Resolved, That subsection (*i*) be struck out.

Resolved, That the words "to imprisonment for three months, or," in line 28, be struck out.

Resolved, That clause 9 as amended stand part of the Bill.

Resolved, That the word "shall," in line 44, be struck out, and the word "may" be inserted in lieu thereof.

Resolved, That subclause (1) as amended stand part of the Bill.

Resolved, That subclause (2) be agreed to.

Moved by the Hon. Mr. Millar, That the following new proviso be added to the end of subclause (3): "Provided that the Court shall define the limits within which suspension of award shall apply, which may be any portion of or the whole of an industrial district.'

Resolved, on the motion of Mr. Hardy, That this Committee do now adjourn until 11 a.m. to-morrow, the 4th instant.

FRIDAY, 4TH SEPTEMBER, 1908.

The Committee met at 11 a.m., pursuant to notice.

Present: Mr. Tanner (in the chair), Mr. Arnold, Mr. Barber, Mr. Bollard, Mr. Ell, Mr. Hardy, Hon. Mr. Millar, Mr. Poole.

The minutes of last meeting were read and confirmed.

Industrial Conciliation and Arbitration Amendment Bill.

Resolved, That the following proviso be inserted at the end of subclause (3) of clause 10: "Provided that the Court shall define the limits within which suspension of award shall apply, which may be any portion of or the whole of an industrial district."

Resolved, That the word "such," in line 10, be struck out, and inserted before the word "suspension" in the same line.

Resolved, That the subclause as amended be agreed to.

Resolved, That subclause (5) be agreed to as printed.

Resolved, That clause 10 as amended be a clause of the Bill.

Resolved, That clauses 11 and 12 be agreed to as printed.

Resolved, That the word "of," in line 29, be struck out, and the words "not exceeding" be inserted in lieu thereof.

Resolved, That the word "of," in line 32, be struck out, and the words "not exceeding" be inserted in lieu thereof.

Resolved, That clause 13 as amended stand part of the Bill.

Resolved, That clauses 14, 15, 16, 17, 18, 19, and 20 be agreed to.

Resolved, That the words after the word "unsatisfied," in line 52, to the end of the clause, be struck out, and the following proviso, drafted by the Hon. Mr. Millar, be inserted in lieu thereof (subject to such modification as may be conisdered necessary by the Law Draftsman): "Notwithstanding anything contained in the Wages Attachment apply to the Court for an attachment order against the earnings of any such defendant, provided that in the case of such defendant being a married man no order shall be made except for any earnings in excess of two pounds per week, and in the case of single men of one pound per week."

Resolved, That clauses 22, 23, 24, 25, and 26, be agreed to.

Resolved, That clauses 27 to 31, inclusive, be postponed for future consideration.

Resolved, That all the words after the word "behalf" of line 5, of subclause (1), to the end of the subclause, be struck out.

Resolved, That all the words after "prescribe," in line 31 of subclause (2), to the end of the subclause, be struck out.

Resolved, That all the words after the word "Council," in line 35 of subclause (3), to the end of the subclause, be struck out.

Resolved That clause 32 as amended stand part of the Bill.

Resolved, That clauses 33 and 34 be passed as printed.

Resolved, on the motion of Mr. Hardy, That further consideration of clause 35 be postponed.

Resolved, on the motion of Mr. Hardy, That this Committee do now adjourn until 11 a.m. on Tuesday next, the 8th instant.

TUESDAY, 8TH SEPTEMBER, 1908.

The Committee met at 11 a.m., pursuant to notice.

Present: Mr. Tanner (in the chair), Mr. Arnold, Mr. Barber, Mr. Bollard, Mr. Ell, Hon. Mr. Millar, Mr. Poole.

The minutes of last meeting were read and confirmed.

Industrial Conciliation and Arbitration Amendment Bill.

Resolved, That, in line 47, "(1)" be inserted after "35."

Resolved, That the word "all," in line 49, be struck out.

Resolved, That the words "but not by their representatives," in line 50, be struck out.

Resolved, That the following new subclause (2) be added: "An agreement shall be deemed to be duly executed if it is signed by the employers employing a majority of the workers to be bound by the agreement and by the executive officers of the union of workers."

Resolved, That clause 35 as amended be agreed to.

Resolved, That the word "Council," in line 2, be struck out, and the word "Commissioner" be inserted in lieu thereof.

Resolved, That the word "Council," in line 4, be struck out, and the word "Commissioner" be inserted in lieu thereof.

Resolved, That the word "its," in line 5, be struck out, and the word "his" be inserted in lieu thereof.

Resolved, That the word "Council," in line 14, be struck out, and the word "Commissioner" be inserted in lieu thereof.

Resolved, That the word "Council," in line 18, be struck out, and the word "Commissioner" be inserted in lieu thereof .

Resolved, That the word "its," in line 18, be struck out, and the word "his" be inserted in lieu thereof.

Resolved, That clauses 38 and 39 be recommitted.

Resolved, That the word "Council," in line 22, be struck out, and the word "Commissioner" be inserted in lieu thereof.

Resolved, That the word "Magistrate," in line 23, be struck out, and the word "Commissioner" be inserted in lieu thereof.

Resolved, That subclause (1) as amended stand part of the Bill.

Resolved, That subclause (2) be struck out, and the following be inserted in lieu thereof: "The Clerk of Awards shall forthwith refer the dispute to the Court for settlement, and thereupon the dispute shall be deemed to be before the Court, and shall publish the recommendation of the Commissioner in such manner as is provided by regulation."

Resolved, That clause 39 be struck out.

Resolved, That the word "Council," in line 46, be struck out, and the word "Commissioner" be inserted in lieu thereof.

Resolved, That the word "its," in line 46, be struck out, and the word "his" be inserted in lieu thereof.

Resolved, That clause 41 be struck out.

Resolved, That clause 36 be recommitted.

Resolved, That the following words be inserted after the word "if" in line 1: "Within one month after the date fixed, pursuant to section 28 hereof, for the hearing of the dispute."

Resolved, That the word "Council," in line 2, be struck out, and the word "Commissioner" be inserted in lieu thereof.

Resolved, That the word "Council," in line 4, be struck out, and the word "Commissioner" be inserted in lieu thereof.

Resolved, That the word "its," in line 5, be struck out, and the word "his" be inserted in lieu thereof.

Resolved, That clause 36 as amended stand part of the Bill.

Resolved, That the word "Council," in line 14, be struck out, and the word "Commissioner" be inserted in lieu thereof.

Resolved, That the word "Council," in line 18, be struck out, and the word "Commissioner" be inserted in lieu thereof.

Resolved, That the word "its," in line 18, be struck out, and the word "his" be inserted in lieu thereof.

Resolved, That clause 37 as amended stand part of the Bill.

Resolved, That the word "Council," in line 46, be struck out, and the word "Commissioner" be inserted in lieu thereof.

Resolved, That the word "its," in line 46, be struck out, and the word "his" be inserted in lieu thereof.

Resolved, That clause 42 be struck out.

New clause 42A.: "At any time before the hearing of the dispute by the Court a settlement of the dispute may be arrived at in the manner prescribed by section 35 hereof."

Resolved, That the following proviso be inserted at the end of subclause (1) of clause 43: "Provided that it shall not be necessary on the hearing of any such reference to prove any matter in connection with the dispute which has been admitted before the Commissioner."

Resolved, That clause 43 as amended stand part of the Bill.

Resolved, That clause 44 be agreed to as printed.

Resolved, That clause 26 be recommitted.

Resolved, That the following new clause 26A be agreed to:—

"26A. (1.) The Governor may from time to time appoint two persons as Conciliation Commissioners (hereinafter referred to as Commissioners) to exercise the powers and jurisdiction hereinafter set forth.

"(2.) One of the Commissioners shall be appointed to exercise his functions throughout the North Island of New Zealand, and the other Commissioner shall be appointed to exercise his functions throughout the South Island of New Zealand.

"(3.) Each Commissioner shall be appointed for a period of three years, but may be reappointed from time to time, and may at any time be removed from office by the Governor.

"(4.) Each Commissioner shall receive such salary or other remuneration as is from time to time appropriated by Parliament for that purpose.

"(5.) If on or before the expiry of the term of office of any Commissioner he is reappointed to that office, all proceedings pending before him or before any Council of Conciliation of which he is a member may be continued and completed as if he had held office continuously.

"(6.) If any Commissioner dies or resigns his office, or is removed from office, or if his term of office expires without reappointment, all proceedings then pending before him or before any Council of Conciliation of which he is a member may be continued before his successor or before the said Council, as the case may be, and for this purpose his successor shall be deemed to be a member of that Council, and all the powers and jurisdiction vested in the first-mentioned Commissioner as a member of that Council shall vest in his successor accordingly."

Resolved, That all the words after the word "form," in line 39, to the end of subclause (1), be struck out.

Resolved, That the word "five," in line 46, be struck out, and the word "seven" be inserted in lieu thereof.

Resolved, That the word "or," in line 1 of subclause (*a*), be struck out.

Resolved, That the words "or employer" be inserted after the word "association," in the same line.

Resolved, That the word "name," in subsection (*e*), be read "names."

Resolved, That the word "one," in the same line, be struck out, and the word "three" be inserted in lieu thereof.

Resolved, That the word "person," in same line, be read "persons."

Resolved, That the word "an" be struck out.

Resolved, That the word "assessor," in line 11, be read "assessors."

Resolved, That the word "Magistrate," in same line, be struck out, and the word "Commissioner" be inserted in lieu thereof.

Resolved, That the word "The," in line 13, be struck out, and the word "Every" be inserted in lieu thereof.

Resolved, That the word "The," in line 18, be struck out, and the word "Any" be inserted in lieu thereof.

Resolved, That the word "Magistrate," in line 21, be struck out, and the word "Commissioner" be inserted in lieu thereof.

Resolved, That the words "is not satisfied that the person so recommended is duly qualified" be struck out, and the words "is of opinion that any person so recommended is not duly qualified" be inserted in lieu thereof.

Resolved, That the word "Magistrate," in line 25, be struck out, and the word "Commissioner" be inserted in lieu thereof.

Resolved, That the word "Magistrate," in line 27, be struck out, and the word "Commissioner" be inserted in lieu thereof.

Resolved, That the word "a," in the same line, be struck out, and the word "three" be inserted in lieu thereof.

Resolved, That the word "person," in line 28, be read "persons."

Resolved, That the word "has," in line 28, be read "have."

Resolved, That the words "him as an," in line 29, be struck out, and the words "those persons as" be inserted in lieu thereof.

Resolved, That clause 27 as amended stand part of the Bill.

Resolved, That the word "an," in line 31, be struck out.

Resolved, That the word "assessor," in line 31, be read "assessors."

Resolved, That the word "has," in same line, be read "have."

Resolved, That the word "Magistrate," in line 32, be struck out, and the word "Commissioner" be inserted in lieu thereof.

Resolved, That the word "some," in line 35, be struck out, and the word "three" be inserted in lieu thereof.

Resolved, That the word "person," in the same line, be read "persons."

Resolved, That the word "an," in same line, be struck out.

Resolved, That the word "assessor," in the same line, be read "assessors."

Resolved, That clause 28 as amended stand part of the Bill.

Resolved, That the word "an," in line 37, be struck out.

Resolved, That the word "assessor," in line 38, be read "assessors."

Resolved, That the word "an," in the same line, be struck out.

Resolved, That the word "assessor," in line 39, be read "assessors."

Resolved, That the word "Magistrate," in line 40, be struck out, and the word "Commissioner" be inserted in lieu thereof.

Resolved, That the words "is not satisfied that the" be struck out, and the words "Commissioner is of opinion" be inserted.

Resolved, That the word "not" be inserted after the word "is" in line 41.

Resolved, That the word "Magistrate," in line 46, be struck out, and the word "Commissioner" be inserted in lieu thereof.

Resolved, That the words "him as an," in line 48, be struck out, and the words "those persons as" be inserted in lieu thereof.

Resolved, That the word "assessor," in same line, be read "assessors."

Resolved, That the word "some," in line 50, be struck out, and the word "three" be inserted in lieu thereof.

Resolved, That the word "person," in same line, be read as "persons."

Resolved, That the word "an," in line 51, be struck out.

Resolved, That the word "assessor," in same line, be read "assessors."

Resolved, That the word "Magistrate," in line 1, be struck out, and the word "Commissioner" be inserted in lieu thereof.

Resolved, That all the words after the word "appoint," in line 1, be struck out, and the following words be inserted in lieu thereof: "on behalf of the respondents such number of qualified persons as is necessary to supply the full number of assessors."

Resolved, That the word "two," in line 9, be struck out.

Resolved, That the word "places," in line 44, be struck out, and the following words be inserted in lieu thereof: "at such places within the industrial district in which the dispute has arisen."

Resolved, That the word "Magistrate," in line 44, be struck out, and the word "Commissioner" be inserted in lieu thereof.

Resolved, That the words "either or both," in line 46, be struck out, and the words "any or all" be inserted in lieu thereof.

Resolved, That the word "members," in line 49, be struck out, and the word "assessors" be inserted in lieu thereof.

Resolved, That the words "him in the exercise of his jurisdiction as," in line 6, be struck out, and the words "under 'The Justices of the Peace Act, 1908,'" be inserted after the word "Peace" in line 7.

Resolved, That clauses 3 and 4 be recommitted.

Resolved, That the word "incite" be inserted after the word "to" in subsection (*b*).

Resolved, That clause 3 as amended stand part of the Bill.

Resolved, That the word "incite," in subsection (*b*) of clause 4, be inserted after the word "to."

Resolved that clause 4 as amended stand part of the Bill.

Resolved, That clause 8 be recommitted.

Resolved, That the word "fifteen," in line 52, be struck out, and the words "one hundred and eleven" be inserted in lieu thereof.

Resolved, That the word "amendment," in line 53, be struck out.

Resolved, That the figure "5," in same line, be struck out, and the figure "8" be inserted in lieu thereof.

Resolved, That clause 8 as amended stand part of the Bill.

Resolved, That clause 10 be recommitted.

Resolved, That the following proviso be inserted at the end of subclause (3): "Provided that in making the order of suspension the Court may limit the operation of this subsection to any industrial district or districts, or to any portion thereof."

Resolved, That clause 20 be recommitted.

Resolved, That line 44 be struck out.

Resolved, That the following proviso be added: "Provided that, in any application by an Inspector of Awards for an order under section twenty-seven of 'The Wages Protection and Contractors' Liens Act, 1908,' for the attachment of wages of any defendant, such order may be made in respect of the surplus of his wages above the sum of two pounds per week in the case of a married man or one pound in any other case."

Resolved, That clause 21 be struck out.

Resolved, That the following new subclause 5A be added to clause 26A: "5A. If from any cause the Commissioner is unable to act, the Governor may appoint some other person to act in his stead during the continuance of such inability, and while so acting the person so appointed shall have all the powers and jurisdiction of the Commissioner in whose stead he is acting."

Resolved, That the Bill as so far amended be reprinted.

Resolved, That this Committee do now adjourn until 11 a.m. on Thursday next, the 10th instant.

THURSDAY, 10TH SEPTEMBER, 1908.

The Committee met at 11 a.m., pursuant to notice.

Present: Mr. Tanner (in the chair), Mr. Arnold, Mr. Barber, Mr. Bollard, Mr. Ell, Mr. Hardy, Hon. Mr. Millar, Mr. Poole.

The minutes of last meeting were read and confirmed.

Industrial Conciliation and Arbitration Amendment Bill.

The Committee proceeded to further consider the Bill as reprinted.

Clause 31. *Resolved*, That the words "or all," in subclause (8), be struck out.

Clause 34. *Resolved*, That the words "before making its recommendation," in line 16, be struck out, and the words "during the inquiry" be inserted after the word "time."

Clause 45. *Resolved*, That the word "seven," in line 25, be struck out, and the word "three" be inserted in lieu thereof.

Resolved, That the words "twenty-five," in line 27, be struck out, and the word "fifteen" be inserted in lieu thereof.

Clause 46. *Resolved*, That the word "two," in line 28, be struck out, and the word "three" be inserted in lieu thereof.

Resolved, That clause 46 as amended stand part of the Bill.

Clause 47. *Resolved*, That the word "complete" be inserted after the word "every," line 40.

Resolved, That clause 47 as amended stand part of the Bill.

Resolved, That clauses 48, 49, and 50 stand part of the Bill.

Clause 51. *Resolved*, That the figure "1," in line 16, be struck out, and the figure "8" be inserted in lieu thereof.

Resolved, That the figure "4," in line 17, be struck out, and the figure "8" be inserted in lieu thereof.

Resolved, That the following words be inserted after the word "respectively," in line 17: "but do not include a building in course of erection."

Resolved, That clause 51 as amended stand part of the Bill.

Resolved, That clause 52 be agreed to as printed.

Clause 53. *Resolved*, That the figure "1," in line 27, be struck out, and the figure "8" be inserted in lieu thereof.

Resolved, That the word "thirteen," in line 31, be struck out, and the words "one hundred and twenty-three" be inserted in lieu thereof.

Resolved, That the word "amendment," in line 32, be struck out.

Resolved, That the figure "5," in line 32, be struck out, and the figure "8" be inserted in lieu thereof.

Resolved, That the following new subclause (4) be inserted: "(4.) No permit shall be granted to any person who is not usually employed in the industry to which the award applies."

Resolved, That clauses 54, 55, and 56 be passed as printed.

Clause 57. Moved by the Hon. Mr. Millar, That clause 57 stand part of the Bill.

On the motion being put, the Committee divided, the names being taken down as follows: *Ayes*, 3—Messrs. Bollard, Hardy, and the Hon. Mr. Millar. *Noes*, 5—Messrs. Arnold, Barber, Ell, Poole, and Tanner.

It was thus passed in the negative. Clause struck out.

Resolved, That clause 58 be passed at printed.

Resolved, That the word "one" be inserted in line 42, after the word "twenty."

Resolved, That the word "Magistrate," in line 1, be struck out, and the word "Commissioner" be inserted in lieu thereof.

Resolved, That the word "an," in line 1, be struck out.

Resolved, That the word "assessor," in line 1, be read "assessors."

Resolved, That the word "Council," in line 3, be struck out, and the word "Commissioner" be inserted in lieu thereof.

Resolved, That the word "Council's" in line 9, be struck out, and the word "Commissioner's" be inserted in lieu thereof.

Resolved, That all the words after the word "the," in line 10, starting with the word "expiry," to the end of the clause, be struck out, and the words "date fixed by the Court for the hearing of the dispute" be inserted.

Resolved, That clause 60 be struck out.

Resolved, That the following new clause 60A be inserted:—

60A. (1.) The provisions of an award shall continue in force until the expiration of the period for which it was made, notwithstanding that before such expiration any provision is made by any Act that is inconsistent with the award, unless in that Act the contrary is expressly provided.

(2.) On the expiration of the said period the award, modified in accordance with the law then in force, shall continue in force until a new award is made, and every such new award shall be in accordance with that law.

Resolved, That further consideration of this Bill be postponed for a future meeting.

Resolved, on the motion of Mr. Poole, That the Committee do now adjourn until 11 a.m. tomorrow, the 11th instant.

FRIDAY, 11TH SEPTEMBER, 1908.

The Committee met at 11 a.m., pursuant to notice.

Present: Mr. Tanner (in the chair), Mr. Barber, Mr. Bollard, Mr. Ell, Mr. Hardy, Hon. Mr. Millar, Mr. Poole.

The minutes of last meeting were read and confirmed.

Industrial Conciliation and Arbitration Amendment Bill.

Resolved, That this Bill be recommitted for the purpose of reconsidering certain points.

Resolved, That, before the first word in subclause (3) of clause 6, the words "Every person who" be inserted.

Resolved, That all the words after the word "lockout," in line 52, to end of the subclause be struck out, and the words "is liable to a fine not exceeding fifty pounds" be inserted in lieu thereof.

Resolved, That the following new clause 56A be inserted: "In making its award the Court may, if in its discretion it thinks fit, direct that any provision of the award relating to the rate of wages to be paid shall have effect as from the date of the recommendation of the Commissioner."

Resolved, That the following new clause 44A be inserted: "The definition of 'worker' in section 2 of 'The Industrial Conciliation and Arbitration Act, 1908,' is hereby repealed, and the following substituted: '"Worker" means any person of any age of either sex employed by any employer to do any work for hire or reward.'"

Resolved, That the following new clause 56B be inserted: "Notwithstanding anything in this Act, an award or industrial agreement shall not affect the employment of any worker who is employed otherwise than for the direct or indirect pecuniary gain of the employer."

Resolved, That the Chairman report this Bill, as amended, to-day, together with the minutes of deliberation, and evidence tendered.

Resolved, That this Committee do meet again as soon as possible, and that the following gentlemen be communicated with asking them to appear before the Committee to give evidence in connection with the Workers' Compensation for Accidents Bill: General Manager, Government Accident Insurance Department; General Manager, Ocean Accident Insurance Company; General Manager, Commercial Union Accident Insurance Company.

Resolved, on the motion of Mr. Bollard, That this Committee do now adjourn until 11 a.m. on Tuesday next, the 15th instant.

MINUTES OF EVIDENCE.

FRIDAY, 24TH JULY, 1908.

G. R. WHITING, representative of the Federated Bootmakers of New Zealand, examined. (No. 1.)

1. *The Chairman.*] We wish as far as possible to take whatever evidence may be material to the Bill before us, but we wish to take it also with some regard to the economy of time. The Bill has been referred to the Committee since the 8th instant, and the desire is to send it back to the House as soon as possible. Therefore, we do not expect you, or any other witness, to travel by-and-large over the entire domain of labour, but to keep as strictly as possible in your evidence to the Bill. Last year we compiled a report of 160 or 180 pages containing a great deal of duplicated evidence, with the result that the report is of a very bulky nature, and, no doubt, a great deal of it would not be read. You have seen the Bill introduced this session?—Yes. I might say that my federation has seen the Bill and considered it in committee, and we have been instructed to lay, as representatives of the federation from Auckland to the Bluff, their views before your Committee. I will deal with the Bill as you suggest, and be as precise and clear as I possibly can. The whole of the First Part of the Bill deals with strikes and lockouts, and I may state that the Bootmakers' Federation strongly protest against the clauses in Part I dealing with strikes and lockouts. We are of opinion that the clauses in this respect are unnecessary, and not justified in any shape or form. We consider that a number of the strikes which have taken place in New Zealand would never have taken place had there been machinery in existence whereby the disputes could have been settled without the delays which have occurred in the past. We refer, of course, chiefly to the slaughtermen's strike and the Blackball strike. We are told that there are a number of strikes taking place at the present time, but I do not know whether they can be termed "strikes." At any rate, I see nobody in Wellington appearing to be the worse for the bakers' strike, and, as far as I can see, there is as much bread available to the public as there was before the strike. We are convinced that had there been machinery in the Act to settle disputes without the delays which have occurred, these strikes would not have happened. We say, however, that, no matter how drastic the clauses of an Act may be, it would be impossible to prevent strikes altogether. You may lessen them by good legislation, but it would be impossible to prevent them. The clauses in the present Bill would only cause more strikes, in our opinion, than have occurred during the past fourteen years, since the Act came into existence. As an instance of the effect of Part I of the Bill, I would like to quote the case of two men having a quarrel with their employer over their wages, or some other matter in connection with their employment. If these two men left their employ they would, we say, be strikers within the meaning of the Bill. I do not think I can say any more about Part I, dealing with strikes and lockouts, than that we strongly protest against all the clauses under this head.

2. What you have said applies to Part I?—Yes. With regard to Part II, dealing with "Enforcement of Awards and Industrial Agreements," sections 11 and 12 we agree with. In subsections (1) and (2) of section 13 we ask for the insertion of the words "not exceeding" after the word "penalty." Section 14, subsection (1), we agree with; but in subsection (2) we ask that the word "only" be struck out at the end of the paragraph, and these words inserted: "One assessor shall be appointed on the application of either party." That provides for an assessor to sit with the Magistrate to hear cases for breach of award.

3. *Hon. Mr. Millar.*] Without payment?—We leave that entirely with the Government. Provision is made for the payment of members of the Conciliation Boards and members of the Arbitration Court, and, personally, I do not think it is fair to expect a worker to sit in such a Court without giving him some remuneration. With subsections (3), (4), (5), and (6) of section 14 we agree, and also with sections 15 and 16. With regard to section 17, which embraces subsections (1) and (2), we are of opinion that if a union sues for a breach of award it should be entitled to the expenses. We do not say it should be entitled to the whole of the fine, but that it should be entitled to its expenses. We have known cases where a union has had to sue for breaches of award when the Factory Inspector has failed to take them up on account of thinking there was no breach, or because he thought he could not secure a conviction for the Department. We think that in such cases where the union sues it should be entitled to its expenses in bringing the matter before the Court for an enforcement of an award. I am aware that some people think unions take cases before the Court in order to secure the fines levied against their employers; but it is not our wish to take any fine which may be imposed, but only the expenses the union has been put to. Clause 18 we agree to, with this proviso: that it should apply to points of law only. We disagree with section 19 and its subsections.

4. *The Chairman.*] Give your reasons?—We claim that section 19 with its subsections gives the right of appeal to the Arbitration Court on the decision of a Magistrate, and that would simply place the unions in the same position as they occupy to-day frequently: we should then have to wait for the Arbitration Court to come round to the particular district and hear the appeal. The unionists right throughout the Dominion to-day, and particularly my federation, strongly protest against the delays that at present take place in the hearing of cases for enforcement of awards. Owing to these delays, in many cases, the witnesses have left the district—they may have gone to Australia or Goodness knows where—with the result that the case is dismissed for want of this evidence or withdrawn altogether. The same will apply if we allow appeals to go from the Magistrate's Court. That is the chief reason for our objection to the section, and I

think it is a reasonable thing for us to appeal to the Committee to strike the clause out of the present Bill. We are quite satisfied to leave the matter in the hands of the Magistrate and the two assessors appointed by him.

5. *Hon. Mr. Millar.*] You are not aware that this right of appeal was suggested by some of the unionists, who said they would not trust their cases in the hands of some of the Magistrates?—I was not aware of that. But we want prompt decisions. We want no delay, but to get a decision in the case before the Court one way or the other. Section 20: We wish to strike out the first line of this section, and that will leave it to read as follows: "The judgment in any such action shall be enforceable in the same manner as a judgment for debt or damages in the Magistrate's Court, and in no other manner." We say that is fair and reasonable. We then strike out all the remaining clauses in Part II, dealing with fines inflicted on employees, giving the right to the employer to collect the fine from the wages of the employee. We say that this provision is opposed to the Truck Act, which we all think so much of, and it is also opposed to the true spirit of the labour legislation brought forward in this country during the last fifteen or sixteen years.

6. *The Chairman.*] You object to all the remainder of Part II?—Yes, and we say this, and I want to make it quite clear: that, notwithstanding the fact that a man may be liable to imprisonment for disobeying an order, we would sooner see a man imprisoned than have the right given to the employer to deduct from his wages any fine which might be imposed upon him. Any member of this Committee can clearly see the friction, the bad feeling which is likely to be created between the employer and the employee every week when the employer has to deduct so-much from the employee's wages. We say the fine should be collected in the ordinary way from the Magistrate's Court. I do not think I need speak any further on that particular matter. Part III of the Bill, dealing with conciliation, in our opinion, should be struck out.

7. The whole of the Part?—The whole of Part III. This refers to Councils of Conciliation to take the place of the Conciliation Boards which at present exist.

8. *Hon. Mr. Millar.*] What do you propose to place in their stead?—We propose that section 60 of the present Act shall be repealed. There have been complaints ever since that clause was placed in the Act, on account of the delays, friction, and unrest that have been caused.

9. *The Chairman.*] That is the famous Willis clause?—Yes. We say, Repeal clause 60 of the Act, and give the Boards power to make their recommendations binding—the same as an Arbitration Court award—until such time as the Court visits the particular district affected, and then either party should have the right of appeal to the Court. We know that if the Boards had had that power many disputes would never have been taken to the Arbitration Court. I have a case in my mind where one of the employers stated that had the Board's decision been binding they would have accepted it, but though the Court might agree to the Board's recommendations it also might give a decision more favourable to the employers. We anticipate that fully 80 per cent. of the cases would be settled by the Boards if their awards were binding until appealed against, and that there would be that much less for the Court to do.

10. *Hon. Mr. Millar.*] You are aware that provision was made in last year's Bill that an award of an Industrial Council should be binding until the appeal was heard by the Arbitration Court?—That is so.

11. Yet resolutions are coming in from unions all over the country opposing it? We recommended last year that the Boards' recommendations should have the same power as an Arbitration Court award.

12. That was offered in connection with the Industrial Councils, and that is the part of the Bill which has been ignominiously rejected by nearly every union that has dealt with it?—I do not think so.

13. Nearly every union in Canterbury has passed a resolution opposing *in toto* the Bill of last session?—I have in my possession—not here, but in Christchurch—letters from over thirty unions protesting against the Bill of last session in regard to the establishment of Industrial Councils, and asking the Government to give more power to the Boards of Conciliation—the same power, in fact, as is suggested in regard to the Industrial Councils—that is, to give the Boards power to settle disputes and make their recommendations binding until the Court comes round. I have a copy of the suggestions of my own union, in which it is said, "We therefore urge upon you the necessity of giving the Conciliation Boards increased powers to make their recommendations binding on both parties, and give either party the right to appeal against the decision of the Boards. This would prevent the delays which have taken place in the past, and we find the unions have full confidence in the Conciliation Boards." That was sent to members of this House and to the Hon. the Minister of Labour. And that is our opinion to-day. I now come to Part IV, "Miscellaneous." Section 45 we agree with.

14. *The Chairman.*] You agree with section 45: Are you sure?—No, I have made a mistake. What I meant to say was that we agree with the clause in the Act at the present time giving the power to seven persons to form an industrial union; and I may say in this connection that I find, if the clause in the Bill is carried, it will mean the killing of sixty-two unions in New Zealand.

15. How is that?—Because their membership is under the number provided for—twenty-five.

16. *Hon. Mr. Millar.*] It does not cancel the registration of any existing union?—Then I say our argument is equally strong. If we can find sixty-two unions benefiting by the Act, it is only right we should give other sixty-two unions the same privileges as exist at the present time.

17. You believe in weak unions?—I believe that where a union only consists of seven members it should have the right to advocate for and secure better wages if it is not satisfied with those prevailing.

18. Would it not be an advantage to them to join other and larger unions?—I do not think it could be worked. For argument's sake, take the case of the Rattan and Wicker Workers' Union of Christchurch, which is a small body, and let us say they are going to join the Bootmakers' Union——

19. It would be the Furniture Trade Union in their case?—Well, I do not think it would be satisfactory—there would be friction between them. I do not think they could succeed in carrying on their business together, or would help one another in that direction. Section 46 we agree with. With regard to section 47, we consider that every member of a union should have a vote in the appointment of members and acting-members of the Arbitration Court, and that the persons elected should have an absolute majority of the votes recorded.

20. Do you not think that would give a union like the Railway Servants' Union, which numbers six thousand, an undue advantage in the election of a member of the Arbitration Court? —We say it is a democratic principle, and we believe in democratic principles. Every individual should have a voice in the selection.

21. That means that four unions in the country can put in at any time whatever man they like. That is the position if you give the individual vote. Four unions can elect the member of the Arbitration Court, although there are three hundred unions registered. I was trying to protect the small unions?—Well, we object to section 47, and make the suggestion that every member of a union should have a vote. Section 48 we agree with. Section 49 we recommend should be struck out and these words inserted in its place: "That when any payment of wages has been made and knowingly accepted by a worker for less than the rate specified in the award, no action shall be brought by the worker against his employer to recover for himself the difference between the wages so actually paid and the wages legally payable save within three months after the day on which the wages claimed in the action became due and payable. Any such moneys due beyond the period of three months shall be recoverable and paid into the Consolidated Fund."

22. *The Chairman.*] It shall not be possible for the man to claim for himself, but the amount may be claimed and paid into the Treasury?—That is so. Clause 50 we agree with, also clause 51 with its three subsections. Clause 52 we agree with, but clause 53, dealing with the issue of permits by Factory Inspectors, we strongly object to.

23. *Hon. Mr. Millar.*] Whom do you propose to give the power to? The Conciliation Boards will be put out of existence altogether?—We have made a suggestion already. A communication was made to this Committee in order that it might make a note of it and give it its careful consideration. We suggest this in its place: "In the case of workers who are incompetent of commanding the minimum wage, they may refer their case to a committee consisting of two persons appointed by the employers working under the award and two persons appointed by the employees, who shall deal with the application, and their decision shall be final. Every permit to work below the minimum wage shall be indorsed by the committee, and the permit shall only apply to the employer who for the time being is willing to employ the incompetent worker. A complete list of all permits shall be in the possession of the local committee of the employers and the workers' union. All permits must be renewed at least once every six months." That provision is in the bootmakers' present award, and has been in existence since 1896. We have found it work very smoothly indeed. We get a number of applications for permits which are dealt with by this committee, and I can say this without fear of contradiction: that there has only been one deadlock in connection with this matter since 1896, the year mentioned above. That happened in Dunedin and turned out favourably for the men, because the man applying for the permit on account of his employer saying he was not worth the minimum wage got a job elsewhere at 5s. a week more than the minimum, showing that our union was correct in saying that the man was worth the minimum. This matter is important, because it would be unjust to take the power out of our hands and place it with the Inspector of Factories. There would be no one else to sit with him under this Bill, and he has the power given to him to issue permits after hearing evidence. We say it would be unfair to do that, and take away from us what we have gained under our award. We trust the Committee will take our suggestion into its earnest consideration, and embody it in the Bill.

24. What is the present law with regard to granting under-rate permits?—What I have read is in our award obtained from the Arbitration Court, and, although we have not gone before the Court for the last five or six years, this is always placed in our agreements, and the employers are willing to have it placed in.

25. Who grants the permits at the present time—the unions as a whole?—The only way I can answer that question would be this—and I am not in a position to speak for every union: that most of the permits are dealt with under the Arbitration Court awards in various ways, while some unions have the very clause we suggest. The Furniture Trades' Union in Christchurch have it in their award, although perhaps not in the same words.

26. And if the Committee does not agree?—The matter ends.

27. Does not the Chairman of the Conciliation Board issue the permit?—He has never done it in our case, for it has always been left in the hands of the four persons on the committee. Since 1896 there has never been any friction, only the one deadlock that I have mentioned, and then events proved that we were justified—or our men were—in the action taken.

28. *The Chairman.*] Does the arrangement work equally well with the furniture-workers?—I was talking to one of the workers just before I left for Wellington, and he told me it was working very well. He said that it was not the wish of his union to have anything different.

29. *Mr. Ell.*] Do you think the clause in the Bill will prevent you having that?—We strongly object to the power being given to the Inspector of Factories.

30. *Hon. Mr. Millar.*] You want it to be left to the union to say whether the man shall work or not?—No, we do not say that.

31. If there is a deadlock between the members of the committee the man cannot work?—That is so; a deadlock ensues and the man goes somewhere else. As you are aware, in some places throughout New Zealand the police officer in charge of the district is made Factory Inspector. Under this clause it would be left to him to issue a permit to an under-rate worker.

32. It is left in no one's hands now?—However, we say, speaking on behalf of our federation, that this clause would deal unfairly with us, and we ask that the Committee shall not take away the advantage we have got by our Arbitration Court award. Section 54 we agree with. Section 55 we think should be struck out. We do not think it is right to give the power of extension of time as stated in this clause. For instance, we will say that a recommendation is made by the Board which becomes binding. I take it that under this cause the employers could apply to the Court to have the time extended when that should come into force and therefore keep the whole thing in abeyance.

33. That clause is for the purpose of preventing the Court throwing out a case owing to some technicality. We have a case where, after the parties waiting six months, it was thrown out on some technicality, and that clause provides that the Court shall go straight on?—If that is so, in all probability my federation would have no objection to it. We want the cases to be settled at once without the delays which have taken place in the past.

34. That is the meaning of the clause. In the case of a mere informality the Arbitration Court makes an order extending the time within which the thing may be done or validating the thing so informally done. It is to prevent a case being thrown out of Court because of some informality?—If that is so we have no objection to it. We were under the impression that it gave power to the Court where a Board might have given a recommendation to extend the time when it should come into operation and cause delay and unrest.

35. You know yourself of cases that have been thrown out of Court on account of some informality, and where the Court had no option but to throw the case out?—That is so, and if that is the intention we do not wish to do anything that would block the Government in getting a more speedy settlement of disputes. Section 56, providing that awards shall prevail over contracts, we agree with. Section 57, dealing with the "needs wage," we disagree with, also with the "exertion wage."

36. That is purely optional. The clause cannot be put into effect without both parties asking for it?—We are quite aware of that. We recommend that, instead of the needs wage and exertion wage provided in the Bill, a clause shall be inserted providing for a minimum wage of not less than 1s. 1½d. per hour to be paid to all adult male workers, and 9d. per hour for all female workers.

37. *Mr. Hardy.*] Would you not put in the maximum as well, so as to equalise matters?—I do not know that we would have a maximum. You can make a maximum of 1s. 8d. an hour if you like. We do not suggest anything as a maximum, but if the Committee likes to provide for a maximum to that extent we would not object. I have no instructions as to a maximum wage. We ask for a minimum wage to be given, and then we say the workers would be better off, the country would be better off, and the cry about the birth-rate decreasing would be the other way about. When men are living on such small remuneration as to be unable to keep their wives and families up to the ordinary standard of comfort you cannot expect them to keep their cradles full.

38. *The Chairman.*] You were speaking of clause 58?—Yes. "When an industrial dispute has been referred to the Court, the Court may, if it considers that for any reason an award ought not to be made in the matter of that dispute, refuse to make an order therein, and may, if it thinks fit, make an order directing any party to the reference to pay costs in respect thereof." Our chief objection to this clause is in reference to the parties paying costs in respect thereof. If an industrial dispute has been referred to the Court or Board it is referred under the constitutional method, and we think the parties have a perfect right to do so and should not be called upon to bear the brunt of the costs in that industrial dispute. Mr. Young may have more to say on that point than I.

39. You think that when a case reaches the Court it is sufficiently serious to be dealt with?—Yes. With regard to section 59, we agree with subsection (1), but subsections (2), (3), and (4) we disagree with for the reason that they refer to Councils of Conciliation.

40. *Hon. Mr. Millar.*] They are machinery clauses?—Yes, that is so. I need not say any more on that point. Section 60, with its subsections, we disagree with.

41. Dealing with experts sitting with the Court?—Yes. This is our argument: At the present time the Court has power to call in experts in connection with any dispute that may arise, and I do not know of any case where it has been taken advantage of. We think that power is all that is necessary. If the Court feels that it has a technical point to decide and would like some expert knowledge, then it is already provided for in the Act.

42. At the same time you want experts to sit with the Magistrate to say whether a breach has been committed?—I think that is a very important matter. That is a different position. I think the Minister is hardly fair to me and my federation.

43. You said you agreed with experts sitting with the Magistrate?—The Magistrate has no power to call in expert knowledge if he is in doubt on any technical point.

44. He has the power to refer the point to the Arbitration Court to get the Judge's decision before he gives his judgment?—That is so, but we think an expert could help the Magistrate on many technical points, and also help the Court. We think the present provision with regard to the Court is sufficient. I do not think there is anything further I wish to state, unless there are any questions the Committee would like me to answer.

JAMES YOUNG, representative of the Federated Bootmakers' Union, examined. (No. 2.)

1. *The Chairman.*] You desire to supplement what Mr. Whiting has told the Committee?—Yes. My evidence will practically be a confirmation of Mr. Whiting's in connection with the Bill, seeing that we both represent the same organization. We represent the Bootmakers' Federation, which comprises the whole of the bootmakers' unions in New Zealand. Our executive are appointed by the unions, and we represent the views as enunciated by them. Our organization comprises, I believe, fifteen hundred persons at the present time. With reference to Part I of the Bill, dealing with strikes and lockouts, we are very strongly of opinion that the whole of it is entirely unnecessary, and that it is an unwarranted infringement of the rights of the unionists of New Zealand. That is the opinion of our executive, formed after going through the Bill. They say the provisions of the present Act are sufficient to stop any strike of a serious nature, and if not sufficient the power of the Court is sufficient to penalise an offender in a fairly drastic manner. It has been said there have not been more than eighteen strikes in New Zealand since the passing of the Act, and, if that is so, when you consider the number of unions that are working under awards, you must agree that the number is very small. It has to be remembered that no Act passed by any Legislature prevents crime. You cannot stop the committal of murder, although a man can be hanged for it. You cannot stop strikes by arbitration, although you can minimise them by means of arbitration, and we contend that the present Act has done that. For an Act, however, to be passed by a Legislature providing that two persons coming to a common agreement to leave their employment shall constitute a strike, and render such persons liable to a penalty of £10—that is worthy of the Czar of Russia. I might mention in this connection that there was some trouble in a factory in Christchurch the other day. The men were told that they were not earning their wages. There were eight or ten in that position, and one man gave his employer twenty-four hours' notice that he was going to leave because he had been told he was not earning his wages. If there had been two men there of the like opinion, and they had acted together, that would have constituted a strike within the meaning of this clause, and they would have been fined £10 each in all probability. This is one of the many things that do not come under the scope of an award and which the men have to put up with. So far as the bootmakers' award is concerned, it is the lowest in the Dominion. It was agreed to by an industrial conference, and the wages are fixed at £2 5s. per week. We tried the Arbitration Court and got less than £2 5s., and yet the officials—the agitators, as they are called—in this union have kept the men up to the award without having a strike. It has been a matter of difficulty sometimes when the men found they were getting such low wages and the conditions were not improving, and the officials of that union ought to take credit for the fact that they have kept the workers to their bond. But when we find a drastic clause of the description I have referred to proposed to be inserted in the Bill, it is time to enter the strongest protest possible to prevent it from becoming law. If it passes it is our opinion that it ought to be called an Act for the perpetration of strikes. If a union strikes because an award is given which it considers imposes unfair conditions and the union is penalised under the Bill, then the whole of the unions, we make bold to say, will rise up to assist it by voting money and by other means, and we believe that chaos will follow if this Bill passes. We wish to see it deleted, and to have substituted for it what we have at present as the law of this country. That the men who have gone out on strike were justified——

2. What men are you referring to?—The slaughtermen, the miners on the West Coast, and the bakers; but we say this as a federation, that if men have been given an award they should be penalised for breaking it. We do not want to aid and abet the breaking of an award, but we say the law at the present time is quite sufficient to stop any industrial dispute taking the shape of a strike.

3. *Mr. Ell.*] You agree with the acts taken by the Minister to enforce the existing law?—Certainly. With regard to Part II, I am in accord with Mr. Whiting. Clauses 11 and 12 we agree with, and we think the words "not exceeding £100" should be inserted in the Bill as a penalty for breach of an award. That is a fair sum for an industrial union to be fined in respect to any one breach, and we hope the Committee will see the matter in the same light and amend the law in that direction.

4. *Hon. Mr. Millar.*] You know that the present law is £500?—Yes, that is so. In most awards the Judge makes the stipulation that the penalty for breach shall be £100, and we have taken it from one of our old awards. With reference to assessors sitting with the Magistrate who hears the application for breach, we think that extremely desirable. As Mr. Whiting has pointed out, the Magistrate has no power to call expert evidence when hearing a case for breach, and we commend the suggestion to the Committee for insertion in the Bill. Clauses 15 and 16 we agree with. With reference to clause 17, where unionists take action for breach of the award of the Court, I know of a case where the Inspector of Factories has been asked to take action, and he has flatly refused to do so. The position is this: The union has an award, and there are females employed under it who are getting less than the minimum rate. Females are not mentioned in the agreement, and the fact that the man is employing them makes it necessary he should pay the stipulated rate. He has not done so, and the case had been referred to the Factory Inspector, who refused to take action because the conference that settled the dispute said there would be no trouble about these females. The men who were engaged in the conference state emphatically that there was no promise made or implied about the matter. Therefore, the union officials have to conduct the case for breach themselves, and take the chance of going before the Judge and being called agitators. This shows the Committee that there are cases where the Factory Inspectors, acting under the Minister's instructions, do not take the cases, and the unions have to do so; and in such cases I think they are justly entitled to the penalty.

5. I think, only in two cases have I interfered with the Inspectors. I never instruct them to take cases or to leave them alone?—The officials of the unions have to take some fairly drastic steps before getting a case before the Court. The secretary has to call a meeting of the union by circular, get a resolution passed by a majority, and to adopt all the paraphernalia provided by the Act, and it costs money to do that. Under these circumstances, I think that where a union takes a case before the Court it ought to have the penalty which the judge gives. The men who conduct these cases have every justification for saying that they are likely to be spotted and victimised, and they have been for doing these things.

6. *The Chairman.*] Let me call your attention to a little discrepancy between your statement and Mr. Whiting's. Mr. Whiting says the union should get the expenses; you say it should get the penalty?—That is what I mean. We do not want to make anything out of the fine. That is not the intention when we take a case up.

7. The Magistrate has full power to give all costs against whoever goes before the Court?—I notice that. We agree with clauses 15 and 16, but do not see any connection between the two. Clause 18: When a Magistrate states a case for the Court of Arbitration we think it should be on the law-points only. If a question of law crops up we are not fit to deal with it, but on a question of fact we think the Magistrate should have power to deal with it. Section 19: We think no appeal ought to be allowed to the Supreme Court, and that the subclauses (1), (2), and (3) should be struck out. We are quite prepared to accept an award as it comes from the Magistrate. In clause 20 we want the first line struck out. This refers to the collection of the fine. In asking the employer to collect the fine you are condemning the man for ever in New Zealand, for a man in that position is on the black-list of every employer in the Dominion. I think we are right in saying such a man is not likely to get a job, and it is not fair to brand him through the Dominion because he has not paid his fine. When a man obtains credit from a tradesman and is sued before a Magistrate, and proves his inability to pay, he is not put in this position. If a man is not in a position to pay the fine in a case of breach, I think the Dominion can well afford to be put in the same position as the ordinary shopkeeper. As far as our union is concerned, we had one case where we applied for costs in the breaking of the award by a man and his employer. We had both of them up, and both were fined £5. The man has not finished paying up yet—he still ownes £1. The union has not taken any steps to recover the fine, but considers the man has been sufficiently degraded by being taken to Court for doing harm to his fellows, and consequently we have let him off. If the Government recovers the fines in the future as well as it has done in the past, it will be doing very well as compared with the ordinary tradesman. Up to the present it has done very well. In reference to Part III, "Conciliation," we say the whole of this ought to be struck out, and section 60 of the present Act—the "Willis blot"—repealed. Those of us who have followed the Arbitration Act from the beginning know that the employers have made a dead set at the Conciliation Boards, and refused to have anything to do with them. They have made a laughing-stock of them from the North Cape to the Bluff, and we think that would be obviated if the Boards were given power to make their recommendations binding until upset by the Court. There was a case told to me in which a Board's recommendations provided for a minimum wage of 1s. 3d. an hour, and one of the employers thought he had to pay it, and did pay it. One or two of the other employers however cited a case before the Court, and the amount was reduced to 1s. an hour. That goes to show that if a Board's recommendations were made binding, and had even the force of a Magistrate's decision, it would be a good thing for the country, and there would be nothing seriously to object to in it. In the bootmakers' case the Board gave a rise and we were not satisfied with it, but we got a reduction on the Board's finding. In all probability if the award had been binding the employers would not have gone on to the Court. We think if the Boards were given extended power they would really become Boards of Conciliation, and not, as now, be made the laughing-stock of the country. As far as the bootmakers are concerned, we have felt—I speak fearlessly and with full knowledge—little confidence in the Court of Arbitration, and do not dare to take a case before it. We have got a rise of 5s. a week and forty-five hours, but we got this from our industrial conference, composed of Mr. Arnold, Mr. Cooper, Mr. Whiting, and myself. We did not get all we wanted, but we got far more favourable conditions from the conference than from the Court of Arbitration. These industrial councils are generally held before going before the Board of Conciliation, and consist of men who belong to and represent the union. There are three from each side, without a chairman. If they come to no agreement, it is no use constituting them into an Industrial Council under the Bill and going through the whole rigmarole again. If they come to a decision it will be on the Magistrate's judgment, and we would prefer it to go before a chairman and four members as at present is the case with the Board, and if given this further power suggested the Conciliation Boards would do the duty intended. We wish all the clauses of Part III deleted, and the original Act amended by the repeal of clause 60. With reference to Part IV, "Miscellaneous," section 45 we agree with.

8. Are you quite sure? I called Mr. Whiting's attention to this?—We have both made the same mistake. We think the numbers are quite sufficient as they at present stand. With reference to the Minister's objection to small unions, I might say there are many branches of industry which would not get that consideration, if they were incorporated with another union, that they had a right to expect, through members of the other part of the industry not understanding their case. In the boot trade we have had to be very careful in reference to individual branches. We do not include all the branches, and it is desirable that these branches should get equal justice. If there are very few in these unions, as the Minister says, they would not be likely to get justice. I think there are very valid reasons for the retention of the provision that seven persons may form an industrial union. As Mr. Whiting said, if the Act were made retro-

spective it would mean the wiping out of sixty-two unions. And it is often very difficult to get seven members at the start. We know how extremely difficult it is to get a union formed in any new industry. Then, again, I take it that we expect, after the alterations made in the tariff last session, New Zealand will become the home of very many more industries as time goes on which will be in their infancy, and under this Act the workers engaged would not be able to start a union until they were twenty-five strong. This clause would prevent the unionist movement going ahead if the number required to form a union were increased to the proposed twenty-five. We are not much concerned about the employers, but we do not wish to see the number altered in their case either. They can form an association of two if they like. The membership of seven for a workers' union has worked very satisfactorily in the past, and we think it should be retained. With regard to the members of the Court, I am of the same opinion as Mr. Whiting, that they should be elected on a democratic basis—that is to say, that an absolute majority should elect them. We hope the amending Bill will, if passed, have that provision in it. Sections 49, 50, 51, and 52 we agree with. With reference to section 53, dealing with permits, the case that Mr. Whiting quoted I was personally connected with. The facts are these: There was a man in Dunedin who had given valuable evidence before the Arbitration Court, where we got the magnificent wage of £2 a week awarded. When he went back to work his employer told him he was not worth £2 a week. He wrote up to me and asked me if I could get him work. My employer called me down—I was a member of the Permit Board—and asked me what sort of a Permit Board we had down in Dunedin. I told him I would make inquiries about the case. The man was asked to apply for a permit to work for £1 10s. a week. He applied for a permit, and the Permit Board met and refused to grant it. They called evidence from the men whom he worked with, and the employer said he would not give him more than £1 10s., but I got him work in Christchurch at the minimum and over the minimum wage. That is the only case where such an attempt was made, and that was ineffective. I think a record like that of seven or eight years, since we have had the clause, is *prima facie* evidence that the award has worked in a manner calculated to do good both to the employer and to the men. It will be patent to some—it is certainly patent to me as a member of a Permit Board—that we must have some check on employers who strive to take advantage in obtaining men to work under the permit wage. We have had to refuse permits to some, and employers have worked with us in refusing permits where an employer was going to get an advantage over other employers. We think that to give the power into the hands of an Inspector would be to place him in a false position. If he happened to be a man of fair mind it would be difficult to get him to do justice, because he would allow sentimental considerations to sway him. For a man to apply for a permit is a sign of degeneracy, arising either from old age or ill health. It is a system which has to be safeguarded in a very careful manner. We have men engaged on these boards who are imbued with a strong sense of justice, and if a man is deserving of a permit he cannot do harm to anybody in the trade, because it is only a matter of a year or two. The employers want young men who are highly skilled nowadays.

9. Is it necessary when a permit is given on the ground of old age to issue it for six months only?—It is renewed as a matter of form. There are two men in Christchurch who get their permits purely as a matter of form; they are simply sent round by the Chairman as the old permit expires. We agree to section 54. If the Minister's explanation of section 55 is right I have no hesitation in saying that that is what we all desire—that is, that no mere informality should invalidate the proceedings. Section 56 we agree to. With regard to section 57—the "needs wage"—of course, we understand it is optional on the part of any persons to adopt this, but we are satisfied that a needs wage is no more going to cure the evils which the workers complain of than the Arbitration Act. We are strongly opposed to anything being put in the Bill giving us all the evils of sweating for the advantage of higher wages to men in the highest form for a few years, who will then be left practically physical wrecks. We know what has happened in America and England. In my own trade, in England, it has been necessary to prevent this thing by getting a log under which a man shall not do more than a certain amount of work for a certain amount of pay. The only effect of such a system would be to make a man old before his time. We do not think that an academic question of this sort should be imported into a Bill when the whole practice of life goes to condemn the thing as calculated to do no good to the nation at large at all. The policy of bustle is no good at all to a country, and we do not want to do anything which will bring it about. We think that forty-four hours a week is fast becoming the recognised hours of work in a large number of industries, and if it was placed on the statute-book that the minimum wage was to be 1s. 1½d. per hour it would solve the labour question for a long time to come. The Arbitration Court should be prevented from saying that men, when old, should get from 7d. to 10d. an hour, because we think it is a crying shame. The Trades Conference for years asked for a minimum wage to be fixed, and it has not been given, but the need for it has come now. We also think that if a man refuses to join a union, from conscientious scruples, or from any other scruples, he should pay 6d. into the union funds for the benefits obtained by him through the efforts of men who pay their 6d. a week. We also ask to be inserted in the Bill a clause giving us unconditional preference. I might say that in our award we have unconditional preference, and we give unconditional preference. If a man in any industry will not join the union from conscientious scruples, let him pay 3d. or 6d. a week, as the case may be, for the benefit of those who have got improved conditions for him to work under.

10. *Hon. Mr. Millar.*] That was in the Bill of last year, but those who represented the unions said they would not have it?—We want them to come voluntarily into the union, but we want them to pay their 6d. if they will not.

Mr. Whiting: Our union has been agitating for unconditional preference for some considerable time. We do not want the men's money, but we say that when we go to the expense

of bringing these cases forward to improve our conditions we are entitled to unconditional preference. With regard to the forty-four-hours week, we ask for that to be inserted in the new Act—that is, eight hours on five days a week and four hours on the recognised half-holiday.

11. *The Chairman* (to Mr. Whiting).] Would you make that apply to all unions?—Yes.

12. *Hon. Mr. Millar.*] You have told us that we ought to maintain the Act: do you think the Act is going to remain on the statute-book if strikes are going to take place when the awards do not suit?—I think so. We have had a number of breaches of awards by the employers ever since the inception of the Act.

13. I have a telegram in my hand stating that, if no settlement is come to, nine thousand coal-miners working under awards of the Court are coming out. If men desire to make their own conditions of labour they can, but they cannot possibly remain under the Arbitration Act and strike, and this Parliament will not dissolve until that matter is settled. We can amend the Act to provide that as soon as a strike takes place registration under the Act will cease, and the award will cease to exist. That appears to me to be the only successful penalty that can be enforced. If men wish to keep outside the Act, no law should compel them to keep inside of it?—You can place whatever you wish in the Act, but it is not going to prevent strikes if the men are inclined that way. We say you can lessen strikes in the way we have mentioned.

14. Do you think it is right for a union to take advantage of the Act and then, whenever it does not suit them, to strike and expect to go back to the same award again?—We do not. We contend the workers should be punished in the same way as the employers are punished under the Act. As Mr. Young has shown to the Committee to-day, although we have gained nothing since the Act came into force, we have stood loyally by it and to the decisions of the Court.

15. Did you notice that the Trades and Labour Council of Christchurch said they were prepared to take steps to prevent the handling of flour?—I am not responsible for what was said.

16. Is it any use trying to keep the Act or to amend it if that is the feeling of unionists?—Personally, I think there has been more made out of the strikes that have taken place in the country than should have been.

17. *Mr. Arnold.*] The evidence has been very clear, but I would like you to make yourself clearer with regard to preference to unionists: I understand that one of the chief reasons why your federation asks for preference to unionists is that you consider those outside the union should have the same advantages as those in the union who do the fighting, find the funds, and undergo all the disabilities consequent on what they do?—Yes, that is so.

18. Do I understand that you have withdrawn your request for preference to unionists, and that you will be satisfied if you can compel those outside the union to subscribe equally with the members to the funds of the union, or that, in consequence of not being able to get preference to unionists you will accept the other alternative in the meantime?—No. What we advocated last year we advocate this year. Last year's Bill contained proposals headed "Contributions to Unions." That proposal we strongly objected to, and we stated that we had no wish or desire to take any person's money: what we wanted was unconditional statutory preference to unionists, and we stand in the same position to-day. Unionists are put to great expense and have a great deal of work to do, and all the time they are fighting for the benefit of the men standing outside their union.

19. Do you still object to the clause in last year's Bill?—Yes.

20. With regard to experts in the Court: I suppose you are aware that when experts sit with the Court they have no right to express an opinion unless they are asked for it; that they cannot cross-examine witnesses; and that when the Court is sitting *in camera* they are not allowed to speak without being asked to do so? Do you not think it is right that these men should have full privileges—equal privileges with the other members of the Court in every way?—Yes. I should say the federation would be quite willing to have that in preference to the present practice, and would like the assessors to be able to examine or cross-examine any witnesses.

21. *The Chairman.*] That applies to assessors proposed to be appointed under clause 60?—Yes.

22. *Mr. Ell* (to Mr. Young).] You are in favour of a law in regard to enforcement against any person striking?—Yes, as in the present Act.

23. Are you aware whether the majority of the workers are in favour of the retention of the Arbitration Act?—Yes, I do not think there is any doubt about that. Because a certain number like to override an award it does not follow that any one believes in strikes. No one believes in strikes that I know of.

24. You are aware that some of the unions claim the right to strike?—I am aware that some say they have been unjustly treated by the Arbitration Court, and consequently have struck.

25. You are in favour of inflicting fines for striking?—Yes.

26. And if the fines prove ineffective would you advocate anything more drastic?—The only thing I could suggest after that would be for the State to take control of all these industries.

27. You would have a revolt in connection with the wages paid by the Government?—I have heard of members of Parliament doing that before to-day.

28. *Mr. Poole* (to Mr. Whiting).] You believe that the delays, intentional or unintentional, are the cause of the unrest among unionists: do you think it would be better to make the agreement of the Conciliation Board stand as an award until the Court sat?—That is what we are asking for. We are asking for the Boards to be given power to make their recommendations binding until the Court sits, giving, of course, the right to either of the parties to appeal.

29. Do you think there has been any intention on the part of any one, acting on legal advice, to perpetuate delay?—I do not say it has been done intentionally.

30. Do you think that legal technicalities have been brought prominently before the Court for the purpose of throwing out cases on legal quibbles?—I could not answer that question.

31. Have you read anything about the anti-strike legislation of Canada—the Lemeaux Act—which deals with optional arbitration?—I have not read it carefully; only glanced through it.

32. Do you think any such law would be applicable to New Zealand?—I would not like to express an opinion right off without more careful consideration.

33. Part I of this Bill deals with strikes and lockouts, and I see quite a resemblance between this Part of the Bill and the Lemeaux Act adopted in Canada and by Legislatures in the United States. The intention is to make it possible, if the unions are not satisfied with the awards of Arbitration Courts, to strike if they like. Do you think any legislation in the way of an Arbitration Act would repress all strikes?—No, I do not think any Act could do that. I have said before that you might lessen the number of strikes.

34. Do you think it is necessary to have optional arbitration?—No; I believe in compulsory arbitration.

35. But that may be abortive?—It may be.

36. Then, what other course is there? The position assumed is that compulsory arbitration proves to be abortive, and no agreement can be arrived at by the parties, then what follows supposing a deadlock comes in?—I cannot see how there can be any deadlock with regard to arbitration.

37. With regard to round-table conciliation: if no agreement is arrived at, then the ultimate result is——?—Then the parties refer the case to the Court.

38. And failing agreement with the decision of the Court? If the Act gives no power to compel a man to refrain from striking, then there is no finality in this legislation. Would you be in favour of the forfeitures, and privileges, and obligations of the Act when men go on strike?—Not under some conditions. If employers are allowed to victimise their men because they have taken an active part in connection with union matters, and these men cannot get redress from the Court, then I say they are justified in striking; but in the case of a union which goes on strike because it considers it has been unjustly treated by the Arbitration Court in the matter of wages or hours of work, then I say it is not justified in taking that step.

39. Then, in view of your explanation, the first part of this Bill should claim some consideration?—No; we think the present law is quite sufficient, and we base our contention on the small number of strikes that have taken place during the last seventeen or eighteen years.

40. *The Chairman.*] Is it fair to call a number of them strikes, when they were mostly of a petty description?—No; I think only about two can be called strikes.

41. The Slaughtermen's and Blackball Miners'?—Yes; and I think that where men are victimised they are quite justified in striking.

42. Have you any suggestion to make to the Committee in the way of preventing the victimisation that goes on?—No; our federation has not given us any material to work upon which we might suggest to the Committee. I confess it is a very difficult thing to deal with. An employer can discharge a man for a hundred and one reasons, but at the same time we know he has been discharged because he has taken an active part in connection with his union, and yet under the present law we cannot do anything to get redress.

43. Nor can you suggest any alteration in the law that would affect it?—I can only say this: that I will be quite willing to discuss the matter with the federation after I get back to Christchurch. In all probability we can come to some conclusion whereby we might help your Committee, and in that event I shall be only too willing to send the suggestion along. But it is such a difficult problem that up to now we have not been able to come to any definite conclusion on the matter.

44. Has any case been carried before the Court?—Yes; but in those cases the evidence has been pretty clear.

45. What decisions did you get?

Mr. Young: In one case the repairers brought a case before the Conciliation Board. There was a conference, which was abortive, and the case was taken to the Court. The reason given was that the man had outgrown his usefulness—and the man was only twenty-nine years old. The only suggestion feasible seems to be that of the late Mr. Seddon—that where a man is found to have been victimised the State should find him employment. That would stop it to a large extent, and there would be no object gained in victimisation.

TUESDAY, 28TH JULY, 1908.

JAMES THORN examined. (No. 3.)

1. *The Chairman.*] Will you please tell us whom you represent?—The Trades and Labour Conference recently held in Wellington.

2. What particular Council do you represent?—Canterbury.

3. Has the Canterbury Trades and Labour Council considered this Bill?—No, Mr. Chairman; they are holding a special meeting to consider it on Saturday night.

4. Have the unions which belong to the Council considered the Bill?—Some of them.

5. Do you voice their opinions?—I voice the opinions of the Christchurch Metal-workers' Assistants and the Christchurch Moulders' Union, together with the Canterbury Farm Labourers' Union.

6. Which unions have considered the Bill—or their executive officers?—Those are the only people I am connected with—those I have mentioned.

7. *Mr. Ell.*] You mean that the metal-workers and moulders have considered the clauses of the Bill?—Yes. I may say that the executive of the unions considers all these proposals.

8. The executive of the Farm Labourers' Union only, not the members as a whole?—No. The executive makes proposals to the different branches.

9. *The Chairman.*] Did the Trades and Labour Conference, held in Wellington last week, consider the Bill?—Yes, very exhaustively.

10. You come here in the name of that Conference?—Yes.

11. You have seen the Bill, I suppose?—Yes.

12. Will you give us your opinion on it?—I may say I am here to give evidence on behalf of the Conference, and I am voicing the views of the Conference. We in Conference discussed the whole matter, and spent about two days in doing it. We went very exhaustively into it, and considered the whole position of labour affairs as they exist at the present time in New Zealand. We decided by a very large majority—I think only two members of the Conference voted against the decision—to recommend that the whole of Part I of the new Bill, dealing with strikes and lockouts, with the exception of section 8, be deleted from the Bill. Section 8 repeals section 15 of the Act of 1905, which deals with strikes. One of the reasons which actuated the Conference in urging the deletion of this part of the measure was that repressive and coercive measures are not going to provide any solution, or anything like a solution, to the labour problem. We contend that coercion and repression have an unsettling effect, and, instead of checking the desire on the part of unions to strike, they will in a very large measure constitute that which incites the unions to strike. We have had an instance of this in the experience of New South Wales since the passing of Mr. Wade's Industrial Disputes Bill. This was a coercive measure against strikes, and contained all kinds of penalties against strikers. The result is that, out of 130 unions existing in New South Wales, only five have registered under the new Act, while two strikes have occurred already—one the Balmain Coal-miners strike, which received the support of the trades-union movement throughout New South Wales, despite the fact that the Bill was very severe in reference to aiding and abetting and striking; and since the Balmain strike we have now the spectacle of the Sydney tramwaymen on strike, with the possibility that this strike will develop into a general strike right through New South Wales. We contend that this coming down with legislative chains, and shackles, and bonds to trip us up in all our trades-union actions has a decidedly unsettling effect, and falls very far short of what is required to meet the position. We desire to see section 8 retained, for the reason that circumstances do arise which are not provided for in law, and which justify the method of withholding labour from the market as a means of protesting against what we conceive to be injustice. As an instance of this, take the Auckland tramway strike. The men, according to the decision of the Commission of Inquiry, were absolutely justified in the stand which they took. Their comrades in the union were being sorted out and victimised. The present Act is simply futile to meet the position with regard to victimisation and discrimination against unionists, and in order to protect themselves against their employers the men came out on strike, and, according to the decision of this Commission of Inquiry, the men were absolutely justified in doing so. Now, take the question of the Blackball strike. Mr. Hickey is here, and will talk about that later on. Unionists contend that victimisation is not properly provided against in the present law, and that when a mining company or any other company comes along and deliberately sorts out prominent members of the union—men who are doing what they conceive to be right, and are sorted out for dismissal—we say that if the law does not provide for that, what can we do but resent by the strike these tactics of the employers? It is the only way we can do it. And other circumstances may arise which will justify us in coming out on strike against the employer; and, anyhow, as a matter of principle, the Conference came to a decision by a very large majority that any legislation which took away from us absolutely the right to withhold our labour from the market was not justified in morality at all. For instance, the employers can deliberately lock men out, but can give all kinds of reasons for locking them out, which exempt them from the operations of the law. Take, for instance, the case of Reid and Gray, of Dunedin. The Court gives an award which increases the wages of the men, but Reid and Gray were not going to employ the men at the money, and said, "We cannot afford to." Nineteen men were shut out simply because the award increased their wages. That was tantamount to a lockout, and yet the employers, because they said they could not afford to go on with their business under these wages, were exempted from the operation of the law. No one would think of compelling an employer to carry on his business at a loss; no one would think of compelling an employer to sell his products at a loss; and, because no one would think of expecting that, we say it is perfectly logical for a unionist to say that he shall not be compelled to sell his labour at what he considers to be a loss.

13. Then, your Conference held that you have the right to strike as a last resource?—Yes. Although we have approved of the principle of conciliation and arbitration as brought down by Mr. Reeves in the Bill of 1894, and we were unanimous in expressing the opinion that we would much sooner see our industrial disputes settled by arbitration than by strikes, at the same time we took up this position: that we do not wish to be compelled to lay down our arms, as it were. Mr. McLaren put the matter very clearly. He said that the nations of the world told us that they believed in arbitration and a peaceful method of settling disputes, but a great statesman said that, although he believed in arbitration for settling disputes, to disarm the nation would be foolish. Yet we are expected to lay down our arms and accept, without protest or complaint, anything the employers like to do to us, and anything the Arbitration Court likes to do to us. On these grounds we desire that all this part of the Bill be deleted, with the exception of clause 8.

14. Then you think it will be a cause of constant irritation. Do you think Part I will ever be effective?—I do not think it will be effective. I may say the temper of a good many of the unionists I know is such that anything like that put on the statute-book would not receive very

much respect, and, any way, I am perfectly satisfied of this: that every principle of unionism is violated in that Bill, with its repressive, coercive method of dealing with labour affairs. What we want is that the facility for settling our disputes by the methods of conciliation provided in Mr. Reeves's Bill should be extended. The whole tendency of legislation since that Bill was introduced has been to reduce the present Conciliation Boards—which I conceive are the best institutions under the Act—to a position of absolute uselessness. It has all been in that direction.

15. *Mr. Ell.*] What legislation?—Most of it. At any rate, the most important has been in that direction.

16. What clause do you refer to?—Clause 60 of the present Act, and clause 59, which enables an employer to take the whole case to the Court.

17. *The Chairman.*] We have your opinion of Part I of the Bill; what about Part II?—We approve of sections 11 and 12, and in section 13 we suggest that the words "not exceeding" be inserted in the third line, after the words "penalty of."

18. That £100 should be the maximum in respect of a breach?—Yes; and the same with subsection (2) of section 13. Section 14 we approve of also. In subsection (2) of section 14 we suggest that the word "only"—the last word in the line—be struck out, and these words inserted: "Provided that on the application of either party an expert from each side shall sit with the Magistrate to advise on technicalities, &c." With the rest of that section we agree. Sections 15 and 16 we agree with, and I will refer to section 17 later. Section 18: We suggest that after the words "Court of Arbitration," in the third line, the words "on points of law only" be inserted. The reasons for that will be easily seen.

19. That would need a new interpretation of an award?—I presume so.

20. The award is not statute law, although it is pretty well equal to it. It is not embodied in the printed law?—I think this would include that. That point of view was not discussed, and I would rather not say anything about it at the present time. Clause 19: We suggest that all the words after "action," in the second line, shall be deleted. That is for the purpose of preventing an appeal to the Arbitration Court. We can see quite plainly that if an appeal were allowed the object of allowing Magistrates to deal with breaches of award would be frustrated. The trades-unions and trades councils have urged that Stipendiary Magistrates should be given power to deal with the enforcement of awards simply because the Arbitration Court has not been able to deal with the breach of an award as it occurred. The result is that breaches have been filed for months, and months, and months before the Court has come along to hear them, and when the Court has come along all the witnesses have been dispersed to the four corners of the earth.

21. Is that not an answer to the previous question with regard to points of law? You contemplate that no appeal shall lie from the Magistrate in the interpretation of an award?—Yes.

22. Well, that answers the previous question?—Yes, it does. To allow of a party appealing from the Stipendiary Magistrate to the Arbitration Court would simply mean in most of the cases, in all probability, the old evil over again—the Arbitration Court would not come along, and in the meantime our witnesses would have been dispersed. For that reason we urge that no appeal shall lie from any judgment in an action in the Magistrate's Court. Then we suggest the judgment in any such case shall be enforceable in the same manner as a judgment for debt or damages in a Magistrate's Court, and in no other manner. We desire that section 20 be amended by striking out the words "subject to the provisions of the next succeeding section."

23. Strike out the top line?—Yes. Sections 21, 22, 23, and 24 we ask to be deleted altogether. I may say that the unions of the Dominion dealt with that proposal in last year's Bill, and practically the unanimous opinion was that this was altogether foreign to the spirit of advanced legislation with regard to wages—such as the Truck Act and the Wages Protection Act—and they strenuously object to this method of collecting fines. There can be no question about this: that if the clause were put into law it would cause more trouble than all the agitators in New Zealand combined.

24. What would you suggest instead of those four clauses—have you any suggestion?—My suggestion, and the suggestion of the Conference and Trades and Labour Councils and unions, is that the present law is quite sufficient. It seems to me that under the present law they have power to deduct money from a man's wages. If that is so, why introduce this legislation? Evidence of that power was given in a case up in Gisborne.

25. You mean in attaching surplus wages over £2?—Yes. Part III, dealing with Conciliation Boards: We suggest that the whole of this Part be struck out down to clause 44. We contend that the present Conciliation Boards, or the method of constituting them, is certainly the best way to keep alive the spirit of conciliation in the Act. All the arguments in favour of Conciliation Boards as against Industrial Councils, as provided for in last year's Bill, can be used with equal effectiveness against the Conciliation Councils of this year's Bill, and rather than take up the time of the Committee I would refer the Committee to the evidence given by the labour representatives before the Labour Bills Committee of last year on the subject of Industrial Councils. I would just like to emphasize this: that what we want as unionists appearing before the Conciliation Boards and Arbitration Courts is that the independence of our adjudicators shall be preserved as much as possible under the present system of society. The Conciliation Board gave us the largest measure of independence as adjudicators that can possibly be given us under the present system. All we want with regard to these Boards is that their decisions shall be given some finality, and that the provisions of the present law enabling one cross-grained employer to invoke all the machinery of the Arbitration Court, after the Board has made recommendations satisfactory to most of the parties, shall be amended to prevent that kind of thing.

26. What section are you referring to?—Section 60 of the principal Act. That has been the cause of practically all the trouble—there is no getting away from that. If the Labour Bills

Committee will look up the evidence given before the Committee last year it will see all the arguments used and elaborated very fully. Part IV: Section 45 we disapprove of. That is amending the present law which gives seven persons the right to register as an industrial union under the present Act. One speaker at the Conference pointed out that if this were put into operation it would knock the life out of over sixty unions in the Dominion.

27. Are you sure you are reading it aright?—We read it this way: that in future, if this Bill becomes law, it will require twenty-five men or women to constitute a union before that union can get registered under the Act.

28. It would apply to the future, but there is nothing which cancels registration below these numbers which are now registered?—Lawyers may tell you it will. At any rate, there is always this possibility: that new industries may spring up where very few men are employed. Mr. Reardon, secretary of the General Labourers' Union, gave us a case of that kind, and also Mr. Breen gave us a case where a number of men employed in a certain industry embraced only from seven to ten. They desired to form a union and secure some fixity of conditions. They formed the union, and could register under the present law. Now, if the present law is amended so as to make it necessary that there should be twenty-five members before the union could be registered, then the men in that industry or any similar industry could not organize at all; and if this Bill had a retrospective effect it would knock the life out of over sixty unions in the Dominion at the present time. I know that there are nineteen or twenty unions in Canterbury whose memberhsip is less than twenty-five, and I know that several of them are affiliated to the Trades and Labour Council, and at least two of them have passed resolutions denouncing this particular clause and calling for its deletion.

29. Would it by any means meet your views if there was a saving clause stating that it should not apply to present unions?—No. An instance might arise where sixteen, or seventeen, or eighteen people might desire to form a union, and if this law was put into operation they would be prevented.

30. *Mr. Arnold.*] Your point is that if there are sixty unions now in existence containing under that number there might be another sixty in a few years?—Yes. Sixty unions have less than twenty-five members. If the unions continue to grow at the same pace as during the last few years, then all the new unions will not be able to register at all. We agree to clause 46. Clause 47: I might say that we approve of the principle which the Minister is trying to give effect to in this clause, but we desire to see the clause amended in the direction of giving every financial member of the union the right to cast a vote in connection with the election of members and acting-members of the Court. It gives a union of less than fifty members one vote, and a union of more than fifty one vote for every fifty of its members. We desire to see that amended in the direction of giving every financial member of the union registered under the Act the right to cast a vote for the election of members of the Court.

31. *The Chairman.*] That is as the elections are conducted at present?—No. At the present time one union has one vote, whether it has a thousand or seven members. This proposes to give a union with 1,000 members twenty votes, and unions with less than fifty members one vote. We desire to see the democratic principle applied, of one financial member one vote.

32. *Mr. Ell.*] Have you any suggestion to make as to the way the votes shall be cast? Personally I suggest that every individual member receive a ballot-paper?—That is what I should suggest be done. The name of the candidates should be placed on the ballot-paper the same as in the general election, and the unionists should send their votes in to the secretary, who should send them in to the Department. At the present time the unions have one vote each, and they cast that vote on behalf of a certain candidate, and against another candidate.

33. How is that vote arrived at?—By the vote of the union. There might be a hundred financial members of the union. A special or ordinary meeting may be convened to do certain business, amongst which is to vote as to who shall represent the union on the Arbitration Court. Out of the hundred financial members only ten may attend, and if those ten vote, say, for Mr. Slater, the result of their vote is communicated to Mr. Tregear.

34. *The Chairman.*] Each union has a vote on the question as to whom they shall support —Smith or Jones—and having decided for Smith the vote goes to Smith?—Yes.

35. *Mr. Arnold.*] What you suggest now is that ballot-papers shall be sent round by the Department to the various secretaries, after which they are to be sent back to the Department, and the candidate who gets the majority of the aggregate votes cast shall be elected?—That is so.

36. *The Chairman.*] You practically want a ballot of the unions?—That is what we want—a ballot of the unions. Clause 48 we agree with. Clause 49 we desire amended so that the worker who is paid a less rate than the minimum, and who sues for the recovery between the minimum and what has been paid, shall only receive the difference for three months, or up to three months.

37. That he shall be limited to three months?—Yes; but we desire to see this also: that the employer shall not be freed from liability for any amount in excess of the three months' limitation, and we say that the employer should be compelled by law to pay all the difference in excess of three months into the Consolidated Fund. There have been cases where workers have worked at a rate less than the minimum wages, and on occasions they have deliberately entered into an agreement with their employers to work at a rate less than the minimum. Six or eight months elapses without any one knowing anything about it, and the union cannot find out anything about it. Then the worker has a row with his employer and sues him for the difference, extending over, perhaps, a six- or eight-monthly period.

38. Up to that time he would have been working in collusion with the employer?—Yes; but the employer has been breaking the law. There are cases where, if the three months' limitation did not apply, great injustice would be done, because some workers entering into an occupation

are entirely ignorant of the conditions. Mr. Revall, in giving evidence here last year, mentioned one particular case. He explained that the Canterbury Woollen-workers' Union, which has its existence in Kaiapoi, had no membership outside of Kaiapoi. But a new firm started at Ashburton in the woollen industry, and the girls entered into the employment of this new firm entirely ignorant of the conditions which had been fought for and gained in connection with the Kaiapoi Woollen Company. As soon as the union discovered the terms under which the girls were working they made an immediate application for enforcement of the award. In that case, if you had not the limitation of three months, injustice might have been done to the girls, who were ignorant. In the other case, where the worker is in collusion with the employer for the purpose of defeating an award, we say that the employer should be liable for the full payment of the whole difference in excess of the three months into the Consolidated Fund. Clauses 50, 51, and 52 we agree with. Clause 53: We ask that that be deleted altogether. Clause 54 we approve of. Mr. Jackson will deal with clauses 55 and 56. Clause 57: With regard to the needs wage and exertion wage, we ask that they be deleted altogether, and, further, we ask that the system of premium bonus, which it implies, be made illegal. This is another one of the violations of the principles of trades-unionism. All the world over, the trade-unionists have fought against the classification of workers. Once classification is introduced it means speeding up, and consequent injustice. I have had some experience in connection with this system of premium bonus. I fought a case in connection with it down in Christchurch about four weeks ago. The Moulders' Union of Christchurch asked the Court to prohibit the using of this system in Booth and Macdonald's foundry in Christchurch. The system of premium bonus has been in operation in that foundry for two years, and it has caused a great deal of unpleasantness and jealousy amongst the workers in the foundry. There is a lot of bad feeling existing where it never existed before, and the reason for it is easily to be seen. The men are pitted one against another. Some men get jobs where they can go easily and earn big premiums, while other men get jobs where they have to slog and slave simply to turn out a standard day's work, and get no premium at all. That is a feature of the system which developed a great deal of unpleasantness amongst the workers in the shop. I might say that our own council dealt with this matter some time ago, and the Hon. Mr. Barr and one or two others dealt with Mr. Booth's position at the time. We pointed out in a circular which we issued to the unionists that this system, in our opinion, was absolutely and completely immoral, and in other countries of the world it has been one of the greatest factors in destroying the physique of both men and women. Under the present-time system of payment—and I just wish to explain this to show you how the premium bonus operates—a man is expected to do a certain day's work. If he cannot turn out that day's work, then he is considered an incompetent man, and is sent along to get a permit to work at lower rate than the minimum. If he turns out the amount of work the employer thinks he ought to turn out, and the employer wants him to turn out more, then the man has to work overtime, and for that overtime he is paid time-and-a-quarter rates for the first two hours and time and a half afterwards. Under the premium bonus it is entirely different. The employer goes to the man and says, "Here is your standard output," and he may reserve to himself the right to fix that output, and say that he will pay the minimum wage on that. If the man cannot turn out the work he is sent down to the union for a permit. He is deemed to be an incompetent man if he cannot turn it out. Then the employer can say to the man, "If you can turn out more than this we will pay you a premium of 50 per cent. on your excess work." That is to say, the employer says, "We will pay you 1s. rate for your ordinary standard output, and then if there is anything you can do in excess of that you will be paid at half the rate we pay you for the ordinary work." Take this as an illustration: Supposing a moulder works in Booth and Macdonald's foundry—because that is the foundry where it is in operation in Christchurch—and he works eight hours a day. His standard output is supposed to be eight boxes, for which he gets 8s. a day. This is only a suppositious case. He gets 1s. a box. Now, if that man is put on the premium-bonus system, and he is speeded up by the fact that all the other men are working under it, and he happens to turn out nine boxes, for the ninth box, instead of being paid 1s., he is paid 6d., and the employer gets the other 6d. So that what, under the time system, would be paid for at the rate of time and a quarter, which is deemed to be a fair thing by the Court, is now paid at half-rates. If the trades-unionist who gets paid 1s. for making one box at one period is only going to get 6d. for another box at another period, it is an injustice. If the employer wants to pay a good man more than another man, why cannot he do it? It is not the workers who are responsible for the dead-levelism we hear so much about, it is the employers. Again, the premium-bonus system has all the bad points of the piecework system about it, in that it might be used, and is used, to unduly speed the men up and force them to work above their physical capacity. But it is worse in this sense: that when a man is working under piecework he is being paid for the pieces he makes, and for every piece at the same rate, but under the premium-bonus system the more he makes the less he is paid. If I turn out nine boxes for 8s. 6d., I have to turn out eleven for 9s. 6d., and if twelve I am paid 10s., and no one can tell me that if I give all my superior skill I ought to be penalised for it. That is the premium-bonus system and the exertion wage. The unionists of this Dominion are not going to stand that for one thing. We may disagree about other principles of the Bill, but, if there is anything we are going to be unanimous upon it is this principle to introduce a needs wage and an exertion wage. We suggest, then, that the clauses be deleted altogether. I might say also in that connection, although some of the employers give you their word of honour that they will not do anything of the kind (they do not write it on paper or enter into an agreement with the union officials), there is a possibility that when a man has established his ability to turn out the nine boxes I spoke of where his standard output is eight, there may be a time come when the employer will say, "You have turned out nine boxes for so long: what is there against fixing the standard

at nine boxes instead of eight?" And if he happens to be an unscrupulous employer he will take advantage of his power to do that, and speed the men up, and do them injustice. Clause 58 we disagree with entirely. It is giving the Court power to refuse to make awards in certain cases. It seems to us that this is another clause that is entirely unnecessary in the present Bill, and I cannot understand why it is there at all, because even now the Court has power to refuse to make an award if it deems the claims of the union to be frivolous. Why under these circumstances introduce this clause 58? There may be cases arise where the union might be in the position of not being able to place the full facts before the Arbitration Court.

39. Owing to the delay, I suppose?—The delay and other reasons. For instance, supposing a union is formed in an industry where a great deal of dissatisfaction exists or a certain amount of dissatisfaction exists, and when it comes to the point of getting witnesses to give evidence as to the reason why, there is very great difficulty in getting them to do so. You have to put into the witness-box men who, for the most part, are getting good wages, good conditions, practically more than the union is asking for, and who are not discontented themselves, and the result may be if this clause comes into operation that the Court may say, "We have had evidence from ten or twenty men who are getting more than the union asks, and who are perfectly satisfied with their own conditions." But the fact remains that there is still this dissatisfaction—there are bad conditions existing—but the men have not had the gumption to go along to the Arbitration Court to confront their employers and speak out as to what they know to be absolutely true. That position may arise, and we suggest that this clause be therefore deleted altogether. We approve of the spirit of clause 59. There is a slight amendment in subsections (2) and (3) which would strengthen the clause in our estimation. The object of the clause is to enable a union to cancel its registration, whether a case is pending or not. Clause 60 we ask to be deleted altogether. This seems to be entirely unnecessary also. Under the present law the Court has a right to appoint assessors if it so desires, and this has only been taken advantage of on one or two occasions. So where is the need, if during the whole history of the Arbitration Court this right of appointing assessors has only been taken advantage of once or twice, for this clause with its sixteen subsections? They have the power under the present law, and because they have the power under the present law we desire this to be deleted. That is all I desire to say.

JOHN JACKSON examined. (No. 4.)

The Chairman.] What are you?—I am secretary of the Greymouth Wharf Labourers' Union and secretary of the Trades and Labour Council of Westland. I have been deputed on behalf of the Trades Conference to come here and give evidence. I desire to traverse as little as possible the points touched on by Mr. Thorn. I will briefly state that the Conference does not believe that the retrospective and repressive legislation, as proposed in the Bill, will help us one little bit, but that it will only aggravate the situation. While we disbelieve in the efficacy of strikes, we hold that we have the right to withhold our labour when we consider it necessary. We strongly disapprove of sectional strikes, and have a movement on foot for the federation of the whole of the labour unions in the Dominion. It is proposed that ultimately no section of our workers shall strike until the matter in dispute is first submitted to our federation to deal with, so that undue harassment of employers will not eventuate. While affirming the principle of arbitration, we hold that in cases of victimisation we have a right to protest. It is the only right we have left, and we do not want to give up the right without protest. Cases of victimisation arise that are not provided against by law, and in the transport industry we find that this principle is greatly abused. We find that men are victimised week after week, and have absolutely no remedy either in the Court or in Parliament. I have been before the Arbitration Court twice in connection with disputes, and each time we asked for a discriminating clause. While the Court has always put such a clause in the award, it is so vague that we cannot possibly obtain a conviction for breach under it. Men have been refused work, and have stood out for a month or six weeks at a time, and the employer has refused to give any reason for not putting them on. I have asked the employer's representative why he has not given a reason for not putting a man on, and he has answered—and Mr. Brown, of the Arbitration Court, has said the same thing—that it is more than he dare do to give a reason. It might be because of the pillaging of cargo, and yet they cannot give a reason for fear of an action. We think the employer has a right to tell a man why he is not allowed to work, because in such cases it would not be libellous. When a man is dismissed without a reason given one would infer that he has done something wrong, and it is absolutely unfair to him. A case of victimisation took place in my own union some time ago. A young man was working for the Railway Department, the workers in which do not came under the arbitration law. He had been employed there for about nine or ten months as a probationary shunter. Prior to that he had worked on the wharf, and was a capable workman who received a fair rate of wages—in fact, earning about £3 a week on the average. His health broke down when working as a probationary shunter on account of the long hours he had to work, his legs giving way. He applied for a shift, and was dismissed. He kept account of his overtime, and put in a claim for it, and afterwards got it. I do not know whether any official got slated over it or not. After he left, the only place he could go to was on the wharf, where he applied and got work, but after a few weeks the foreman told him that he was not wanted on the wharf any more. My union took this case to heart, because he was a capable man, and they would have struck if I had asked them to do so. But I asked them to keep quiet for a while, and I would write to the Minister for Railways about the case. I wired to the Minister, and he looked into the matter at once, found that we were right, and had the man reinstated. If that man had not been reinstated we would have struck. The same thing has happened amongst our wharf labourers who have worked for the shipping companies, whom I have known to have to leave the wharf without any

reason given as to why they could not be employed, and they have had to go somewhere else. There are times when men will not stand that kind of thing, and we say the law should be amended to protect us in that respect. We consider that the clause in this Bill with regard to the appointment of Magistrates to settle disputes is a step in the right direction, and we hold that two assessors should sit with him to advise. We quite believe that if power is given to a Magistrate to finally settle disputes fewer cases will be taken to the Court, because breaches of award are repeatedly committed by employers. The machinery of the law at present is too slow, because long before a case can come on the witnesses are gone, and the circumlocution prevents us bringing a case into Court. If we could go into Court within a week, I venture to say the number of cases of breach would be very much less. With regard to clause 17, we hold that the union should get the fine. If we go to the trouble of working up a case and taking it into Court the fine should be paid to the side that wins it. Clause 21: We strongly resent the deduction of fines from wages by the employers, because of the humiliation. We think the Willis blot (clause 60 of the principal Act) should be repealed, and clause 59 should also be amended. Under clause 59 of the Act, if 199 out of 200 employers cited agree to a decision of the Board of Conciliation, the two-hundredth employer can take the case to the Arbitration Court, and we hold that a majority only should have that right. Speaking so far as our particular industry is concerned, we are satisfied down our way that a conference of employees and employers sitting round a table will arrive at a far better settlement than the Court could possibly do. We approve of this method in Greymouth. The conditions we got by conference with the employers before we went to the Court were infinitely better than we have got from the Court since, although it has been pointed out to us that is not the experience of the large centres. We think that seven workers should always have the right to form a union, and see no reason why that provision should not be retained. When an industry starts in a small way it is sometimes difficult to get seven men to form a union. Section 49: We hold that if a worker has entered into a contract with his employer to work for a lesser wage than is provided for in an award he should receive the amount he is paid short for a period over three months, but anything over should be paid by the employer into the Public Account, and the employer if in collusion with his employee should not be allowed to retain a portion of the amount unpaid. Clause 53: We hold that permits should not be issued by the Inspector of Factories, because in many industries he has no knowledge of the workers. It was stated at the Conference that many Factory Inspectors were sergeants of police, and, while not wishing to reflect on them, we say that such men are not competent to judge in such cases. The issue of permits, we think, should be left to a committee composed of two representatives of the employers and two members of the union. Clause 55: I was here last Friday when Mr. Whiting, of the Bootmakers' Federation, brought some objection against this clause, but the Hon. Mr. Millar convinced him that it was to prevent delays arising from little informalities, and if that is so I think it is a step in the right direction, and one which will relieve us considerably. I had a case in which I cited a shipping company for a breach of our award which happened at 2 a.m. on a Sunday morning. By some mistake we made it "2 p.m.," and we were fired out of Court, and had it not been in the hands of the Labour Department would have had to pay expenses. This clause, I understand, will get over such a difficulty. Clause 58: "Court may in certain cases refuse to make an award." In the past we have found the Court has not made an award where it should have done so, especially where by not making an award it has overridden the statute law. I believe a provision has been brought down to prevent this in future. If power is given to the Boards to make their findings binding until upset by the Court, the Court will not, I think, be asked to give awards in many cases. These are the points which I understand other members of the Conference did not enlarge upon. Clause 66 was approved by the Conference. That is all I have to say.

PATRICK HICKEY examined. (No. 5.)

1. *The Chairman.*] What is your position?—Delegate on the Trades Conference for Westland.

2. What is your position on the West Coast?—I am a member of the Blackball Miners' Union.

3. *Mr. Ell.*] Have you received direct instructions from the different unions to give evidence upon this Bill?—As a representative from Westland and a delegate from the Westland Trades and Labour Council I take it that I represent all the unions affiliated to that body. I was sent as a representative of the Trades Council.

4. Mr. Thorn told us that the Agricultural Labourers' executive had considered the Bill, that the Metal-workers' Union had considered the Bill, that the Moulders' Union had considered the Bill, and that he came here as their representative on the Trades Councils Conference. Now, what I want to know is whether your union has considered the Bill and consulted you with regard to their deliberations on it?—Well, the Denniston Miners' Union and the Granity and Blackball Miners' Unions have considered the Bill, and I take it that, although I did not get instructions to come before this Committee, they certainly gave us authority to mention their attitude towards the Bill at the Conference. I might say that these three bodies—the Denniston, Granity, and Blackball Unions—have condemned the whole thing from beginning to end.

5. *Mr. Hardy.*] I want to know if you have authority to voice their opinions here?—The point is this: They gave us authority to voice their opinions at the Conference. Naturally, they did not know whether I or my colleague, Mr. Foster, would be appointed on this deputation to the Committee; but they certainly gave us authority to voice their opinions on the Conference.

6. *Mr. Ell.*] Have these unions at Denniston, Granity, and Blackball instructed you to give evidence before this Committee?—They did not know I was coming before this Committee.

7. *The Chairman.*] They empowered you to speak at the Conference with regard to this matter?—Yes.

8. You and they did not know at that time that the Conference would select you to come here?—That is so.

9. And therefore you are voicing the opinions of the Conference, of which you were a member, on behalf of these three unions?—Yes, that is so. The unions have considered this Bill.

10. Well, go on, Mr. Hickey?—So far as the evidence goes that the other two witnesses have given, I cannot go very much further into the matter; but there is one point I would like to mention, and that is regarding the First Part of the Bill. What we workers maintain is that we should have the right as a last resort in each case to withdraw our labour if we think it necessary. Men have a right to take up a stand by withholding their labour in a case of victimisation, which is the most difficult charge to sheet home to an employer. Employers have so many reasons to offer for dismissing a man, and in a Court of law or arbitration it is almost impossible to prove that the manager, or mine-owner, or employer, as the case may be, was actuated by a spirit of hostility, and for that reason we find it impossible to protect our fellow-workers except by the combined efforts of the men themselves. Further, we say that in the event of the Court not thoroughly understanding the position, and reducing wages to a starvation level, the workers should maintain their right to sell their labour to the highest bidder.

11. Would this Bill prevent them from exercising that right?—Decidedly. It would not prevent them if they were not afraid of three months' imprisonment.

12. If the employers say they cannot or will not give anything over a living-wage, how does that prevent the man selling his labour to the highest bidder?—I said, if the Arbitration Court fixes the wage.

13. You assume that the employers would give a higher wage?—I assumed that they were in a position to give more. Take, for instance, the mining industry, which is a most peculiar industry for a layman to understand, and the Court makes some extraordinary blunders in such cases. The employers and the employees have to come together and fix up some of the particular points. In such cases if the Court fixes a wage which is not a living-wage we maintain we have the right to sell our labour at a price above. In connection with the Conciliation Boards, we contend that they have never had a fair trial. They have been limited in their power, with the result that both sides have refused to abide by their decisions. I would like to say a word or two with regard to Part IV, regarding the exertion wage—clause 57. Before a needs wage or an exertion wage could be determined upon it would be necessary for the employer to fix a standard output, and anything over the standard output would be paid for at certain rates to be fixed. The difficulty at once arises in fixing the standard output of an article. It is impossible in many industries to do so, and the whole thing is contrary to the spirit of unionism. As Mr. Thorn states, the whole of the unions of the Dominion are unanimous in opposing this clause.

14. *Hon. Mr. Millar.*] That statement should not be allowed to go forth. The unions of the Dominion are not unanimous in opposing it?—I will say, practically the whole of the unions. I may say they have had a taste of this exertion wage in operation at Millerton, where miners are paid 1s. 11d. per ton for filling loose coal, and where the company pay wages-men 10s. 6d. per day to fill coal, and by offering them 8d. per ton for all coal filled above a certain set amount they speed the men up to an abnormal rate.

15. *The Chairman.*] Similar to the system at Messrs. Booth and Macdonald's, in Christchurch?—Practically the same thing, but in a more exaggerated form. I think that is about all I have to say, as the whole thing has been very well dealt with by other witnesses.

PATRICK HICKEY re-examined.

1. *The Chairman.*] You have heard what has been said by Mr. Jackson: have you anything to add?—Unfortunately, I came into the room in time to hear only the latter portion of what he said.

2. When before the Committee the other day you supported the evidence given by Mr. Thorn?—Yes.

3. That evidence was to the effect that the present machinery in the Arbitration Act for the enforcement of fines was sufficient for the purpose, was it not?—That was the conclusion Mr. Thorn came to.

4. And it deprecated all the provisions of Part I of the present Bill, for the prevention of strikes?—Yes.

5. Do you support him in that?—Yes.

6. There is another point which Mr. Thorn raised about the permit question. He spoke of the continued applications for permits, and disapproved of power being given to inspectors to issue permits. He urged the setting-up of a small Board, composed of two representatives from each side, who should determine whether permits should issue or not. Have you had any experience with regard to permits?—No, I have not.

7. It does not apply to any extent in the mining industry?—No, I do not think so.

8. Has there been any proposal on the West Coast for classifying workers?—Not that I am aware of.

9. You spoke strongly with regard to victimisation: have you any suggestion to make to the Committee which could help it in framing any clauses to prevent it?—No, I have none at all. It is one of those things which are pretty hard to prevent, because an employer can elude it by giving other reasons.

10. Do you think that strikes can be justified in exceptional cases?—Yes.

11. Suppose an employer, in a fit of resentment, dismissed every official of a union in his employ, would that justify an immediate strike on the part of the others?—Yes.

12. What remedy is provided in the existing law for settling or preventing a strike of that kind?—The usual remedy, I presume, is the fines that are inflicted. That is all that I know of.

13. Has any case been successfully carried out in which a fine has been inflicted for victimisation?—There may have been at some time during the operation of the Act. I could not say.

14. It is not within your knowledge?—No.

15. You have been aware of some instances of this kind?—It has been stated so, but I cannot call any to mind.

16. You are a member of the Blackball Union?—Yes.

17. Was it not alleged that the dismissal of seven men there constituted a case of victimisation, which was immediately followed by a strike?—Yes, that is so.

18. If there were any remedy in the existing law, why did the strike take place?—I did not say there was any remedy.

19. You spoke of the ordinary fine?—Yes; but you said to prevent strikes.

20. I asked whether those fines had been successfully applied?—Yes.

21. In your opinion, the present law is insufficient to meet this?—Yes.

22. You said you have no suggestion to make as to a remedy?—No, I could not suggest any. I think the employers can always evade it by an excuse.

23. Was not any remedy suggested at the Trades Councils Conference?—There was something said about it—about the protection of witnesses.

24. The difficulty would be that you would not be able to prove the cause of a man's dismissal?—Yes.

25. *Mr. Alison.*] You stated in your evidence that the Denniston, Granity, and Blackball Unions had condemned the whole Bill from beginning to end?—I said they had passed resolutions against it.

26. Are you personally in favour of the Bill?—No, I am not.

27. Is there any portion of the Bill you are in favour of?—With the suggested amendments of the Conference I am in favour of it.

28. You would be in favour of the Bill being passed if it contained the amendments proposed by the Conference?—Yes.

29. Are you in favour of the existing law?—No, I am not. But I take it I am here to voice the opinions of the Conference, and we passed a resolution approving of the principles embodied in the Act of 1894.

30. And personally you are in favour of it?—Yes.

31. You consider it is in the interests of the workers that the Act should be maintained?—It depends entirely upon the form in which it is maintained.

32. You said you are in favour of the principal Act?—I said the Act of 1894. Since then it has been altered to a great extent, and is entirely different.

33. Are you in favour of the Act as it now stands?—No.

34. What do you object to?—Speaking from memory, I object to the restrictive powers, which practically cripple the unions. With regard to victimisation, an employer is equally guilty with a man charged with breach of an award or of striking for higher wages.

35. Are you opposed to the principle of the Act in that it is against strikes?—I consider that the unions should have the liberty to strike.

36. Do you think they should be permitted under the law?—To strike, I do.

37. As that is one of the strongest underlying principles of the law, you are practically opposed to the existing Act?—We uphold the Act of 1894, in which there was no restrictive legislation to impose all kinds of fines and penalties on people for striking.

38. Then you consider that the members of unions should have the right to strike and not be penalised if they do?—Yes.

39. Do you consider that the employers should be bound by an award of the Court?—Yes, because their cases are entirely different. There are certain cases in which a strike is justified. It is sometimes hard to produce evidence to show that what we maintain is a wrongful act has been committed, as in the Blackball strike.

40. But you consider that an employer should be bound by an award of the Arbitration Court?—I think so.

41. You do not consider that the workers should be bound by an award of the Arbitration Court?—I say that in regard to victimisation, wrongful dismissal, and intimidation they should have the right to strike.

42. You consider that the Blackball workers had a right to strike as they did?—I certainly do.

43. And that any body of workers would be justified in striking if any circumstances arose which caused dissatisfaction amongst members of a union?—I say that under similar circumstances to those of the Blackball strike the men would be justified in striking.

44. Assuming that a dispute came before the Arbitration Court, and an award of the Court was made, do you not consider the workers should be bound by it during the duration of the award?—If the award was such as to show that the Arbitration Court was not conversant with the position of the men, or the wages under the award were not sufficient to enable the men to maintain themselves in decency, I consider they would be justified in breaking it.

45. That is to say, if the award of the Court was not satisfactory to the union?—No. I distinctly stated that if under the award the men could not maintain themselves decently.

46. That is to say, if they were dissatisfied with the award?—Not necessarily.

47. If in any award of the Court the wages fixed were deemed to be insufficient by the union, that would be sufficient cause for the union to strike?—If it were conclusively proved that the wages were not sufficient to enable men to live in decency they would be justified in striking.

48. Who would decide that?—I am not in a position to say. I am only voicing my own opinion.

49. Do you favour the principle of allowing the Arbitration Court to settle disputes?—Yes, I do, as a last resource. I favour the widening of the powers of the Conciliation Boards.

50. Have you had any cases before the Conciliation Boards?—Unfortunately, the Conciliation Board never sits in Westland now.

51. Have you ever had a dispute before the Conciliation Board?—No. It has been out of existence ever since I have been on the Coast.

52. Do you consider an employer has the right to dismiss a worker if he is not satisfied to retain his services?—I presume he has that power now.

53. Do you consider he should have it?—I do not see how you are going to take it away from him as long as there are workers.

54. Then, if an employer discharges a man whom he does not wish to retain, would you consider that victimisation?—It depends entirely upon what the circumstances are and the manner or conditions under which he was dismissed; also the causes which led to his dismissal—whether for incompetence, or anything of that kind. We cannot possibly prevent it. I have already stated that we cannot possibly prevent victimisation so long as society remains as it is at present.

55. Do you not consider that an employer has the right to dispense with the services of any worker who does not suit him?—Most decidedly not.

56. Why should he keep in his employ any man who is not suitable for his work?—If he is not suitable for his work I have no objection at all; but competent workmen have been dismissed simply because of their honest convictions which they have given publicly.

57. Have you known cases in which men have been discharged because of their connection with unions?—I have, of course.

58. For that reason only?—Other causes are always brought up. An employer would not say it was because of the man's connection with a union; he would raise some paltry excuse.

59. Take the men you are connected with: are they not members of a union?—Yes.

60. If the employers discharged a man he would be a member of the union, necessarily?—Yes.

61. Then, why should they give a reason other than unsuitability if they are all unionists practically?—Yes; but there is a lot of difference in the way in which they dismiss men for incompetency. In the case of coal-mining the men are on piecework, and are paid by results, and cases of incompetency are very few.

62. But, still, a man might not do his work satisfactorily?—It seldoms happens in coal-mining, if a man understands his work.

63. There are a good many men who are not experts in coal-mining?—In such a case he would be discharged in a few days. The employers would not wait for months to find them out.

64. Where there is difficulty in getting men an employer has often to employ a man who is not so well qualified as he would like?—Not in that class of work.

65. In reference to the needs wage and exertion wage in the Bill, are you opposed to those clauses?—Yes.

66. You consider that all workers should receive the same pay?—I know this: that if you start that sort of thing you will have an awful difficulty. If all the men are working at the same thing they should get the same pay. With piecework it is a different matter.

67. If a man is paid by piecework he gains the advantage of his extra skill?—Not always.

68. Give me an instance?—In coal-mining. The amount of work is limited, owing to the limited conveyances or trucks for taking the coal outside the mine.

69. But while he is working he gains the advantage of either his extra skill or extra exertion?—There are only a certain number of trucks to take the coal out, and in a great number of instances the miners have to wait for hours on this account.

70. They would not be working during that time?—Certainly; they are there to do the work.

71. Do you consider it desirable that men should be paid in proportion to the work they perform?—No, I do not.

72. Do you consider that the greater the skill a man exercises, the greater the remuneration he should receive?—It is hard to classify the amount of skill.

73. Should a man who is more skilful and more energetic than his fellow-workers receive a higher wage by reason of his skill and energy?—No.

74. Are you in favour of piecework?—No, I am not.

75. You are wholly opposed to the principle of piecework?—Yes

76. Then, so far as coal-mining is concerned, you would not fix a hewing-rate, but have every man on day-labour?—That matter was not brought up at the Conference. Personally I should favour day-labour, but the majority might not.

77. Are you personally in favour of miners hewing coal on a piece-rate?—No.

78. Under no circumstances are you in favour of piecework?—Speaking generally, I am opposed to the piecework system, because I know it means the overworking of men—abusing them, or abusing themselves.

79. But does not the man overwork himself, if there is any overwork in the matter?—I mean that extra exertion is put into the time he is at work, and the result affects his physical condition.

80. Are you in favour of men being industrious?—Yes; but I am not in favour of men killing themselves.

81. Do you consider that men can kill themselves by eight hours' work?—Yes, I can show you some cases.

82. *The Chairman.*] You mean by working up to their full reserve of natural powers, so that they have no margin to fall back on in a case of illness?—Yes, that is so.

83. *Mr. Alison.*] The Bill provides for special penalties in certain specified industries?—Yes.

84. Do you consider it is right that a body of workers, such as the tramwaymen, should strike suddenly and dislocate the whole of the tramway service, and put the public to great inconvenience and loss, without giving any notice?—I should say the workers—no matter what the industry should have that right.

85. Even though they may be working under an award of the Court?—That may alter the case, I suppose.

86. But in the instances in which strikes have taken place in this Dominion the workers have been working under an award?—Unfortunately for them they were.

87. Why do you say "unfortunately"?—Because the award was such that it was not satisfactory to them.

88. There is no instance in which a strike has taken place in the colony where the workers were not working under an award, so far as my information goes; and you consider that, whether men are working under an award or not, or however the public convenience may be affected, they have a right whenever they choose to do so?—Well, the workers never strike unless there is some strong reason for doing so.

89. I have asked you a question with reference to clause 9 of the Bill, which makes provision for a special penalty in the case of men who strike in certain specified industries without due notice; the specified industries are set out as follows: "(*a*) The manufacture or supply of coal-gas; (*b*) the manufacture or supply of electricity for light or power; (*c*) the supply of water to the inhabitants of any borough or other place; (*d*) the manufacture or supply of bread; (*e*) the supply of milk for domestic consumption; (*f*) the slaughtering or supply of meat for domestic consumption; (*g*) the retail sale or delivery of coal, whether for domestic or industrial purposes; (*h*) the working of any tramway or railway used for the public carriage of goods or passengers; (*i*) any industry or occupation of such a nature that any danger to the public health or safety, or any injury or destruction of the property of the employer, has resulted from the strike." These are the provisions in the Act. Now, do you consider that any body of workers have the right to strike at any time when working under an award where the public interests, such as are provided for in the Bill, are affected, without such body of workers giving due notice of their intention to strike?—If the circumstances of the case compelled them to take that action I would uphold them. It matters not what occupation they are following if the provocation is sufficiently great.

90. *Hon. Mr. Millar.*] Notwithstanding a danger to life may be necessarily engendered?—A danger to life would not be engendered.

91. Are not the lives of infants and invalids largely dependent on the supply of milk?—Let municipalities control the milk-supply.

92. *Mr. Alison.*] Do you consider that when a strike takes place the workers in other industries are justified in aiding and abetting the strikers?—Most decidedly.

93. Does that not practically make the working of the Arbitration Act useless?—I do not know whether it does or not—I do not belong to the legal profession—but I say that men have a right to assist one another, no matter what the circumstances are.

94. They have a right to strike when it suits them?—Yes, when it suits them.

95. *Mr. Ell.*] How many years' experience have you had of the working of the Industrial Conciliation and Arbitration Act?—I am a New-Zealander.

96. You have lived here during the whole period the Act has been in operation?—Not for the whole time.

97. Have you for the better part of the time?—Yes.

98. What is your opinion with regard to the effect of the Act on wages, hours of labour, and limitation of the number of apprentices?—Taking the majority of industries, I contend they have not been benefited by the Act one bit, especially where labour is concentrated in one centre; for instance, in the industry I follow.

99. *Hon. Mr. Millar.*] What industry is that?—Coal-mining

100. *Mr. Ell.*] Have not wages been increased by the arbitration awards as compared with what they were before the passing of the Act?—Wages have increased everywhere during the last fourteen years, even where no Arbitration Act has been in existence. There has been an increase in prices and, naturally, an increase in wages.

101. Do you know what wages the butchers were receiving before the passing of the Act?—No, I am not acquainted with that industry at all.

102. I am not asking for your opinion with regard to the economic effect of the Act: I am asking whether you have any knowledge of the wages obtaining before the Act came into operation and those fixed by the Arbitration Court?—Do you want me to speak from personal experience?

103. Yes?—I will admit there has been an increase, but that has been in consequence, as in the case of other countries, of an increase in prices of commodities.

104. I want you to answer me this question: Have the wages, as compared with what they were before the Arbitration Act came into operation, been increased?—In some instances—in the majority of industries—they have.

105. I am asking you with regard to the mining industry?—The Act came into force just after a strike.

106. In 1897, six years after the strike?—After the maritime strike wages were abnormally low.

107. That would be in 1897?—I do not know whether it was in 1897 or not, but they were low. Since the Act came into force there has been an increase, but whether that is due to the Arbitration Act or not I cannot say.

108. That is not what I wanted?—You want me to say that wages have risen in consequence of the Act?

109. I want you to say whether you believe wages have increased since the Act came into operation?—I have answered that question—I have said Yes.

110. You cannot speak with regard to other industries?—No.

111. You are a worker among the unions, and I ask you, would it be possible for a small and scattered body of men—such as, perhaps, those engaged in tailoring, joinery and carpentry work

in country towns, or twelve or fifteen painters in an out-of-the-way provincial district—to protect themselves in a strike as effectively as a large body of men in a mining district would be able to do?—I said that I thought where labour was concentrated the men would be better off outside the Act; but in the case of men engaged as cooks and waiters, &c., they are not in a position to protect themselves.

112. Then, the Arbitration Act would be of material service to those engaged in those industries?—Yes, to those industries.

113. Then, it is desirable to retain the Act on the statute-book in the interest of such workers?—Yes, I say so.

114. *Mr. Arnold.*] I take it for granted that your experience is centred in mining?—In New Zealand it is, practically.

115. I take it also that the largest portion of your evidence, if not the whole, is your individual opinion?—Possibly the greater part of it would be.

116. You say you do not believe in piecework?—No, on principle I object to piecework.

117. That is your individual opinion?—Yes.

118. I understood you to say, in answer to Mr. Alison, that you thought all men should receive the same rate of pay in the same industry?—Yes.

119. That is your individual opinion?—My individual opinion goes a long way further than that.

120. But in that you are not voicing the opinion of the Labour party?—No.

121. Would you be surprised to learn that there is one industry in New Zealand working under an Arbitration Court award where there are not more than three employees working for the minimum wage—that is to say, all the others are getting above the minimum wage?—I should be surprised.

122. If it is a fact, you would not desire all those men to be brought down to the minimum wage?—No.

123. Do you think the employer and employee should have the right to fix the amount above the minimum?—The decision would not rest with the individual, as it would involve the speed of the workers of the whole organization, which should have the right to say whether the individual should accept it.

124. Under the teams system the other men would have to keep up to the average rate?—I know that in some places the employers pay 6d. or 1s. a day to some men in order to set the pace for the others.

125. You admit that one man will have more skill than another: should that not be recognised?—Well, as a question of speed and ability he would naturally affect all the other workers, and they should have a voice in saying whether one man should upset the whole of the working-conditions.

126. However, your opinion that all men should be brought down to one level is your opinion only: you are not representing the Conference in saying that?—No.

127. *Mr. Poole.*] Do you think the employers are sufficiently ready to appreciate the ability of some men?—It depends upon the man, in my opinion.

128. Do you think the majority of the employers are prepared to pay a specially skilled man more than poorer workers in order to retain his services?—That naturally follows.

129. You would not put a bar in their way?—It is a difficult point. In offering a man higher wages it may be done for the purpose of speeding up the others. Unfortunately, there is always a number of men prepared to accept that position. They are what in America are called "straw bosses."

130. You believe in having merit?—It depends upon what standpoint you look at it from.

131. *Hon. Mr. Millar.*] You said you believed in the principle of the old Act of 1894, which had nothing repressive in it and no penalties: did you ever read the Act of 1894?—We passed a resolution to that effect at the Conference.

132. Did the Conference read the Act of 1894?—They approved of its principle.

133. The principle of the Act of 1894 is that you can sue under and enforce any award for any amount which is within the jurisdiction of a District Court or a Magistrate's Court. The Supreme Court may order that such award shall be enforced, and proceedings may be taken for the purpose of enforcing payment of such amount as if such award were a judgment or order of a District Court or Magistrate's Court for the recovery of such amount. That is in clause 76 of the Act of 1894. Clause 77 says an association or union may be fined up to £500 and an individual member up to £10; and clause 78 says that a member of any industrial union or any other person liable under an award may be sued individually by any person or body entitled to enforce or obtain any such payment in any Court of competent jurisdiction. You are quite aware that under those clauses a man may be sent to gaol for three months?—I am not aware of it.

134. It was proved in the slaughtermen's case that they could be sent to gaol for three months, and it was seen in the Blackball strike that a man could go into another man's house and distrain on his furniture?—Yes; but the Supreme Court has not given its decision yet.

135. The Act of 1894 is more repressive or restrictive than the Bill now proposed, as far as penalties are concerned?—I do not think so.

136. You said the present system was quite good enough for enforcing penalties: do you think a union is justified, as your union did, in withdrawing its funds and paying them away when the members knew they were under a penalty?—They did not do anything of the kind. They paid their debts, and had about £10 left. They paid their legal debts.

137. Was the penalty not a legal debt owing to the Crown?—They had debts before that was incurred.

138. Why did they not pay those when the money was lying in the bank? You pass your accounts at every fortnightly meeting in the union. The point is that the union deliberately by resolution paid away all the funds they had in their possession?—Not among themselves. They paid debts which had been incurred.

139. The one avowed object was that they would not pay the penalty imposed by the Court? —That is so.

140. Do you think a union should remain under an Arbitration Court award and still have the power to strike?—I think so.

141. A union has full power at the present time to register outside the Arbitration Act, and strike every day if they choose?—Yes.

142. Then, why did they not do that?—Because the occasion had not arisen.

143. During the last eighteen months we have had strikes in a few industries, and now, if the unions do not approve of the Arbitration Act, how do you account for the increase in the number of unionists of ten thousand in the year?—The members have increased where there is no Court.

144. Do you approve of the clause which cancels the registration of a union when it goes on strike?—My personal opinion is that when a union goes on strike its registration should be cancelled.

145. You want them to be able to go on strike, cancel their registration, and still have the employers bound by the award of the Court: is that an equitable contract? Put it in another way: Should not an award cease to exist when a union goes on strike, and should not the award cease to bind both parties when there is a revolt?—They do not revolt.

146. If you do not take advantage of the machinery under the Act it is a revolt against an award, or some portion of an award: is not that the position?—No, the position is this: The strike may have occurred entirely away from the award, and where we know the Court has made no provision for protecting us.

147. Would you not in such a case give the Court an opportunity of making provision?—As I said before, it is almost impossible to prove victimisation.

148. You say that an employer has the right to dismiss a man if he thinks he is not capable? —Yes.

149. I do not deny that men have been victimised, and it will be so to the end of the chapter —nothing can stop it. No law will compel a man to employ another or compel a man to work. No Court could protect you in that respect?—That is so.

150. With regard to the piecework system, you know what has been going on at Waihi?—Yes.

151. What is the trouble there?—Contracting.

152. All the men want to get contracts. The whole trouble is that the men working for the contractors were getting 11s. and 12s. a day, and the day-wages men were only getting 9s.; and the men have made arrangements with the company that the whole of the work shall be done by the contract system?—That is not so. The reason why the trouble took place—there was no strike —was this, as they tell it to me: There were certain men who could not get contracts, and the president of the union was one of them. The men who got the contracts were practically exerted —they were picked men—and the other men could not follow the pace.

153. The agreement made between the union and the Waihi Company is that the whole of the workers, as far as possible, shall work on the contract system?—That goes to show this: that if the contract system was general throughout the mine it would practically result in the same thing as day-wages.

154. Why?—Because the men would not exert themselves as they would if working on individual output. When the whole of them get into the co-operative system they will not kill themselves.

155. That was the trouble in connection with the Government co-operative works: the inclusion of incompetent men caused the others to become dissatisfied. You maintain that the Arbitration Act has not done anything to improve the condition of the workers?—No.

156. I suppose you have seen the return which has been issued showing every award of the Arbitration Court in every industry up to the present time?—No.

157. You will see by this that not only have the wages been improved, but the hours have been shortened and work paid for which was never paid for before. I understand that the wages on Denniston Hill have increased not less than 50 per cent. since 1894, when I went over on the first Conciliation Board?—You are a long way out. Some of the men are only getting 8s. a day now.

158. Will you deny that there are some men working at Denniston who are drawing £5 a week?—I believe some are.

159. Would you deny that the average wages for the whole of the Denniston miners is over £3 14s. a week?—That is for those actually engaged at the face. I take it that since the time you speak of coal has increased by 6s. a ton, and the price of living has gone up.

160. But would the cost of living have been different? Can we control the price of butter and meat in the Home market?—We can control it here.

161. We have to live on our exports, and cannot put on an export duty, because if you interfere with one product you must interfere with others?—I wanted to give my reason for saying that the wages of coal-miners had not increased owing to the award of the Arbitration Court. It is not the amount of wages a man receives which counts so much as the purchasing-power of the wages. Coal has increased 6s. a ton, while wages have remained practically stationary.

162. With regard to the purchasing-power of money, you know that you will always get for land a price based on what you can get out of it—that is, its productive power is the chief factor in the price of it?—It should be governed by that.

163. Now, owing to the increased price of our products, such as butter, flax, and cheese, is it not a fact that every one has been rushing to get hold of some land?—That is the result of speculation.

164. Owing to the increased price of land everything has gone up in proportion, and if you had not got the Arbitration Act would not exactly the same thing have taken place?—I maintain that the wages must have gone up, otherwise the people would have died of starvation. If the industries had not been governed by Arbitration Court awards wages would have gone up.

165. Do you think those engaged in unskilled labour would have improved their conditions? —I think so. They would have organized themselves. They organize in other countries.

166. The organization in some other countries has been so ineffective that they have had to be taken into other associations: the trend is towards federation of all trades?—Capital was isolated at one time, but now the capitalists have combined, and labour likewise.

167. Do you know that the amount paid by factories in wages has increased by a million and a quarter?—I dare say that is so, but naturally this would have come about irrespective of the Arbitration Act.

168. Then, you are of opinion that if the Arbitration Act were repealed the unions would remain as they are now?—The workers would get a bare existence, as they do now.

169. If men are getting £3 14s. a week as compared with others on the wharves getting £1 10s. as an average now, would you say the whole of the workers are only getting a bare existence?—You pick an isolated case where miners are getting exceptionally good work, which they cavilled for.

170. Five pounds a week must be more than an existence wage if the majority of the workers are getting a great deal less than that?—The way some of these people live is by denying themselves necessaries.

171. *Mr. Alison.*] You say that the workers of New Zealand are only receiving a bare living —a "bare existence," I think, the words were?—Yes.

172. What, in your opinion, is a fair and reasonable wage in coal-mining, the line of business you follow—You could not fix a fair and reasonable wage. You must remember I am a Socialist.

173. *Hon. Mr. Millar.*] You do not believe in the wage system at all?—No. That is the reason I am opposed to contracts.

174. *Mr. Alison.*] There is no way of fixing a fair and reasonable wage?—There is no such thing as a fair and reasonable wage.

175. How, then, would you determine the amount of remuneration between the employer and the worker?—I contend that so long as there are employers and employees there can be no such thing as a fair and reasonable wage.

176. You consider that the State alone should control the whole of the industries of the Dominion?—Yes, a socialised State.

177. With reference to the cancellation of its registration when a union strikes, you consider that an employer affected by the award should continue to be bound by the award?—I think there is something to that effect in existence in Canada: the moment that a union strikes it should be outside the jurisdiction of the award.

178. And should include the employer?—Yes, the whole thing should be settled outside the Court. I contend you cannot prevent strikes by repressive legislation.

THOMAS LONG examined. (No. 6.)

1. *The Chairman.*] Whom do you represent?—The Trades and Labour Council Conference. With respect to Part I of this Bill, the Conference is of opinion that those who have brought it down have lost sight of the fact that the original legislation was introduced with the view of fostering the formation of trades-unions. This matter was fully discussed at the Conference, which was of opinion that Part I would not foster trade-unionism, but, as a matter of fact, would lead to a majority of the unions cancelling their registration.

2. Do you approve of the evidence which has been given by Mr. Thorn?—Yes, I do, in its entirety.

3. And that of the other witnesses?—Yes.

4. Is there anything you would like to add to their evidence without going seriatim through all the sections of the Bill?—I did not intend to do that. Neither of the previous witnesses touched upon the matter of fines and penalties inflicted upon persons who express sympathy with the strikers. The Conference condemned that proposal very strongly, and considered it was an infringement on the liberty of the subject.

5. You refer to section 6 of Part I?—Yes.

6. The Conference would not have the fount of Christian charity dried up?—That is so. The Conference also strongly protested against the manner in which it is proposed to collect the fines. We considered it is asking the employer to take up a most peculiar position in acting the part of a bailiff on behalf of the Government to collect the fines. Opinions were expressed at the Conference that this was a matter which had really been fought out in the older countries many years ago. It was, and always has been, and I hope always will be so, in so far as any employer having the right to deduct anything further than what is implied in the Wages Attachment Act, which we consider fully meets the position. So far as lockouts are concerned, we had some experience in Auckland a few years ago in the furniture trade. No doubt the Minister of Labour remembers that. It was a matter of impossibility to sheet the charge home to the employers when the case was taken to the Court. As far as clause 49 is concerned, I also approve in its entirety of the decision arrived at by the Conference in respect to this. We have had a great deal of trouble and difficulty in getting this thing settled. I know that some of the employers—I am speaking

for the Auckland District—do not know or do not endeavour to know the provisions contained in the Engine-drivers' award. I can quote the case of Carter Bros., who were fined for a breach, and their defence was that they did not know that the Engine-drivers' award was in existence, although it had been in operation since 1902.

7. Is that not covered by the old maxim, that ignorance of the law is no excuse?—Yes. They said they did not know, although the award had been in force since 1902, and they were fined £2.

8. *Mr. Alison.*] Had they not to pay the arrears of wages?—No; they were not called upon to do so.

9. *The Chairman.*] That decision was given by the Court?—Yes. So far as clause 56 is concerned, we should like to see the conditions of an award put up in a conspicuous place.

10. Is that not done now?—Not in some cases. They are put up behind office-doors. If you went in and shut the door you could see them, but while the door is open you cannot.

11. That is a matter for the Department to see into?—That is so, but seeing it was referred to here I thought I would just touch on it. With regard to the needs and exertion wage, the Conference took up the position that the intention of this clause was to introduce piecework, and that was a thing they very much regretted. Those of us who have had experience in the older countries know that it is not to the best interest of the workers to work on piecework; but as Mr. Thorn has fully explained our position in respect to this there is no necessity for me to enlarge upon it. With respect to the needs wage, the Auckland Trades Council went fully into the matter after the Attorney-General's speech at Wanganui. At the Conference it was affirmed that this was put into the Bill to make a distinction between the wages of married men and single men, and we were unanimously of opinion that that was undesirable. The Conference was also unanimous in its opinion that something was necessary to prevent victimisation. Cases were quoted, and it was agreed that it was an utter impossibility to sheet home cases of the kind, although they were occurring every day. When a man takes part in a case which pinches his employer he has to "get"; that has been my bitter experience.

12. Have you any remedy to suggest to prevent victimisation?—The remedy I suggest to prevent it is statutory and unconditional preference to unionists. That would go a long way to assist us in that direction. I do not think it is necessary for me to deal any further with the Bill, as previous witnesses have gone fully into other matters.

13. *Mr. Hardy.*] Mr. Tanner asked you what you would do in order to prevent victimisation: have you anything further to add to what you said? Do you think your suggestion would prevent it?—It might not prevent it, but it would go a long way to prevent it.

14. Could you punish an employer in that way? Have you no other means to suggest?—It is feasible to think a remedy could be suggested.

15. Is it necessary to have penal clauses or penalties in the Act at all?—Personally, I do not believe in them, nor does the Conference believe in them. It entirely disapproved of them.

16. You would be pleased if an Act was drawn which provided no penalties for breaches of the several clauses?—For breaches of awards?

17. Yes?—You are inclined to——

18. Do not say anything about what I am inclined to do — answer the question: Do you approve of penalties for breaches of awards?—Undoubtedly I do.

19. How would you suggest that these breaches should be punished—by imprisonment, by fine, or by any other means? What penalties would you suggest for breaches?—The law at present fully meets that position.

20. There are fines now?—Yes.

21. How would you suggest those fines should be collected?—We have not considered the matter as to how the fines should be collected. Most of the fines are against the employers.

22. I am not dealing with employers or employees — I am dealing with all. We want to treat all fairly. How would you suggest the fines should be collected?—As at present. The employers——

23. But how in the case of men who, having broken the law, have not much money: do you think distress should issue over his furniture and effects?—That is the law at present. The instance of the Blackball strike is sufficient. On this particular question I am not prepared to express my views. I came here to express the views of the Conference, and the Conference did not go into that matter.

24. As you are the mouthpiece of the Conference to give its views you must be prepared to give reasons why these views were given, or you are not a very good witness?—Probably—I might say possibly—the executive of the Trades Councils Conference will deal with this matter further on.

25. You are the representative of your people here, and it is your evidence we are dealing with and shall consider in arriving at a solution of this question. Please say what you would do in order to enforce the penalties which you say are necessary?—I have already taken up the attitude that the Department is quite capable of dealing with the question.

26. We want to give the Department power?—It already has the power.

27. Then you do not think the Department is justified in forcing men—as occurred some time ago—to pay when they cannot?—I am not in a position to answer that, and I ask for the Chairman's protection.

28. We are going to treat you nicely, and you will not want the protection of the Chairman. Is it necessary to have penalties for breaches of awards?—Absolutely necessary.

29. And how are you going to collect the penalties?—I have told you—the same as at present.

30. How are we collecting them now?—The Department up our way has never had any difficulty in collecting the fines.

31. But in some parts of the Dominion, I believe, they have had difficulty?—As far as other parts of the Dominion are concerned I am not in a position to say.

32. Speaking as man to man, you think it is necessary to have penalties, and that they should be collected?—Yes.

33. But you do not think a man's wages should be followed?—I do not think the employer has any right to deduct any portion of the fines from a man's wages, or that the Government should ask him to do so.

34. Would you not expect it to be the duty of every employer, as every right-thinking man does, to strengthen the hands of the Department in enforcing the law?—If I am ever in the unfortunate position of being fined in a case for enforcement of an award I shall pay it most cheerfully.

35. Is it the duty of every right-thinking man, no matter what position he is in, to strengthen the hands of the Department in collecting fines?—I have already given you a sufficient answer. I have told you that if ever I am in that position I shall pay the fine cheerfully.

36. But you are a good working-man and there are others not quite so good, and we are dealing with them. How are we to deal with men who are not law-abiding?

37. *The Chairman.*] You think the Government should act through machinery other than the employers?—Yes, we object to the employer having a right for any purpose other than what provision is made for.

38. *Mr. Hardy.*] Do you think the unions should be made responsible for the collection of fines, and not the employers at all?—That is not a matter I am prepared to give a definite answer upon. I do not wish to commit myself without knowing exactly what I am committing myself to.

39. Would it be a simpler method to make the unions responsible, and ask them to collect the fines? Then there would be no prying into a man's affairs. Would you approve of that?—Indirectly I would approve of it. I have another scheme in my mind's eye.

40. Do you think the unions would be the best persons to collect the fines?—I am not prepared to go so far as to say that.

41. Then you come here and state that fines and penalties are necessary, and yet you are not prepared to say how they should be collected?—Fines and penalties are necessary in all sorts of legislation. All the laws on the statute-book have fines and penalties connected with them.

42. You were very strong on piecework—you do not believe in it?—No, I have seen so much of it.

43. Supposing you were a farmer or farm labourer; you have to deal with a crop, and are asked to put in a tender for falling, stooking, and stacking again: would you be prepared to do that?—I have not the slightest objection to that under the co-operative system.

44. We call for tenders for ordinary farm-work, and it is a common thing all over the agricultural districts of New Zealand: would you oppose that?—I am entirely opposed to piecework.

45. You do not like the feeling that one man is able to earn £2 while another man is satisfied to earn 10s.?—I never yet met an employer who gave a worker an opportunity to earn £2 a day.

46. Supposing you were a shearer: shearers are paid so much a day or so much a hundred?—That is not in my way.

47. This deals with contract-work now, and you were speaking on general principles: supposing a shearer getting £1 a hundred is a good man, and is able to shear 150, whereas a poor man could only shear eighty in the same time and could earn so much less. Would you permit the good man to shear the 150 and earn so much more?—I have stated emphatically that I am opposed to piecework of any sort.

48. You admit you know nothing about the circumstances in other parts of the Dominion with regard to farm labourers and shearers, and men who really do not get constant work but who want to earn big wages while they have the opportunity. Would you approve of a man who only got six months' work in the year earning as much as would enable him to keep his wife and family during the remainder of the year?—What is there to hinder him from working in some other direction for the remaining six months?

49. Farm labourers are very often out of work and have very hard times: would you approve of the principle which allows the farm labourer when he is at work to earn extra wages?—Might I suggest that you keep those questions for Mr. Thorn?

50. *The Chairman.*] Do you mean, in saying that you are altogether opposed to piecework, that you are referring only to those industrial occupations with which you are acquainted?—That is so. I do not understand the different technicalities of branches of the industry appertaining to farming.

51. *Mr. Hardy.*] Do you know that there are more men employed in that industry than in all the other industries of the Dominion?—That may be.

52. *Mr. Arnold.*] I understand, in the first place, that you say that if any person commits a breach of an award and is fined, you think the present law is quite sufficient to meet the case?—I do.

53. And you believe in that system of collecting the fine?—Yes.

54. On the other hand, is there anything in the present law to prevent piecework if the employer and employee agree upon that?—Not that I am aware of.

55. You are satisfied with the present law in that direction?—Yes.

56. *Mr. Alison.*] With reference to piecework and contract work, are you opposed as a general principle to any work being done by piecework or contract?—I believe in the principle of day-labour only, with the exception of work carried on under the co-operative system.

57. And no other exception?—No other exception.

58. Is your Council in favour of the existing Industrial Conciliation and Arbitration Act?—They are certainly in favour of the principle of it; but there are anomalies that require removing, and they, no doubt, will suggest a little later on what should be done to remove those anomalies.

59. What are the anomalies that you know of?—Anomalies with respect to the technicalities and legal form you have to go through in filing references, and the delays that occur, more especially in reference to enforcement of awards. It is a very difficult matter to retain your witnesses and to get the matter properly threshed out.

60. Do you consider that the employers should be bound by an award of the Court?—If working under it, yes.

61. A dispute takes place and an award of the Court is made: do you consider that an employer should be bound by an award of the Court?—The law as it stands at present is that a union has the right to go before the Court and ask that certain parties shall be put in as parties to any existing award.

62. Then, the dispute having been heard by the Court and an award made, do you consider that every employer who has been cited should be bound by the award?—Yes, undoubtedly.

63. Do you consider that any union which is a party to a dispute should be bound by the award of the Court?—Any union is bound.

64. And do you consider they should be?—Undoubtedly so under the existing law.

65. Then you are not in favour of strikes?—No; but I am certainly not in favour of legislation being brought down to prevent a man having the right to withhold his labour from the market.

66. Which means practically the strike?—Yes.

67. Then you are in favour of a union being bound by the award of the Court so long as it suits them?—No. Take the Auckland Tramways, for instance. The question in issue there had regard to matters outside the award of the Court altogether.

68. Was it not one of the purposes of the Arbitration Act that there should be no strikes in this Dominion?—That was not the intention of the original Act brought down by Mr. Reeves in 1904.

69. Do you not consider it should be part of the intention of the Act?—No, I do not approve of it at all, because it is an absolute impossibility to prevent strikes. That is my candid opinion. You can minimise the number of strikes, and go a long way towards alleviating the grievances under which men may be working; but, in my opinion, it is and will be an utter impossibility to prevent strikes.

70. Then, you consider that during the currency of an award members of a union are justified in striking over matters not provided for?—My candid opinion is that if a body of men are bound by an award they should not break that award while it is in existence. But there are, as I have already stated, times when things crop up that are entirely outside the scope of the award, and they find it necessary for self-preservation to protest, and strongly.

71. Would it not be better that there should be a reference to the Arbitration Court for the settlement of any question objected to by any union?—Taking a line from the Tramway-workers' case in Auckland, the union would not have had the slightest hope of getting any remedy for their grievances by going to the Court, because the whole thing was entirely outside the scope of the award.

72. But if both parties were agreed in referring the question in dispute to the Arbitration Court, why could it not be settled by the Arbitration Court as a special Court set up for the purpose?—In such an instance, if they agreed, certainly.

73. In the Auckland Tramways case the parties did agree, and the matter was heard by a special Court, and if it had been sent to the Arbitration Court they could have agreed in the same way?—The special Court dealt with the equity of the situation, and not from a legal standpoint.

74. Then, you consider that in any question in which a union is dissatisfied it would not be desirable to refer the matter for settlement to the Arbitration Court?—I entirely approve of setting up special Boards of Inquiry, because you are then getting away from legal technicalities.

75. Do you approve of references to the Arbitration Court at all?—I believe, if the employers and employees go into opposition and after a conference fail to agree, the matter should be dealt with by the Conciliation Board as constituted at present. All that is required to meet the situation in that respect is to give the Boards more power, and finality to their decisions.

76. You stated in reference to the needs and exertion wage, that you objected to the clause because it was considered that it would make a difference or distinction between married and single men: what part of the clause makes any reference to that?—When I mentioned that I stated that those opinions were derived from Dr. Findlay's speech at Wanganui. That was before this Bill was in circulation. I would like to say at this stage that we in Auckland did not have the opportunity of discussing the Bill, because it had not reached us.

77. Have you had an opportunity of discussing the Bill yourself?—On the way down only.

78. Then your Council had not seen the Bill prior to your leaving Auckland?—Prior to my leaving Auckland a committee was set up to go into it, and I understand that the secretary wired to the Department asking for some copies to be sent up as soon as possible. Last Wednesday the Council met and we were expecting our instructions down about it, but they wired to my colleague and I to the effect that they were holding over discussion on the Bill pending the decision of the Conference.

79. You have received no instructions with regard to the Bill from the Council?—No, but the Council were aware that this was one of the things that would be discussed by the Conference.

80. And you are voicing your own opinions, or the opinions expressed by the Conference, and not those of your Council?—I am indirectly; but I might say I am voicing directly the opinion of the Council.

81. Do you not consider that where a worker is more skilful, or more competent, or more energetic than another, he should have higher wages than another worker?—There is nothing to prevent any employer paying any good man who is an exceptionally good workman twice the minimum if he chooses, or thinks the workman is worthy of it.

82. This Bill makes provision enabling the Court to fix a higher wage for the man who is more skilful, more competent, or more energetic than others?—I think that is a matter which should be left to the employer and the employee. Under present circumstances the minimum is generally the maximum.

83. You say that paying a needs wage is opposed to the interests of unionism?—Yes. The Conference was unanimous against it.

84. Why are the unionists opposed to the provisions of the Bill in regard to the needs and exertion wage?—So far as the needs wage is concerned, if men are working together in any particular line and one happens to be a single man, I fail to see why he should not get as much in wages as a married man. The product of his labour is of equal value to his employer. I think that matter is best left as it is.

85. Why do you refer to married and single men when there is no reference to any distinction in the Bill?—Dr. Findlay dealt with that in his speech at Wanganui, and said that was the object with which the Bill was brought down.

86. There is no reference to single or married men in the clause?—But that is the idea with which this was brought down, and possibly the Minister might see his way to say so.

87. *Hon. Mr. Millar.*] That cannot be put into effect without the unanimous request of employers and employees?—That is so.

88. *Mr. Alison.*] Do you contend that the Court should only fix the minimum wage?—Yes.

89. And you are aware that the minimum wage becomes the maximum?—Not in all cases. There are cases where the employers are just enough to realise that there are exceptionally good workmen in their particular line, and remunerate those men accordingly.

90. You consider that should be the only principle upon which the fixing of wages by the Arbitration Court should be done?—We are entirely opposed to the fixing of degrees in the payment of wages.

91. You believe in all employees being paid a similar wage, provided the employer agrees to pay an extra wage if he likes?—As far as I am personally concerned, I am prepared to leave the matter entirely in the hands of the employer.

92. But you object to the Court having any jurisdiction to deal with the wage other than fixing the minimum?—As far as this clause goes the Conference was unanimous in protesting against it.

93. *Mr. Poole.*] Are you of opinion that the delay which has taken place in the hearing of cases is very greatly responsible for the unrest among the unions?—Yes.

94. Do you think there is too much formality about the Arbitration Court?—I do. There are far too many legal technicalities which a layman cannot be expected to be conversant with, and often when a case comes before the Court it is thrown out.

95. Do you know of any cases where that has taken place?—Yes, as far as my union is concerned, with respect to the Engine-drivers' dispute before the Court of Arbitration, when it sat in Auckland the last time.

96. Was it thrown out on a legal technicality?—Yes. The thing was done just to avert the day when some modicum of justice would be meted out to the employees.

97. And how long will it be before the Court hears the case?—It will be getting on for six months.

98. Were the men in that particular industry satisfied with the ruling conditions?—No.

99. Is that the reason why you emphasize the value of Conciliation Boards, to be set up identically the same as the Tramway Special Board, with the least legal formality? Do you consider that would be a solution?—Certainly. The legal formalities in filing disputes are inimical to the interests of unionists, and, in the opinion of unionists, the sooner they are swept out of existence and the procedure made as plain as possible the better.

100. Do you think the Willis blot—clause 60 of the principal Act—has had the effect of destroying the usefulness of the Conciliation Boards practically in certain cases?—Yes, I have not the slightest doubt about it. The Conciliation Board has almost ceased to exist, and Auckland workers regret it very much.

101. *Hon. Mr. Millar.*] Has your Council considered last year's Bill?—Yes.

102. And you opposed *in toto* the Industrial Councils?—We opposed the Bill in its entirety.

103. Yet you come and tell us the proper thing is an Industrial Council, and quote the special Tramway Board. How do you account for the change in opinion?—The workers have always held that a Board which will go into the equity of a dispute is the best in their interest.

104. And yet they refused to have practical men on both sides to deal with disputes. If provision is made in this Bill to enable a man to strike, you have no objection to the provision remaining in the Bill that cancellation of the union shall follow?—No, I do not object.

105. You do not believe it is right for men to come under an award and then strike—they should either be inside or outside of the Act?—Yes.

106. *Mr. Ell.*] You say you uphold the existing law of fining unionists for breaches of award?—Yes, I have already stated that the present law covers that, and I approve of it.

107. You saw the difficulty that occurred on the West Coast when the Minister tried to collect the fine?—That is a matter I know nothing about.

108. A witness stated in answer to a suggestion made that he saw no objection to a levy on members being made up to 2s. a quarter, so as to raise a fund to be paid into the Public Trust

Account, to be held there and to be seized in the event of a union striking or being fined for breach of an award—the deposit to bear 3½ per cent.?—I approve of that idea.

109. You would rather that than that each man should be followed and the amount deducted from his wages by an order of the Court?—Yes, something in that direction would meet the situation.

110. I do not know how long you have lived in New Zealand?—About thirteen years.

111. You have had experience of the Industrial Conciliation and Arbitration Act?—Yes.

112. Has the Act improved the conditions of the workers, shortened hours, limited the number of apprentices, and improved their position generally?—As far as my experience goes it has failed to do that. I can quote one instance where men have been working eighty-four or eighty-five hours a week for years. There are some of our members who are working those long hours, and it was to get something done for these men that we went before the Court last time. I refer particularly to men employed by the Devonport Steam Ferry Company, and also on the Wairoa steamers. I might say that those who conducted the case for the Devonport Steam Ferry Company never in any shape or form attempted to contradict the statements that were made by the various witnesses with respect to the number of hours worked.

113. Do you mean to say there are engine-drivers working eighty-four hours a week in the Auckland District?—They are river engineers.

114. There are other unions working under awards: have those unions gained by the Act?—Yes, there are some small bodies of men who have gained, and could not have obtained what they have got by their own efforts. Large bodies in the past have been able to stand on their own, but in the case of small bodies no doubt the Act has been very beneficial to them.

115. And even larger bodies—do you think they have benefited?—Prior to the Act coming into operation the Seamen's Union were getting better wages. They have only during the last few months got back to the standard they had twenty years ago.

116. *Hon. Mr. Millar.*] Which they lost through the strike?—Yes.

117. *Mr. Alison.*] Were you not in the employ of the Devonport Steam Ferry Company and dismissed from the company?—I have been in the employ of the Devonport Steam Ferry Company. As far as the question of dismissal is concerned, if put before a special Board of Conciliation they would be able to consider whether it was a dismissal or not, because I could tell you in a very few words what might have led up to it.

118. *The Chairman.*] I do not think it is necessary, because that opens up another field of inquiry?—I have no desire to do that.

Mr. Alison: Statements have been made by Mr. Long which, if put in the evidence, are contrary to fact.

THURSDAY, 30TH JULY, 1908.

E. W. ALISON, M.P., made a statement. (No. 7.)

Mr. Alison: Mr. Tanner, I desire to make a short statement, to be placed on record, with reference to evidence given by Thomas Long, the last witness before the Committee on the 28th instant. The evidence I refer to was that the river engineers in the employ of the Devonport Ferry Company worked eighty-four hours per week and were underpaid. After the meeting I wired to the secretary to the company to ascertain whether Long's statements were correct, and to inform me of the average hours the river engineers worked, the wages they received, whether overtime was paid, and if so at what rate, and whether the men received any holidays during the year. In reply the secretary has sent the following information by wire: "Long's statement engineers ferry steamers work eighty-four hours per week is not correct. They receive three pounds ten weekly, and one shilling and threepence per hour overtime after ordinary shift. One week's holiday on pay yearly. Sundays off in rotation. Change from day to night shift in turn. Average does not exceed sixty-nine hours per week." I desire to add, sir, that the employees of the ferry company are, taken as a whole, a fine body of men; that they are well paid—better paid than the men working in any ferry service in the Australian Colonies; that the hours they work do not exceed those provided for by the Arbitration Court in the Wellington Ferries Award—viz., seventy hours per week; that the men in the employ of the company have been so satisfied with their wages and the conditions under which they work that several attempts to form a union have failed; that the utmost consideration, consistent with the public requirements, is extended to the employees; and that employment in the company's service is eagerly sought after. I may mention that there are men in the employ of the company to-day who came into its employ when the company first started.

JOHN JACKSON, re-examined. (No. 8.)

1. *The Chairman.*] You told us in the course of your evidence that you deprecated anything in the nature of sectional strikes?—Yes.

2. But you looked forward to a general superintendence of labour under a Federal Council which would have a restraining influence on the sections?—Yes.

3. May I ask if anything in that direction has been attempted?—Yes. We are attempting a move in that direction.

4. With any prospects of success?—Yes, I think so. There is a general federal movement.

5. You further complained of the general delay which takes place in the administration of the Industrial Conciliation and Arbitration Act?—Yes, in so far as it deals with breaches of awards and disputes.

6. It applies to both?—Yes.

7. Can you give us any instance of the time that has elapsed between the initial filing of a dispute and the final decision arrived at in the same case?—I know that in my own instance in Greymouth over three years ago the shipping companies filed a dispute against us before the Court, which was unable to hear it. It would have come on, but, owing to the work the Court had to do, the case was put off for a considerable time. We did not object to that because we were satisfied with the agreement under which we were working, but if we had not been satisfied, or if both parties had desired a change, it would have been more serious.

8. How long was it delayed?—Fourteen months. It did not affect us injuriously.

9. Now with regard to breaches?—I filed a breach about twelve months ago and through some fault or other the Court had mislaid the papers, and was unable to hear the case until it returned again, making a delay of a period of about nine months before it was heard.

10. Would you say that was the fault of the Court?—It was the fault of the machinery, in that the Court was unable to get along quickly enough. If breaches were taken into the Magistrate's Court and dealt with immediately it would tend to eliminate a considerable amount of friction which exists.

11. Let us get at this one case you refer to: you filed the case of breach in proper time and proper form?—Yes.

12. It was set down for hearing at the next sitting of the Court when it should come round?—Yes.

13. The case was called on?—No. I heard through our representative on the Court that the papers had been mislaid. The case was not heard till the Court came round again several months later.

14. Touching the other breach case: was your case filed within the proper date?—I understand it was not. The Court fixes the date itself.

15. Is that date communicated to you as soon as the Clerk receives it?—I wrote to the Clerk of Awards, and he informed me that he accepted my application, but said he had to hear from the Judge, and that when he heard from the Judge the Judge would fix the date.

16. When the answer came, what was it?—That my application was late.

17. Then the date the Court fixed for hearing all disputes or breaches filed up to that date was prior to your case having been lodged?—Yes, but the Clerk of Awards made it clear to me that there was a probability of the Court not being able to take it. It might have been taken.

18. Then there was no certainty about it?—No.

19. And at the time you lodged the case you had no knolwedge that you were too late?—It was the Labour Department that filed the breach of award, and when we came before the Court that case was not called on.

20. Can you tell us the time which elapsed between the filing of the case for breach and the sitting of the Court?—About nine months.

21. Do you mean to say that you filed a case for the hearing of the Court and that after nine months had passed the Court came round and told you that it had not been lodged in due form?—No. The form was right, but the application was too late. We got the breach filed within a few weeks of the sitting of the Court, but the Clerk wrote to us to say that he doubted whether there would be time to hear it, and that he expected notice at any moment that up to a certain date the Court would not be able to hear any more. The Clerk may get notice from the Judge on the 16th of the month to set down no cases for hearing after, say, the 4th of that month. If I filed a case on the 5th I should be too late, yet the Clerk was unable to definitely inform me whether I was late or not. I afterwards got word that the application was too late. The Court had evidently made all its fixtures ahead.

22. Are there any other points in the procedure of the Court which constitute anything in the nature of a grievance?—One of the grievances we pointed out was that breaches of award are sometimes thrown out on account of mere informalities. I remember bringing a dispute before the Labour Department in connection with the loading of the "Rosamond" at 2 o'clock on a Sunday morning.

23. Was that against the terms of the award, to work on a Sunday morning?—It was in this case, as the company would not pay the proper overtime rate, and by some error it was put down as "2 p.m."

24. At any rate, if it were 2 p.m., that would be Sunday work?—Yes. At any rate the company's lawyer raised the point that the "Rosamond" was out of port at 2 p.m., and the case was thrown out. I pointed out to the Court that the case should not be thrown out for a little thing like that, and the Judge said he would have been agreeable to amend the information if the other side had agreed to it.

25. Whose error was it in fixing the time at 2 p.m. instead of 2 a.m.?—It was the Labour Department's error in typing it out.

26. Was that breach ever heard?—No, we let it go at that.

27. Are there any other cases connected with the administration of the Act in which there has been undue delay?—I cannot call any to mind so far as we are concerned.

28. I think you said you would have the Inspectors deprived of their power to issue permits?—They have not the power now, but it is proposed to give them this power in this Bill. We are opposed to that.

29. What would you substitute?—Two representatives from the workers and two from the employers, a committee to sit round a table.

30. Would you have a chairman?—It would be better to have one.

31. Would you give the chairman a vote?—Yes.

32. Then he would hold the balance of power in that case?—Yes.

33. *Mr. Arnold.*] Are you not aware that in some cases there was as much as seventeen months' delay before a dispute was heard?—Yes, but that did not come directly under my notice. I believe in some cases there was as much as two years' delay.

34. *Mr. Alison.*] You favour breaches of award being brought before and determined by a Magistrate?—Yes, with assessors, not independently.

35. Why?—I do not think a Magistrate would have the full technical knowledge of the industry in which the dispute occurred. For instance, in wharf-work it would be very difficult to make the Magistrate understand the nature of it unless he had some one present to advise him. I think, if representatives of the industry were placed alongside the Magistrate with all the powers of the Court—one on behalf of the union and one on behalf of the employers—he would arrive at a better decision.

36. Do you think it is desirable there should be representatives from either the union or the employers in a matter in which either side is directly interested?—No, but you would probably be able to get people who had been in the industry who were not in the industry at the time, failing which they would have to be taken from either side.

37. I understood you to say that there should be a representative of the union and a representative of the employers?—That was what the Conference suggested.

38. Do you think that would be a proper judicial Court?—I think so. In the case of an ordinary jury you take your men from many ranks to try civil cases.

39. Would you consider Magistrates as well qualified to hear breaches of award as the Arbitration Court which framed the award?—Equally so; that is, provided the Magistrate had the people I referred to, to advise him. My opinion of the Arbitration Court when it came along to hear our dispute was that it did not know anything about our industry, and it was very difficult to make the members of the Court understand.

40. I understand that you are opposed to Part I of the Bill?—Yes.

41. That deals with strikes and lockouts and defines "strikes" and "lockouts," and makes provision for the recovery of a penalty in certain cases. You are opposed to all that?—Yes.

42. Are you in favour of the existing Industrial Conciliation and Arbitration Act?—Yes, with a few necessary amendments.

43. Do you consider it desirable in the interests of the worker that the Act should be maintained?—I do.

44. Is it not one of the main objects of the Act to settle labour disputes without recourse to strikes?—Yes.

45. Holding that opinion, do you not consider there should be a penalty imposed on workers who do strike?—Certainly I do.

46. Then, why object to the provisions of Part I of this Bill?—Because I think you have ample provision under the present law by civil process to recover the fines.

47. It has been ineffective so far, and as strikes are prevailing throughout the whole Dominion, and there are threatening strikes, while strikers are being supported by unions who are not connected with the industry in which the strikes are taking place, do you not consider there should be a strong penalty which would prevent breaches of the law?—I think if you make the legislation too restrictive you will cause unnecessary friction. I know some cases in which, if the Government had proceeded individually against the men, although they would have been fined heavier, the fines would have been recovered. I believe the Government have recovered some of the fines, and that men have had to pay their full £10 penalty. If you sue a man for a debt in connection with the purchase of provisions or anything like that, you can take out an attachment order against him.

48. At the present time a union not connected with the industry in which men have ceased to work can incite, abet, and assist the union that is striking, and there is practically no penalty enforceable against those who act in that way. Do you consider that where a strike takes place other unions should be allowed to assist the strikers?—No, certainly not. Take my own union, for instance. We were very strongly against a strike which took place on the West Coast, and we were opposed to the continuity of that strike; and yet on strong humanitarian principles we could not see the wives and children of the strikers starve, and without making a levy on the members we agreed that those who desired to assist by voluntary subscriptions should do so. We did not touch our union fund. If we as a union were summoned before the Court for a breach we should have to pay a penalty, because we have a lot of property and could not get out of it.

49. Do you think the unions should have to pay?—Yes, if they go before the Court they have a right to pay.

50. When a dispute is heard before the Arbitration Court, and an award is made, all the parties are bound by the award during its duration?—Yes.

51. Do you consider that during the currency of the award the employers are bound?—Yes.

52. And the employer, if he commits a breach of the award, is liable to be brought before the Court and fined?—Yes.

53. And if he does not pay, then he either suffers a term of imprisonment or else his goods can be sold to pay the fine?—Yes.

54. Do you not consider that if an employer can be so penalised an employee should also be penalised if he commits a breach of the award?—Yes, that is only a matter of equity. Of course, if you fine the employee and he has not the money he should be given a certain time in which to pay. The employee has his wife and children and his home to keep, while a wealthy man is not so affected, because he has property.

55. He may or may not—it all depends upon his position?—Well, if he has not I would not put him in gaol.

56. You know that there was an employer put in gaol?—Yes.

57. Do you consider that there should be a double penalty on the employer, that he should be fined for a breach of the law and then have to pay the full amount of back wages due to the employee?—I hold that if an employer has entered into an agreement to work under an award and breaks it he should be fined the full amount, but only three months of the back pay should go to the employee, while the balance should be put into the Public Account.

58. And how about the employee?—Also let him be fined. I should not like to see the employee get a penny. If they have both connived, both should suffer.

59. There have been cases in which there was no connivance, and the offence was committed in ignorance?—That should be left to the Court.

60. Do you, as a representative of labour, say that if during the term of an award any circumstances arise, either by the operation of an award or otherwise, by which a feeling of dissatisfaction is caused, a union is justified in striking?—There may be instances in which a strike is justified. We may strike in Greymouth, for instance, but if we do we have to pay the penalties.

61. First you say you are opposed to strikes and then you say you are in favour of the continuation of the Arbitration Act?—Yes.

62. And you consider that one of the chief purposes of the Act is to prevent strikes?—Yes.

63. You say there might be a strike in Greymouth to-morrow?—We are assuming that.

64. Would you justify in any way the members of a union striking while working under an award without making an appeal to the Court on the question which is the cause of dissatisfaction?—An award may not cover everything. In the case of victimisation, the Court does not define it well enough, and if you go to the Court you may not win, so that in order to emphasize the hardship you are working under you strike. I think the effect would be to bring the Court along quickly to settle the dispute, instead of it being held over for many months.

65. You would be in favour of any matter causing strong dissatisfaction being referred to the Court for settlement rather than that there should be a strike?—I should say that if it were a breach it should be referred to the Magistrate's Court at once, so as to obviate the trouble of waiting for the Court to come along. I gave you an instance where our men were at fever-heat over one of our workers, and they were quite willing to strike. I said, "Do not strike; we will take another course," and they obeyed my instructions. If he had been working for one of the shipping companies instead of the Railway Department I could not have prevented those men from striking. But I would take very good care before the strike took place to let the onus and responsibility lie on the employer before I allowed my men to lay down their tools.

66. It must be clear to you, as a representative of labour, that if the Arbitration Act is to continue, strikes must be prevented?—I quite agree with you there.

67. Now, to prevent them there must be a penalty imposed upon those who strike?—Yes.

68. Part I makes that provision, and yet you are strongly opposed to it. You speak very fairly upon all other questions: do you not think, as a conscientious labour representative, it is necessary, if the Act is to be maintained, that there should be a penalty to prevent unionists or members of the union striking while an award is in operation?—You have got that now. You fined a union the other day £75 for striking.

69. But the existing law is found to be ineffective?—Yes; what you want is to know how to collect the fines—you have the machinery to impose them.

70. The intention of the Bill is to make the penalty more effective, so that strikes will not be carried out, and members of unions cannot aid or abet the striker?—I do not see that you can make the law any severer than it is. Increasing the maximum fine would not make any difference.

71. You favour the continuation of Conciliation Boards as at present constituted?—Yes.

72. And are opposed to the provisions of the Bill in this respect?—Yes.

73. Do you consider the Conciliation Boards throughout the Dominion have been effective in settling disputes?—They have not had the opportunity, The employers, through section 60 of the Act, have simply referred the disputes to the Courts. You cannot judge of the results when the Boards have not been given an opportunity to show what they might have done.

74. But for many years all disputes had to be referred to the Boards before reference to the Court?—Yes.

75. Well, the Conciliation Boards were not successful then in settling disputes?—They were more successful then than now, and at that time our industrial laws were in embryo, and we were just getting away from the old system of strikes. Consequently the Boards were not looked upon too favourably by the employers of the day.

76. Is not the failure of the Conciliation Boards to settle disputes by conciliation chiefly due to the fact that invariably agitators are elected members of the Boards by the unions?—What do you mean by "agitators"?

77. I mean a man who creates a feeling of discontent amongst the workers and urges them to take a certain course of action whether it be right or wrong?—Are some of those men on the Conciliation Boards?

78. I am not here to be questioned: are you not aware that they are?—I do not know.

79. Take the Wellington Board: what has been your experience with regard to that?—I have had no experience with the Wellington Board. As far as our Board on the Coast is concerned, I do not think it has been called into existence for eight or nine years. It has practically been a defunct body since then, because the disputes have been referred to the Court. As far as we are concerned in the Greymouth district, one of the best awards obtained down there was one which was ratified by the Board. We discussed our agreement round the table. That was the first one. On the second occasion we went to the Board, which made a few minor alterations, and then we went to the Court, and did not do so well because the Court did not understand our case so well as the members of the Board, and if the employers had not had the power to send the matter to the Court we should have had a good award. We upheld our position with regard to wages.

80. There is provision in the Bill with regard to a needs wage and an exertion wage?—Yes.

81. You are opposed to that?—Yes.

82. Do you not consider that the worker who is more skilful, more capable, or more energetic than another should be entitled to receive more than the standard wage?—If the employer agreed to pay him for his skill I should not object. I take it that the Court only fixes the minimum.

83. The Court fixes the minimum, which really becomes the maximum?—Yes.

84. Do you consider that all workers in the same line of work should be paid the same wages?—Yes.

85. And if one man does half as much work as another during the same time he should be paid the same wage?—I suppose if a man did only half the amount that another did he would be discharged as incompetent to do the work. That is the position so far as we are concerned. If a man is not capable of doing the work they simply dismiss him.

86. Would that not give an opportunity to the union to say the man was victimised?—No. If an employer were candid enough to come and say that a man was not good enough for the work, I would go to the man and tell him his fate.

87. Do you consider an employer has the right to dismiss any workman whom he thinks is not doing the work to his satisfaction?—Yes, provided he gives a reason.

88. To whom should he give the reason?—To the man himself.

89. And if the man is dissatisfied with the reason?—He can go to his union. If the reason is that he is incompetent the man can go to his union, and the union can confer with the employer.

90. Supposing a union decided that the reason given by the employer was not in their opinion a sufficient one, what then?—Then there is a dispute in connection with the discrimination clause of the award. You can then submit it to the Court.

91. Not that there should be a strike?—Certainly not. Instead of waiting for the Court to come along, the matter ought to be referred to the Magistrate's Court and two Assessors, and then in two or three days the thing would be over.

92. Speaking in reference to strikes, you made a remark as to victimisation being a cause for strikes?—Yes, there is no provision in the Act at present to protect men.

93. But if a union does not make any reference to the Court, but decides to strike, you would not uphold that?—If a union takes up a stand that one of their fellows has been victimised, there is no provision in the Act or award against it. They cannot submit that matter to the Arbitration Court. If they then strike they strike on independent grounds, which are not covered either by law or by an award.

94. Do you consider it right that a union should decide that its members should strike because a man has been discharged by an employer who deemed him unsuited for the work, or considered he was incompetent, or for any other good reason?—I say that before a union goes out on strike it should have some strong and reasonable ground for doing so, and it is only in a case where there is no other alternative that they should have the right to do so. In the case where a person is victimised, they have to wait until judgment can be given.

95. I thought you said you were opposed to strikes?—Yes.

96. Why do you say that under certain circumstances men would be justified in striking?—There are instances. Take the case I gave you the other day—that of the man Ewart. If the Department had not met the case the men would have struck.

97. What is your definition of the term "victimisation"?—Any person who is dismissed from his employment without justifiable reason given for that dismissal.

98. And that justifiable reason is one which must be determined by himself or by his union?—That would be determined by a committee appointed by both sides. If a person is dismissed or victimised by the shipping companies at Greymouth, we have a provision in our award by which either of us can ask that a committee of two representatives be appointed and call in an independent chairman to decide whether it is a matter of dispute or not, and if they come to a conclusion that it is a dispute then the matter is referred to the Court.

99. Do you approve of that?—Yes; but we have the position taken up sometimes that the employers refuse to recognise the necessity of appointing this committee. We have the Court to go to, but that is so long in coming round that a man might starve before his case was heard.

100. In your experience, do you find that employers victimise the men?—I have noticed that there have been undue punishments given to men.

101. In what way?—The casual labourer is placed in this position: He goes down to the wharf and presents himself for employment every morning. He expects to be called upon provided the work is there. He may be a person who has been receiving a fair amount of work, and his average is about £3 a week; but suddenly he finds that he is not being called upon to go to work, and this may go on for three or four weeks. He complains to the secretary of his union. The secretary approaches the foreman, who gives him no satisfaction. That is a case that would come before the Magistrate's Court. If the worker were unsuitable nothing would be said of it, but if he had to stand aside for three or four weeks and was given no reason why he was punished, that would be victimisation.

102. We had an illustration, so far as the Wellington Wharf Labourers are concerned, the other day, when a deputation waited on the Premier and told him that there was a surplus of labour, and more than was required to do the work: there must be shortness of employment at times?—In the case I am referring to men were deliberately left out of the work, and the foreman would not give any reason; but in three weeks he took them up again.

103. There must have been good reason for that?—Why did he not give it, then?

104. It does not always suit an employer to give a reason, for fear of an action?—He could give a reason to the employee—that would not be libellous.

105. You consider that no man should be dismissed from his employment without a justifiable reason?—Yes.

106. And what is a justifiable reason is to be decided by the employee or the union of which he is a member?—Yes, and if the union considers it is not a justifiable reason they can submit the matter to the committee.

107. If an employer discharged a man whom he thought incompetent or who did not do sufficient work, and told him so, would that be a justifiable reason?—Yes; but the union might not consider it a justifiable reason, because it might consider him a competent man who did his work properly. Consequently, in such a case, the matter should be referred to a committee to decide.

108. Then, an employer is not to be the judge of whether a man is a competent workman or not?—If you leave the matter to the employer to decide you give him the whole power, and he can simply say he is dissatisfied with the man's work. You would not uphold that an employee should be discharged simply because an employer said that he was an incompetent man, when you knew that there were other motives.

109. Is it in the interests of an employer to discharge men who are competent and good workers unless there are strong reasons for doing so?—I should not think so.

110. Then why should an employer be found fault with for discharging a man who does not suit his purpose?—Employers are not all alike, neither are employees, and men who make themselves prominent in connection with their union may become obnoxious to their employer, and he may say "I will get rid of them."

111. Do you know of your own knowledge of any man who has been prominent in a union being discharged by an employer because of that?—I do not want you to confuse the employers with their foremen. There are many instances that I know of in my own experience where foremen have not called upon a man to work again, and this man has had to go through his union's secretary to the head manager and make representations to him, and the manager after looking into the matter has had him reinstated.

112. Have you any instance of an employer discharging a man for the reason stated?—I have never dealt directly with an employer.

113. Do you know of any man having been discharged because he was a unionist or promoted matters in connection with his union?—Yes. I know, and it was proved very conclusively, that a person who was most interested in the formation of our union in the Grey, and was one of the most capable workmen we had—who was sober and attentive to his work—received the lowest average of wages of any one who had equal intelligence and diligence. That man did not get a fair share of the work until the manager of the company interfered in his behalf.

114. But was he discharged?—No, but it was almost as bad. He had to eke out a bare existence because he was a member of the union and took an active part in its organization.

115. Have you any other instance?—I have known instances where men have been suddenly dropped for some reason, and have gone out of employment so far as the shipping companies were concerned. These men have picked up work from the Railway Department in the same industry, and were capable, energetic workmen. They were able to make good wages, but only under another department.

116. Do you say it was because they were members of the union, or took some part in connection with the union, that they were discharged?—As no reason was given, I could not say.

117. Then, practically, you know of no instance where a man has been discharged by his employer because he was a member of a union or was promoting any matter connected with his union?—No.

118. *Mr. Hardy.*] I want to know something about the recommendation you made in your evidence in reference to experts sitting with Magistrates and deciding cases of breach of awards?—Yes.

119. I did not altogether catch the reason that you gave for desiring experts to sit with the Magistrate?—I hold that a Magistrate is not conversant with the particular industry in which the dispute has arisen. In connection with our wharf-work, a man must have a practical knowledge of the work in order to enable him to decide what constitutes a breach, and a Magistrate may probably not know the difference between the midship wire, the yard-arm, and the winch-end. Consequently if he had men sitting alongside of him who had practical knowledge, they could make it clear to the Magistrate what the position was; and, furthermore, they could put questions to bring out points which the Magistrate, from want of practical knowledge, could not put.

120. But disputes are of such a nature, I presume, that they should be decided by some impartial body?—Yes.

121. Have you confidence in Magistrates generally?—Certainly, I have.

122. Are you a Magistrate yourself, by the way?—No, not even a J.P.

123. How do Magistrates, as a rule, decide cases?—I cannot quite follow you.

124. Is it not by the evidence that is placed before them?—Yes, I take it; all Judges do that.

125. Then, instead of having experts, who naturally must have a leaning to the side they represent, would it not be better for the expert to give evidence, and then, the Magistrate being an expert in the matter of evidence, he would be called upon to decide?—The issue lies with him in any case, and I say that the experts sitting with him would be able to examine witnesses on any special point that might arise, and make it clear to the Magistrate.

126. Would it not be better for the Magistrate to deal with the matter either by sworn evidence or affirmation, and then decide the case as it occurred to him?—He would be doing that. He would be sitting on the Bench.

127. And, as we want our Courts kept clear of politics or of any leaning in any direction, would it not be better to trust the Magistrates themselves?—I do not reflect upon the Magistrate's honour or anything of that kind; but I say he is unable to judge in some cases on account of his want of technical knowledge. We find that out in the Court when we go there in connection with our award. We found that a lawyer representing the Labour Department did not understand some of the points, and it was very difficult to make him understand.

128. We both agree that experts are useful, but I want the expert to give evidence and you want him to advise?—Yes, we will call our witnesses to give evidence.

129. You want an expert both to give evidence and advise?—Yes.

130. I want the expert to give evidence and the Magistrate to decide upon the evidence put before him?—Yes, I understand that.

131. *Mr. Bollard.*] I understand you to say that under certain circumstances you consider strikes are justifiable?—There are instances where they are. I want to make it quite clear that a strike may be justifiable in the manner in which I gave it to you in my evidence. A man may be dismissed from his employment, and the employer says, "I shall not give him any more work." Now, if the Court is not coming along immediately to decide that issue, the feeling of the men is so high that they want to lay down their tools; but if we could go into the Magistrate's Court and settle the matter, provided there was a dispute, it would be all right.

132. Do you not know that strikes are illegal?—Yes.

133. Then, you think that under certain circumstances you are justified in acting illegally?—That is so. It is an anomaly right enough.

134. Supposing there is a certain strike, and that strike is investigated by the proper Court, and the union is found to be wrong in striking: do you consider that the strikers should be punished?—Yes.

135. Do you think the law at present is strong enough to punish them?—Yes, the Court can inflict a fine.

136. Supposing you cannot collect the fine?—The men can pay the fine. I know we could—we have property.

137. If you cannot collect the fine and there is no imprisonment, what is the use of it?—If a man becomes involved with a storekeeper for provisions you can get judgment against him, and that judgment practically stands for all time. When he gets money you can get yours.

138. Do you think married men as compared with single men are dealt with fairly in connection with the collection of these fines?—I think, personally, the maximum in the case of a single man ought to be less than that of the married man, because married men can claim an exemption up to £2 under the Attachment Act.

139. Do you think the law is sufficient to punish strikers?—I think so.

140. Had it any effect in the Blackball strike?—It evidently had not, but I think the Department has got wiser and means to collect that money.

141. *Mr. Poole.*] Do you think that most strikes are precipitate?—Yes.

142. In view of that, would you be in favour of giving notice covering a certain period prior to the strike taking place?—The very nature of strikes being precipitate shows that they are acted on immediately, because there is no machinery to deal with the matter. I think if we had machinery by which they could be settled, strikes would be obviated to a certain extent.

143. Giving notice would give time for a Board to be set up so as to consider the difference of opinion before the strike took place?—If men are prepared to submit the matter to a tribunal, they should give notice to the employer that within a certain period the dispute should be settled. In the Blackball strike I moved on the Trades and Labour Council that the Minister of Labour be wired to to send the Court down at once to decide the issue, and on getting a favourable answer from the Minister they should immediately resume work; but the men would not agree to the resolution.

144. Would you be in favour of a decision of a Board being taken, prior to a strike taking place, without the matter being sent on to the Arbitration Court?—Yes, because a decision arrived at like that is fair.

145. Failing a settlement with that special Conciliation Board set up, would you approve of the strikers, or the employers in the case of a lockout, automatically severing themselves from the Arbitration Court?—I think so; but my union has never considered it from that point of view.

146. Having arrived at a decision, would you be in favour of the enforcement of that agreement by the aggrieved party and not the Government?—How is the aggrieved party going to enforce it?

147. You would have to get machinery into the Act for that purpose?—I am not prepared to give an opinion on that.

148. In connection with the settlement of the difference, do you think there would be a continuity of good feeling between the employers and employees round a table with the least possible formality?—That is my opinion, and also the opinion of my union.

149. *Hon. Mr. Millar.*] I think you were on the Westland Trades and Labour Council of last year?—Yes.

150. I think they approved of last year's Bill?—Yes, quite a number of clauses of it. We did not discuss it this year because of the other Bill coming down.

151. The reason of that was that I had given notice of my intention to introduce a similar Bill, and immediately some one got a stereotyped resolution sent round asking the unions to say that they opposed it?—Yes. The only objection we made to your Industrial Council proposal

was that there might be some small unions in existence which would feel that they could not send three representatives from their ranks to such a Council, or, rather, they might feel there would be an element of danger if they picked them from their own ranks.

152. I made provision for that by putting in a clause stating that under certain conditions the Government could appoint some other member of the trade to represent them. I was thinking of women's unions?—Yes.

153. But as a general principle they were to be members of the trade who were to sit round the table?—Yes.

154. Very strong exception has been taken to the clause in this Bill providing that where a man refuses to pay the penalty imposed on him we have the right to follow him from place to place?—I reckon you have that right. If a penalty is imposed on a man he should pay it, just the same as in a judgment of an ordinary Court.

155. You were against the Blackball union in withdrawing its funds from the bank and distributing them amongst a dozen members, so that there should be nothing available for the Crown to get?—Yes.

156. You are also aware that distress warrants have been issued against the men who have property to distrain upon, and you know what steps were taken by the men at Blackball with regard to that?—Yes.

157. A suggestion has been made that, so as to avoid going for the individual penalty as at present, there might be a scheme devised by which so much per quarter should be subscribed by each member of the union to form a guarantee fund to be lodged with the Public Trust Office, to stand as a reserve fund to meet any penalty imposed which a member of the union did not pay, and which could not be withdrawn so long as the union was registered and was working under an award of the Court?—If a member of the union did not pay a penalty imposed under the Act, then the amount would be taken from the guarantee fund, and the union would afterwards collect the amount from the member?

158. Yes?—That would do. The unions are pretty good at collecting moneys from members.

159. Then following a man from place to place would be obviated altogether?—Yes.

160. In the case of an employer he has always something that can be distrained upon, but with an employee it is different. The Government do not want to have any imprisonment provided for such cases, but we want an effective means of enforcing a penalty, and in this scheme the money would be guaranteed practically?—Yes, that seems reasonable; but, of course, I could not give a decided opinion about that.

161. It is an alternative scheme to the other one proposed?—Yes.

162. *The Chairman.*] Would you make any discrimination, in levying the fine on a member of a union, between a married man who may have some trifling household gear and a single man who could evade payment by clearing out of the district?—I should say so, decidedly. A married man would be confined to his district, and would have to pay the fine in any case, whereas a single man could leave it. I should say a single man was able to pay a greater proportion of the fine than a married man.

163. You have no idea of any method by which this could be effected?—No.

164. *Hon. Mr. Millar.*] The Wages Attachment Act covers both alike. They are free up to £2 a week, whether married or single?—Yes.

TUESDAY, 4TH AUGUST, 1908.

GEORGE THOMAS BOOTH, of Christchurch, Implement-manufacturer, examined. (No. 9.)

1. *The Chairman.*] Whom do you represent here?—Well, I suppose I am representing the Employers' Federation, but I do not mean to commit them to every opinion I express. Some of my opinions I take my own responsibility for and do not wish to spread the responsibility beyond what the Federation itself may desire to shoulder.

2. You will be careful to differentiate between what you say on behalf of the Federation and your own personal views?—I think you may take it that I represent my own personal views, but generally speaking I think they may be taken to represent the views of the employers.

3. Have you seen the printed Bill of this session?—Yes.

4. Will you tell us what you think of its provisions?—In my opinion—and I think in this respect I can speak for the employers generally—the Bill is evidently the expression of an earnest and sincere desire on the part of the Government to deal effectively with the question of industrial conciliation and arbitration, to strengthen so far as possible the weak places in the existing Act, and to make its provisions equally effective as against both of the parties concerned. Whether the proposed Bill will be entirely successful in that respect or not is a matter of opinion, but at any rate we are fully prepared to give the Government credit for the best of intentions. The history of the Arbitration Act and its various amendments from year to year are, however, I think sufficient to make one feel considerable doubt as to the success of the proposed amendments. If I refer in more general terms to the history of the Act I hope you will not think, Mr. Chairman, I am wasting the time of the Committee; but I will try and bring the matter up to a point as shortly as I can. At the very inception of the system, fifteen or sixteen years ago, I suppose, it was pointed out that the compulsory clauses embodied in the original Act were little better than a sham and a delusion. It was quite clear that in the final resort the common-sense of the community would revolt against the proposition to lock up a body of men in gaol for declining to work for wages which they deemed to be insufficient, or an employer for declining to carry on work in his factory against his will—if, for instance, it would mean carrying on such work at a loss

to himself. Short of such extreme contingencies it did seem possible that the Act might work beneficially to both parties. The employers would put up with a great deal before they would close their shops and see their invested capital disappear; and, on the other hand, it seemed a reasonable expectation that the employees would be loyal to the Act if and so long as the awards were more or less uniformly in their favour, even though the Act should not give them in every case all that they asked for. There has been evidence enough, however, that even to this extent the loyalty of the workers was not equal to the strain, as you have had them coming to Parliament year after year demanding concessions which the Court had refused; and the Committee is well aware of the several attacks that have been made by dissatisfied workers upon the *personnel* and constitution of the Arbitration Court. It was quite obvious from the first that the time must come sooner or later when the Court would be unable to grant further concessions in pay for fear of endangering the very existence of the industries affected, and it was quite obvious too that when that time should come there was nothing in the Act, or nothing in existence that I am aware of, that would prevent workmen from striking if they felt so inclined, especially if they happened to be led by irresponsible men of extreme views, as unfortunately is very often the case. Now this Bill proposes to make striking illegal, and prescribes a very wide definition of a strike and all the acts of aiding and abetting a strike, and provides also severe penalties for both. I do not wish to make any sweeping assertion and say it is impossible that such provisions should be effective: they may or may not be effective in preventing strikes, but I would point out to the Committee that workmen do not need to strike in order to gain their ends. They can put what pressure is necessary upon their employers to enforce their views, even to the extent, if they wish, of driving an employer out of business or into a lunatic asylum, by a method short of striking—a method which they know quite well and which they know how to use quite well—the method of going slow, of applying what is called the "ca' canny" principle to their work; and I cannot imagine how the Legislature is going to devise any set of enactments that will prevent this. I have some figures here which will serve as an illustration of how this plan may be worked. These figures refer to a certain trade—not by an means an unimportant one—in the Dominion, and are taken from the official returns: In 1901 the hands employed in this industry numbered 4,176, the horse-power employed was 1,937, the amount of capital invested in buildings and plant was £455,621, the raw material used up in that year in the manufacture of goods was worth £495,599, the wages paid amounted to £361,150, the value of the product was £1,062,265. In 1905 the following increases in these items are reported: In the hands employed, 553; in the horse-power employed, 986; in the capital invested in land, buildings, and plant, £208,083; in the material used, £14,870; in the wages paid, £53,411. Now, on the basis of the number of hands employed the increase in the products for 1905 as compared with 1901 should have been £140,669, or, if you allow for the increased horse-power available and the increased capital invested, the products should have increased by £176,485. The Committee will hardly believe me perhaps when I tell them that the total increase in the products of that particular industry for that period was £15,310. That is to say, that the total increase in the products was not sufficient to cover the actual cost of additional raw material used up plus a reasonable percentage for profit, and that for the labour of 553 additional men, assisted by a large increase in power and an investment of capital of over £200,000, the employers in this particular industry got nothing—the industry itself gained nothing, and the Dominion gained nothing. The output per man as between those two periods fell from £254 7s. 6d. per year in 1901 to £224 17s. 3d. per year in 1905. This case is not cited as a specially shocking example of what is going on. The particular industry referred to was not harassed by labour conditions so severely as some other industries, nor was it a period of slack trade in that particular industry—the fact is the very reverse, as is shown by the importations of similar goods during the same period increasing in value by £234,184. If these figures mean anything, sir, they surely mean that this particular trade was checked for some reason, and the trade driven into the hands of foreigners. I cite this matter merely as an illustration of what men can do if they wish to put pressure on the employers without striking. I do not say that in this particular case they were designedly carrying out this policy, but I do believe that instances of the same kind might be multiplied by just about as many cases as there are industries in the Dominion, and that this result could be taken as an illustration of the dire effect upon industry of State regulation. I do not mean either to say that the whole of the blame for this state of affairs is to be laid on the arbitration system: I do say—and in this, Mr. Chairman, I perhaps had better say I am expressing my own opinion and am not authorised to make this statement on behalf of the Employers' Federation—I do say that the arbitration system is partly to blame, and I believe is largely to blame. It is to blame in so far as it embodies and expresses, or even implicitly sanctions, what I believe to be false and vicious industrial and social ideals. It is to blame, for instance, in so far as it embodies or sanctions the theory that work is not a thing in which a man should engage cheerfully and manfully and into which he should put the best of his intelligence and his energy, but that it is a curse—a hateful and degrading necessity—imposed upon man for his sins, a penalty which it is not only justifiable but creditable to a man to dodge. I do say that the arbitration system is to blame in so far as it sanctions, implicitly, no doubt, shirking and laziness, and in so far as it puts a premium on inefficiency, and causes superiority in skill, or care, or industry to be regarded as a matter for reproach rather than of pride. If evidence is required that this spirit has at least thriven and developed amazingly under our arbitration system, even if it is not charged that it has been bred by it, I have only to refer the Committee to the report of the discussions of the Trades and Labour Councils and Conferences, and, on the other hand, to the addresses recently delivered by the Hon. the Attorney-General. You would perhaps ask me what special features of the arbitration system I think should mainly bear the blame for this state of affairs, and to that I would reply that I regard the minimum-wage system—however creditable to

our humanitarianism—as essentially immoral from the point of view of industrial economy. Nature has decreed, and there is Biblical sanction for the idea too, that if a man does not work neither shall he eat. It surely follows that the more efficient a man's work is the more he should be entitled to eat, or drink, or wear, or otherwise enjoy; but the minimum-wage plan decrees that a man only needs to work enough to hold his job. It encourages inefficiency and equally discourages efficiency, and tends, as the Hon. the Attorney-General has pointed out, to a dead-level of industrial inferiority. The Arbitration Court has fairly consistently yielded to the demands of workers for increases in wages and other modifications of conditions in their favour without much apparent consideration of the natural conditions affecting industries. The plea of the workers when demanding an increase of wages—a plea which is made very frankly—is that it does not matter to the employer how much he pays, because he has only to put the burden on to the consumer. Now, I would like to draw certain distinctions between different classes of industries, and see how this may be made to apply in the several different cases. There is a class of industry which we may define as strictly local—take the building trades as an example. If a man wants to build a house or a business block he must employ local labour—builders, bricklayers, stonemasons, plumbers, decorators, and what not. The same applies to other trades, such as, for instance, dressmaking, millinery, and others that will suggest themselves. In these trades it is no doubt possible for the employer to pass on the burden of increased wages to the public, the only limit to this process being reached when the cost of building becomes so high that the process of building is stopped. There is another class of industries which one may call the native industries, which are affected somewhat differently. By native industries I mean those which are concerned with the treatment of the products of the soil, as, for instance, the freezing of mutton, the dressing of wool and skins, the dressing of New Zealand hemp. It might be supposed that in these industries it is possible enough for employers to pass the burden on, but in these cases another check is met with, inasmuch as the products of the industry have to be sold abroad, and if the producing-cost is raised beyond a certain point the respective trades must suffer through inability to dispose of their products at a profitable price. But there is a third class of industry which, for want of a better name, I will describe as exotic—industries that are not specially concerned with the primary productions of the Dominion, but have become implanted in the Dominion in response to a certain demand, and which are concerned in the production of goods which have to find a sale in the Dominion in competition with similar goods imported from abroad. Now, it seems a little thing to the Arbitration Court, no doubt, to grant a shilling a day increase in wages here and there, but a shilling a day means £15 a year to the average mechanic, and in a factory employing one hundred hands that means £1,500 a year. Now, there are some industries—I believe it is safe enough to say that it is so in the case of most of these competitive industries—where it is absolutely impossible to pass on any considerable part of this load to the public, and it is equally impossible that the burden should be borne by the profits being made by the employers. Again, on this point I would refer you to the utterances of the Hon. the Attorney-General. Well, then, any artificial or arbitrary increase in the wages paid in such industries must result in the industries being checked and the trade drifting in the direction of importation rather than local manufacture. This process has only to be carried on far enough and it will mean in the end a total destruction of all those industries which I call exotic. Now, I do not want to weary the Committee by saying anything about the arbitration system in general, but I thought it desirable that I should make such general comments as these to lead up to the proposals embodied in the present Bill dealing with what are called "needs" and "exertion" wages. It must be quite obvious that these clauses have been inserted in the Bill in recognition of the evil effects of the present system, and in the hope of counteracting them. These clauses can hardly be regarded as more than a mere suggestion, for reasons which I hope to be able to make clear to you—a good suggestion, no doubt, but any one who has had practical experience of the difficulty of instituting a progressive-wage system or premium plan in a factory will recognise that the Bill proposes to put a duty upon the Arbitration Court which there is no earthly chance of its being able to carry out. I do not want to be any more personal than is necessary, but it happens that my own firm is the only one, so far as I know, that has made a serious attempt to work the premium or progressive-wage plan in this Dominion. It has been quite clear to me for many years that it was not only desirable but necessary that some incentive to exertion should be found in order to provide for a continually increasing labour-cost. Years ago we tried various plans—the piecework plan, the bonus system in various forms—indeed, we still use the bonus system as applied to heads of departments—but for a good many years, practically since Mr. Halsey, the originator of what is known as the premium plan, made his scheme public, I have been following up this thing, and have been trying to get it introduced into our shop. I very soon found this, however: that unless the organization of the shop itself—I mean the accounting organization—the costing department—is brought up to a fairly high state of efficiency and exactitude, it was not possible to introduce a premium plan with any hope of satisfactory results; and I found also that unless the man in charge of the shop understood and sympathized with the system itself, you simply could not get it going. However, we were fortunate enough two and a half years ago to find a man who was familiar with the operation of the system, who was enthusiastically in favour of it, and who was prepared to assume the responsibility of putting it in force. Now, to show you how difficult this is even in a little shop such as our own, where the operations are not particularly complicated, I may tell you that we have been working at this thing for two and a half years, and up to the present time we have only got about half-way through the shop. I asked the shop-manager the day before yesterday about how many rates he supposed he had fixed up to the present, and I found that they ran somewhere in the neighbourhood of three thousand. I suppose we shall want fully double that number to cover all the operations in the shop, and we shall want probably an average of from five to twenty new

rates fixed every day. Now you can see how utterly absurd it is to think that the Arbitration Court is going to fix the rates. We should want an Arbitration Court for every shop in the colony, and it would have to sit incessantly to provide for the day's requirements. But nevertheless it is a matter of very great gratification to me to find these clauses embodied in this Bill, because in a way it expresses governmental sanction to a system which I believe may be made to yield very valuable results in stimulating industrial efficiency. If employers can be induced to take such a scheme as this up, and devote the necessary care, and patience, and attention to the details, there is no reason why it should not work out well, and, so far as the Bill, or the Government, encourages employers to do this, good work will be done. But it is quite out of the question to ask the Arbitration Court to attend to the details of any such scheme. I shall be glad to answer any questions which the Committee may wish to ask with regard to the details of this plan. Speaking generally of the Bill, I believe the employers will be loyal to it if it is passed, as they have been on the whole loyal to the labour legislation from the beginning.

5. *The Chairman.*] Is that claim entirely borne out?—There have been, of course, a great many breaches of awards by the employers.

6. But you used the words "from the beginning"?—Yes, I think so.

7. *Mr. Arnold.*] You might say "in the main"?—I do not think I am overstating the case at all when I say that the employers have been loyal to the legislation since the beginning. I do not say that they have not proposed amendments, but when the law has been passed we have respected it, and those who have taken the lead among the employers have insisted on the law and the Court being respected. I believe we have done our best to obey the law, and I believe if this Bill is passed we shall continue to do so, whether we have very much faith in its final success or not. As far as the conciliation clauses are concerned we are all strongly in favour of it. We should like to see them still further simplified. I think the ideal Conciliation Board is a board composed of the two parties to any given dispute meeting in as friendly and informal a way as possible to talk over grievances and try to arrive at an agreement in a conciliatory spirit. There should also be a provision for the parties in such a case, if they fail to come to an agreement between themselves, to call in the services of an official chairman—call him an Industrial Commissioner, or whatever you like—who would have a certain status. I suggest a status somewhat above that of a Stipendiary Magistrate. There should be one Commissioner for each Island, and his services should be at the disposal of any disputing parties. He should take the chair at their conferences, and his duty should be to act as a conciliator to bring the parties together in a reasonable and conciliatory manner if possible. But I would not clothe him with any mandatory powers, because just as soon as you do that you destroy his value as the first step in conciliation. I believe that if that system were properly organized, and the right kind of man appointed to the official chairmanship, a great many of the disputes that now go before the Arbitration Court would never reach that tribunal. If it is decided to maintain the Arbitration Court, then disputes which cannot be settled in the manner I have described could still be dealt with by it, or such points as the original conference found it impossible to reach agreement upon. But so far as the original conciliation conference is concerned, I would have that entirely informal, and would have no binding awards made and no enforcement clauses. We have heard a great deal about the loss to the community and to individuals as the result of strikes and industrial dissension, but as a matter of fact the labour legislation, and the Industrial Conciliation and Arbitration Act particularly, has not operated in the past so much as a preventive of strikes as it has acted as a regulator by State interference in the conditions of the industry. That is to say, that the control of industries has been very largely taken out of the hands of those who are responsible for it and put into the hands of irresponsible parties. I doubt very much whether that was the original intention of the framer of the Act, and in so far as it has taken that form I believe it has been baneful rather than beneficial; while at the same time I do not wish it to be understood that I regard the whole system of labour legislation as baneful. After all, strikes do not seem to me to be such a terrible bugbear as some people would have us believe. The loss that falls upon a country by reason of strikes is the loss consequent upon the withdrawal from active work of a certain number of men, the idleness of a certain amount of machinery, and the paralysis of a certain amount of business organization. Such a loss has never, so far as I am aware, been a very serious thing in the Dominion, and I am quite sure that the cost of the arbitration system has resulted in a loss of industrial efficiency far greater than ever resulted from strikes, or than was likely to result during the period the arbitration system has been in existence. I may perhaps be a little pessimistic in my views as to the industrial situation, but with the experience of the past fifteen years of State regulation of labour, and in the light of current events, I must confess that I am very doubtful of the wisdom of trying to maintain and bolster up a compulsory system of arbitration which, it seems to me, must inevitably lead to the decay of industrial efficiency, and in consequence must work harm to the industrial interests of the Dominion. I should like to say a word or two about the proposal that fines and penalties enforceable against workmen should be made collectible by employers by an attachment of wages. I recognise that it is very difficult indeed to collect fines and penalties from workmen, and possibly this is the only way in which it can be done; but I must express an opinion that if employers are made responsible for collecting such fines, it will mean that the employers will have to pay the fines themselves. It is quite clear to me that if I have a man working for me at 8s. a day, and I have to take 2s. a day from his wages, I am not going to get eight shillings' worth of work from that man. I should be a great deal more than human to expect that from him. There are one or two minor things I have noted in the Bill that I would like to call attention to. In section 27 there is a provision that "Any industrial union or industrial association which is a party to an industrial dispute may make application in writing," &c. There is no provision for an individual employer or any number less than seven doing

so, because a later clause provides that there must be seven to form an association. Now, there are a good many industries in an industrial district which do not number seven employers—for instance, in the freezing industry, where only one or two exist in a district. There ought to be some provision to meet a case of that kind. I should also like to see an alteration made in subsection (2) of section 32, which states that "an industrial union or an industrial association, being a party to a dispute, may appear before the Council by its chairman or secretary, or by any number of persons," &c. The Committee must be aware from evidence that reaches it from various sources that one of our troubles has been that disputes have been managed by men who are not immediately interested in the industry affected, and I should very much like to see that clause amended to provide that the parties appearing in any dispute must be interested in the industry. I do not think there are any other points I need refer it, unless the Committee wishes to ask me any questions.

8. *The Chairman.*] Has not your evidence as a whole been against the present system?—I am afraid I must confess that it has.

9. By that are we to understand that you desire the repeal or absolute sweeping-away of the system as it now stands, without having anything to take its place?—I do not suggest that. I think everything should be done to make conciliation effective, and I would not suggest the sweeping-away of the arbitration clauses completely. I should like to see the present Bill given a trial. When I say I am not very sanguine about the results you have to take that for what it is worth. What we do want is some system of conciliation which would be effective.

10. Was not that the desire of the original framer of the first Act?—I believe it was, but we have now got very far away from his original desires.

11. But are you not standing in the position of the Hon. Mr. Reeves in 1891 and 1892, when he had a very earnest desire to get the conflicting parties together to talk the matter over in some simple manner?—He tried to make the Act too rigid. The Arbitration Court was established as a kind of Supreme Court, with power to enforce its awards from the beginning.

12. You say you always queried the compulsory clauses in the Act, and had not faith in them?—Yes.

13. Do you think any legislation would prevent men in any industry from striking in the last extremity?—I can hardly imagine any Act that can prevent that. You cannot stand over a man with a whip. You may take a horse to the water, but you cannot make him drink.

14. Your highest ideal is that any such Bill, in whatever form we may pass it, may be successful in minimising outbreaks?—I do not fear outbreaks.

15. You discount their effects?—Yes. I believe the arbitration system has cost the country a great deal more during the last fifteen years than any strikes would have cost it in the same period, and I do not see why you should prevent men having the right to strike. Why should you compel a man to work when he does not want to?

16. You spoke of the minimum wage, and said it was immoral: is it not always open to an employer to give his employee a higher wage than the minimum?—Yes.

17. Is that frequently done?—Yes.

18. Is that not a direct incentive to a good man to excel?—Yes; but that does not cover the case of men getting more than they can earn.

19. That can be provided for by the permit system, can it not?—No.

20. To us there appears to be a permit system under which a slow worker can obtain a smaller wage than is fixed by the Court. A normal standard wage is fixed by the Court?—It is the minimum; that becomes the maximum.

21. It is the rate at which the bulk of the men are paid?—Yes.

22. And over and above that it is optional for the employer to give a skilled and energetic man a higher rate?—Yes. But, suppose 10s. a day is established, which is probably 2s. a day more than the average men have been getting. If the employer has to bring up the men who cannot earn the 10s., it follows that the efficiency represented by the 8s. becomes the standard. The employer cannot afford to pay on the higher scale, because he is losing on the less efficient men. It is the 8s.-a-day man who fixes the standard of efficiency, and the others grade themselves down to it.

23. The surplus value of those men who are really worth more than the rate formerly paid makes up in a rough sort of way for the loss on those who are below the standard of efficiency, and consequently there is not much encouragement for an employer to go higher?—In most cases he cannot add appreciably to his wages-cost. You have to keep the labour-cost of your product down, and if that increases every year you ought to cut down the wages of the higher men in order to keep up the level of the inferior men.

24. Do you mean to say that the moral fibre of workmen generally has deteriorated?—Yes, it has been deteriorating for many years past.

25. Before the arbitration system came into force?—I cannot say that.

26. You speak from your own knowledge and experience?—Yes; I do not say that every man has deteriorated, but I take the average.

27. Are there any causes outside of what you have been discussing?—Yes.

28. Can you name them?—I think some of the false social ideals which are being preached have a considerable amount to do with it.

29. Do you think there is a broadcast feeling among the workers that labour is dishonourable and discreditable?—There is a considerable change in the way in which they regard their work compared with my recollection of twenty years ago.

30. Do you mean that it is not executed with the same cheerfulness and readiness?—They have come to regard their work in a different light and spirit.

31. You would not call that a better spirit?—No, distinctly the reverse.

32. You spoke of the premium system, with which you have rather an intimate connection, and spoke of no less than three thousand rates having been fixed during the last two or three years: is this in consequence of the enormous variety of the work performed?—I should not like to say they are so very complicated in our trade. In other industries I think there would be more, and that they would involve a tremendous amount of intricacy.

33. Would the ordinary employers of the Dominion toil in a painstaking way through the intricacies of this system?—I am afraid not.

34. You object to the employers being called upon to collect fines?—I recognise that that is perhaps the only way to collect them, but it is open to objection.

35. Would not employers be inclined to drop a man in such a case?—Yes. You might introduce some new penalty, and make it a contempt of Court to refuse. That would happen in some cases.

36. You do not anticipate that there would be any large number of men in that position?—I hope not; but you can never tell.

37. *Mr. Poole.*] Are you of opinion that a Conciliation Board with the least possible legal formality would be the best solution of this difficulty?—I believe it is about the best thing the Government can do, but I do not say it is going to get over all industrial trouble.

38. With regard to clause 9, in view of men combining to strike, do you think it is a wise provision to make it imperative for striker and employer to give twenty-one days' notice before striking or locking out?—That refers only to certain industries.

39. But do you think it is a wise provision that twenty-one days' notice shall be given?—I really have not thought of that, but I should say it is a reasonable provision to make. It is very undesirable that there should be stoppage in any industry such as is referred to.

40. In view of a strike taking place, would you make it a necessity that the strikers should forfeit the obligations and privileges of the Arbitration Act?—That is provided for.

41. Do you think that would be a deterrent?—I do not think you can establish any provision that would be a deterrent.

42. Do you not think it would cause some employees to hesitate before taking the step?—Yes, it would have that effect.

43. *Mr. Bollard.*] You said you favoured conciliation?—Yes.

44. Do you believe in such a Conciliation Board as was set up in the Auckland Tramway case?—I did not like the award, if that is what you mean. I think the official Chairman ought to be very carefully selected.

45. You are in favour of an official Chairman?—Yes; but a man in that capacity ought to make a special study of the work. He has to get experience as he goes along that would enable him to deal efficiently and justly with the disputes. A man without any practical knowledge of the conditions is a very doubtful means to obtain just ends.

46. What is your experience with regard to the effect of our labour laws: have they promoted a good feeling between employer and employee during the time they have been in operation?—I believe they have had the reverse effect.

47. Do you find in your own business that the majority of your men are not so anxious to consider your interests as they were previously?—We have never had any trouble with our own men; I have not the slightest word to say against them. If we had only to deal with our own men it would be different.

48. But you do not think the relations between employer and employee have been improved by the labour legislation?—No, I think it has had the opposite effect.

49. *Mr. Barber.*] In the event of the work of the Conciliation Boards being increased, do you desire that it should be the chief feature of the Act?—Yes.

50. Do you think any man acting on a Conciliation Board is a marked man afterwards: do you think there is anything in the statements about penalising a man?—I have never come across anything of the sort. We only hear of it from the employees.

51. It has been continually brought before this Committee, and I should like you to give your opinion as to whether it prevails to any extent at all throughout the Dominion?—There is this to be said, that when a case is focussed in any dispute before the Conciliation Board or Arbitration Court and a dismissal follows shortly after of a man who has made himself prominent, it is at once said that because he made himself prominent he was dismissed; but there may have been a string of circumstances leading up to that which would make an employer think he was a good man to get rid of. In every industry there are some men who are not considered desirable, and on the first opportunity they are discharged. As it happens, this is the class of man who usually makes himself prominent in these disputes, but I have no information of any case where a man has been victimised solely because he has taken an active part in a dispute.

52. *Mr. Ell.*] With regard to the figures you gave in connection with an industry, might we know the trade affected?—The engineering trade. These figures were not taken out for the purposes of the Committee, but for another purpose altogether.

53. In 1901 the output per man was £254, and in 1905 £224?—Yes.

54. Can you tell us whether there was any reduction in the prices?—No; I should say there was rather an increase in the prices, because raw material has been rising in value since before the year 1900. I should say there was an increase in the value of the material.

55. You are not certain whether the prices were lower or not?—I am sure they were not lower.

56. You know that we had an industries' week a little time ago?—Yes.

57. And there were exhibits made of different local products?—Yes.

58. They were placed before the public with a view to making them purchase locally made articles?—Yes.

59. And their superior excellence was called attention to?—Yes.

60. Were they not turned out by the workmen of New Zealand?—Undoubtedly.

61. You are familiar with the manufacture of boots: do you consider that the finish and general get-up of the boots turned out now is superior to what it was ten years ago?—I should say probably it is, but I am not an expert in boots. I know the factories have installed very much better machinery during the last few years.

62. With regard to furniture, you are familiar with the local manufactures: do you consider that the quality, and finish, and style of the furniture has improved during the last ten years?—I do not think you can say that. You can buy as good a style now as you could ten years ago; but if you wanted high-class furniture you could easily get it ten years ago, and if you wanted a low style you could get it now. I believe you could have got furniture about as well-made ten years ago as now.

63. According to that, there is no falling-off in the cleverness and efficiency of the workers?—Cleverness and efficiency in the worker are two different things, but they are not exerting that cleverness as they might. Efficiency is judged by results.

64. In Napier the other day the Premier gave some figures showing the enormous increase in the value of our manufactures?—I did not see those figures. Of course, the Dominion has improved industrially, but not to the extent it should. In reference to the industry I referred to, the increase was not enough to balance the cost in raw material, whereas there was a large increase in importation. When the arbitration system came into existence we were importing practically nothing but raw material, but now half of our business is in importation.

65. Is not the Harvester Trust ruining the New Zealand manufacturer?—When they take up a line it is time for us to drop it.

66. Now, with regard to the rates upon which you are basing the exertion wage: is it not possible that an employer may lower those rates by a readjustment of the premium?—Only when a radical change is made in the manufacture. There is nothing to prevent an employer from lowering the rates, but if he does he destroys the value of the whole system, and is in the end the loser himself.

67. Supposing a workman or a number of workmen on a given rate are making £3 10s. to £4 a week, and an employer considers that more than the workmen should earn, may he not be tempted to reduce the rate so as to bring it to what he considers a fair rate?—That is the tendency of the piecework system. There is always a tendency to lower the rates for piecework.

68. Is it not possible an employer might do that in the system you mention?—Yes, if he is foolish enough. But if he does he destroys the value of the system. The cardinal point is that the premium rate should not be altered unless there is a radical change in the method.

69. Supposing an unwise man, a large manufacturer, did lower the rates and in consequence was able to turn out a drill or other implement at a lower price than what you were selling it at, what would be your position if you were in competition with him?—You mean that if we had fixed a certain rate, and the manufacturer you speak of found that he could get men to work for him at a lower rate?

70. Yes?—That might happen in any case.

71. Would you not be constrained to readjust your rates?—What we should probably do would be to find a better way of doing our work, but we should expect the workmen to be earning approximately the same rate. If you cut the price down too low you have a loss of profit on the transaction. The rates will fix themselves. There is a point at which a workman is spurred on to the most efficient degree, and at which the employer also reaches the highest advantage. That point can only be discovered by experience; you cannot fix it beforehand.

72. Well, it is open to the manufacturer, after the worker has reached an efficient degree and is earning a good wage, to readjust his rates so as to reduce the wage?—Yes.

73. And would that not constrain another employer to follow suit in order that he might be able to successfully compete with him?—Yes, there is a possibility of that, I suppose.

74. *Mr. Arnold.*] Of course, you know that numbers of manufacturers have tried this bonus system, and in consequence of their experience have changed it?—I do not think it has been tried much in New Zealand. I am not aware of anybody else who has tried it except ourselves in the Dominion—not the premium plan.

75. I was thinking of the bonus system?—That is different.

76. Numbers of manufacturers are paying a weekly wage based on a piecework log, and pay a bonus for work done beyond the amount of the piecework log. You may have heard of one manufacturer in Wellington who, during the last few weeks, has changed that system, and is giving to his employees an increase on their weekly wages in accordance with the bonus they earned previously?—I have not heard of that.

77. Is it your opinion that any system, whether premium, bonus, piecework, or profit-sharing, should be left to the manufacturer and his employees for private adjustment?—I think so. I do not see how the Arbitration Court could go into all the details.

78. *Hon. Mr. Millar.*] Do you think there is any means by which we could patch up the present Conciliation Boards so that we should be likely to get conciliation?—No, I think the Conciliation Boards ought to disappear. The proposal in the Bill is a distinct improvement in that respect But I would like to see the constitution made a little simpler than that proposed.

79. Do you suggest that there should be two Public Conciliators—one for the North Island and one for the South?—Yes.

80. The Conciliator would be available for any dispute that might arise during the currency of an award, and he would be sent to patch it up?—Yes.

81. Supposing something cropped up like the Auckland Tramway dispute, which involved matters outside an award, would the Public Conciliator go and deal with a case like that if the Arbitration Court was not available?—There would be a danger in that. I would not put the Conciliator in such a position that he would be able to override any decision of the Court. So long as the Court is in existence it ought to be the final authority.

82. It is impossible for the Court to be in all parts of the country at one time: supposing a dispute takes place, or something happens which aggravates and irritates the men to such an extent that they feel justified in striking during the existence of an award, and there is no possible chance of the Court getting to the place where it happens for two or three months, by what means would you endeavour to prevent that strike taking place?—So long as it was not a breach of an award and was connected with some matter outside the provisions of an award, the Conciliator would be the right man to deal with it.

83. You think it would be a great deal better in the interests of the community that such a man should go and settle a difference like that than that there should be a cessation of work in the particular industry?—Certainly; but the important thing would be to get the right man.

84. You want a man with a very evenly balanced mind, a man with a good commercial knowledge and who would understand the conditions of labour, and he would be a difficult man to get?—I think you could get such men among the Stipendiary Magistrates, so long as you could be sure that they would devote themselves to the work and make themselves proficient in it. It would be distasteful work to many, and a man requires to put his heart into it.

85. It is somewhat difficult to get all the qualifications in one man?—It is very difficult, but I believe one man by himself could often bring about a settlement in cases where the Conciliation Boards or Arbitration Court, or any other kind of tribunal, would fail.

86. During the last eighteen months there has been a steady growth in the number of private meetings between employers and employees to settle differences?—Yes.

87. I think we have fifty-three agreements now entered into and sent on to the Court?—Yes, that is a method greatly to be desired.

88. Supposing we do not admit the Conciliator principle, but provide that a Magistrate shall be allowed to sit on such a Board without voting-power, leaving the representatives of the employees and employers to settle their own trouble?—That would be a distinct improvement on the present system.

89. Just to let him sit as chairman without any vote at all?—Yes, that would be an improvement; but I should like to see men set specially apart, because they would gain experience in that special kind of work. If you called on a Magistrate you might get a man to whom the work was distasteful, and he would do more harm than good. Some of the Stipendiary Magistrates are busy men, and have not much time to devote to work outside their usual duties.

HARRY GREIG, of Manawatu, flax-miller, examined. (No. 10.)

1. *The Chairman.*] Have you seen this Bill?—Well, it is really special evidence I desire to give in connection with our special industry of flax-milling.

2. And it will not touch the Bill except in so far as it affects the workers in your industry?—No. We feel that our industry at the present time is in rather a languishing condition, and that any help which can be given to it at such a crisis should be given, and we felt that some relief might be obtained by interviewing the Committee and giving evidence while labour matters are before the House. To give you an idea of how the industry is languishing, I will give you the comparative figures for the six months ending June, 1908, and for the corresponding months of the previous year. In 1907 the output of hemp was 18,802 tons, of a total value of £566,376; for the corresponding period of 1908 the production was 11,853 tons, of a total value of £279,437. I quote these figures in order to show the great loss the revenue of the country is suffering through the languishing condition of the industry. Of course, there are different phases of the question to be considered. There is the owner of land on which the raw material is produced, there is the miller who does the manufacturing, there is the large body of employees engaged in the industry, and there is the general revenue of the country, which are all involved in this matter. It has been asserted in some quarters that the industry is being throttled by the heavy royalties charged by owners of flax land, but I think this has no general bearing on the question. I will quote you some of the figures taken from Government valuations of property of millers who own their own lands, and show you how I get at the cost of the green flax for milling. The capital value of 789 acres, together with the flax growing thereon, is £15,815. In borrowing money on this class of land we cannot make a better arrangement than 6 per cent. Six per cent. on this property is £984 18s. a year. It is also necessary to maintain drains in a proper state of efficiency, and to do this on this particular property costs at least £200. Local rates—this is not including the land-tax—represent £80. Now, the average production of green flax on this land for the last two years has been 1,960 tons. I work it out that the green flax has cost per ton 12s. 6d., and, assuming that it takes 8½ tons of green leaf to produce a ton of fibre, the cost of the green leaf on that particular property per ton of fibre is £5 6s. 3d.

3. *Hon. Mr. Miller.*] That is above the maximum, 8½ tons, is it not?—Most flax-millers assume that 9 tons is about the average. I know millers on the Motoa Estate take it as up to 11 tons. On another property adjoining the cost per ton of green leaf has been 16s., representing £6 10s. per ton of fibre, assuming still that the quantity of green leaf taken is 8½ tons. Now, it might be suggested that if we cannot make the properties pay for flax-milling purposes the best thing we can do is to grub the flax-roots out and sow grass, or something of that kind. The properties I have quoted are subject to flooding, and the land would have very little value for grazing. The land has been submerged during the last few weeks with five or six feet of water.

Again, the particular property I refer to has for the last two years contributed in wages over £5 per acre annually. I think I am safe in suggesting that that amount per acre is equal to seven or eight times what would be paid out by land used for mixed farming. At the present time it is quite impossible to produce fibre at a price which allows any profit to the miller or grower of the flax—in fact, the present rates show a loss of at least £5 per ton. Some twelve months ago a union of the employees in the flax-milling industry was formed, not because there was any dispute between the millers and their employees, but I think largely as a result of organizers and agitators going amongst the men and persuading them that they did have some grievances. In any case a union was formed, and an award of the Arbitration Court obtained. With due respect to the Arbitration Court (I think they gave the matter their very fullest consideration), we find that in some cases the rates were fixed very high, and the position we wish to point out to you is this: that there are thousands of acres of flax in this Dominion which are ready for harvesting, and there are also many men out of work and clamouring for employment. Under the award of the Arbitration Court the men are practically debarred from getting employment at a rate they would gladly accept, and the employer is likewise debarred from employing them, while the revenue of the country at the same time is suffering very largely. We submit that this goes to show the inexpediency of fixing an award governing the cost in an industry where the price of the product is controlled by outside factors. Another point I would like to make is that under existing conditions our industry must be almost wiped out for the time being. During the last few years we have been gaining a good foothold on the world's markets. Whereas seven years ago our fibre was worth from £5 to £7 less than manila, it is now worth £5 more; but if the industry is stopped now it is likely to suffer very considerably. We think, after considering all the circumstances, that in the meantime, while the conditions are so bad, we might be relieved from the effect of the Arbitration Court award. And in asking this we consider we are doing so not only in the interests of the millers themselves, but for the benefit of the workers. As the Arbitration Court's award now stands we cannot ask the men to work for us. Men working in the flax-milling industry are practically unskilled workers, and there are other channels in which they can accept employment when the conditions of the flax-milling industry are not so good as in other industries. We simply ask that we shall be allowed to employ the workers engaged in the industry, and so prevent them being thrown absolutely out of employment. I think that is all I have to say.

4. You think, then, that the award of the Court has really paralysed the industry?—No; it has been paralysed by the action of outside markets. We claim that the flax industry is different from that of others in the country, inasmuch as large areas of country lands are affected by it, and practically no part of our produce is consumed in the colony. We have no means of regulating the selling-value of the article we are producing.

5. What you really ask is that power should be given to suspend an award when a certain set of conditions can be proved to exist?—Yes, that is so.

6. *Mr. Poole.*] You cannot see your way out of the difficulty without the suspension of the Court's award?—I do not know that the suspension of the award would have the effect of putting the industry on a payable basis—in fact, I am sure it would not; but what we ask is that men who are walking about the country out of work should have the right to take employment, and we should have a right to give it.

7. Do you think the maintenance of the product on a foreign market makes it necessary to keep the industry going?—I think it is essential.

8. And if it is not maintained it will affect the Dominion generally?—It will affect those who have vested interests in the industry, it will affect the workers, and it will largely affect the revenue of the Dominion. The revenue would probably be affected to the extent of anything from half a million to a million a year.

9. Is there any likelihood of a near recovery in the price of flax?—We are hoping that the low price of fibres generally will have its effect on the production of manila, which fibre actually controls the price of New Zealand hemp.

10. *Mr. Bollard.*] Do I understand that in consequence of the low price of flax in foreign markets, and in order that the workers may get a chance to be employed, you ask that the award of the Arbitration Court should be reviewed with a view of fixing the wages at a lower rate?—I do not think it is necessary that we should work under an award. I think we ought to be removed from the operation of the Act.

11. *The Chairman.*] You want to be exempted altogether?—Yes.

12. *Mr. Bollard.*] What do the workers say to that?—The workers at the present time are out of employment, and are likely to remain so. I think what we ask is as much in their interests as in the interests of the millers.

13. *Mr. Arnold.*] What is the term of your award?—Two years, and it has been running since the commencement of July last year.

14. *The Chairman.*] It is about half-way through?—Yes.

15. *Mr. Arnold.*] Of course you ask that this legislative power given to the Court should be made general in its application?—Certainly, as concerning industries in which the price of the product cannot be governed by the cost of production.

16. So that the Court shall have power given to it to review its awards for the purpose of altering the rates or exempting certain industries?—I contend that the artificial fixing of the cost of production where the selling-price of the product cannot be regulated is wrong in principle.

17. Would you have machinery set up so that the Court would be compelled to consider or review an award on the application of either party?—I would confine myself to the suggestion that the flax industry should be removed from the operation of the Act altogether.

18. You have already said that it would have to be made general in its application: the Legislature would hardly pass a clause in the Arbitration Bill applying only to flax-milling?—As I have said, it is an industry covering the production of a very large area of land in the Dominion, and you cannot fix the cost of that production in accordance with the selling-value.

19. If you ask that flax-millers should be exempt from the Act I can understand you, but if you ask that the industry shall have its position reviewed periodically I want you to tell me whether it should be done on the application of either party?—I do not suggest that it should be reviewed periodically. I suggest that it should be removed from the Act altogether.

20. Your request is that the flax-milling industry shall be exempt from the operations of the Act—that is your whole point in a nutshell?—Yes.

21. *Mr. Ell.*] You say that although the workers have not given direct instructions it would be in their interests?—I think so.

22. They have not intimated to you that is their opinion?—No.

23. And you are not speaking directly on their behalf?—No.

24. Can you give me an idea of the cost of production since the award was made?—Roughly, we go back about £1 3s. in the cost of production per ton of fibre.

25. That is the difference in the wages formerly paid and now?—That is in wages, but I should say that the season of the industry is about nine or ten months, and until the operation of the award we were able to keep men on at overtime by paying time and a quarter, so that the worker was able to get a larger return for his labour than he is now, and the miller was also able to get twelve months' revenue in the nine or ten months that were worked. That also affects the cost of production somewhat.

26. How long is it that you have felt the falling-off?—The price has been falling during the last eight or nine months—that is, the closing-down of the mills commenced about six months ago, and is still going on. It is now a critical time, because millers have to decide whether they shall start during the current season or not.

27. How much has the price of the fibre gone down?—It has gone down from a maximum of £36 to a minimum of £19. £19 to-day is the price for fair, and £22 10s. is the price for good fair.

28. Roughly, about £15 a ton?—Yes.

29. If it had gone down £2 or £3 a ton from £36 it would not have made much difference?—No. I claim that the average cost of production is fully £25 a ton—that is, the growing of the green leaf and the cost of milling it. I maintain that no industry gives the same return as flax land.

30. *Hon. Mr. Millar.*] What was the cost of production in 1904 per ton of flax?—I was not milling in 1904.

31. Can you tell me what it cost in 1905?—No, I cannot give you figures earlier than 1906.

32. It is not much use asking you questions if you have only been a couple of years in the business: you do not know what royalties were paid in 1904?—No.

33. What are the royalties paid to-day?—The royalties asked by one of the large estates is 9s., whereas I claim it is costing 12s. 6d. to produce it.

34. Are you aware that a higher price than 9s. a ton for royalty has been asked?—Yes.

35. Three or four times 9s. a ton: I can show you a case where £3 was asked?—My knowledge is simply confined to the Wellington Province.

36. Your own knowledge is that it costs 12s. 6d. a ton?—Yes.

37. Now, do you think it is right that the worker should be asked to accept a reduction in the award of the Court, which has simply fixed a living-wage for him, while the owner of the flax is deliberately putting up the royalty?—It has been brought down.

38. Are you aware that five years ago it was only 5s. a ton in the green leaf in the Rangitikei district?—No. But I think Mr. Bell can tell you he started with flax yesterday at 6s. a ton, and his cost of production landed in Wellington is £25.

39. It is usual to dispense with the hands in winter time, is it not?—Yes, a large number of them. A lot of our men are Australians and Tasmanians, and like to have a spell.

40. And even if a higher price had ruled you would have had a difficulty in working your mills during the winter?—Yes.

41. Now, the cause of the fall in price was the financial tightness in America?—We reckoned that was one of the contributing causes.

42. And in every industry they had to "dump" in order to get over the crisis?—Yes.

43. Was there a steady fall in the price of manila year after year, or did it not come down with a jump?—It fluctuates very considerably.

44. It has been ruling above flax and you have not had a steady fall, but there was a big and very rapid fall which brought the price of flax down from £36 to £19?—Yes.

45. That was largely caused by the sudden fall in manila?—Yes, the fibres are somewhat in sympathy.

46. They are always used for the same purpose and will rule at about the same price?—Yes.

47. You ask to be exempted from the operation of this Act?—Yes.

48. Can you suggest any other means than that? Have you ever heard of a sliding scale in connection with certain industries?—No.

49. Are you aware that in Newcastle the wages in coal-mining are regulated by the selling-price of coal?—No.

50. Could not that system be adopted in connection with flax? When flax got up to £36 a ton the worker would be able to get a share of the profit as well as the owner, and if it came down to

£19 he would have to get a lower wage. In coal-mining, whenever the selling-price of coal is increased 1s. the miner gets 4d. out of that and a minimum hewing-rate is fixed?—I suppose there would have to be an understanding about the selling-price.

51. Could not the same thing be done with regard to flax?—I do not know how it could be done. We say it is wrong that our industry should have to suffer when men are willing to work for us, while Government is sending them to relief-works.

52. Men's necessities compel them to do many things, but the Arbitration Court is set up to see that they get fair conditions of labour. I believe the Committee would be prepared to open the case on general lines, but not to allow you to go outside of the Act; otherwise you would be free to employ whom you liked, pay what you liked, and be absolutely under no control at all?—At any rate, I think some machinery should be provided to meet such cases.

53. I quite agree that there ought to be a means of reopening a case and attempting to deal with such matters, but not to allow employers to go outside the operation of the Act so that they can just fix matters up to suit themselves. I think you would find other industries objecting to be bound by a law which permitted others to be free?—I trust I have made myself clear that we are entitled to some relief. The present position is injuring a lot of people.

54. I think the Committee fully recognise the value of the flax industry to the Dominion as a whole, and do not want to do anything that will cripple it. If we are going to deal with the matter legislatively, it will be contended that if wages are to come down royaties will have to come down?—I have been quoting the cost of green flax on land assessed at Government valuation, and not the actual cost of maintenance.

55. I was informed the other day that £3 per ton was asked for as a royalty on the green leaf?—I have never heard of anything more than £1 2s. 6d.

DANIEL MORIARTY examined. (No. 11.)

1. *The Chairman.*] What are you?—President of the Furniture-makers' Union of Wellington.

2. Do you represent your union here?—Yes.

3. You do not come as a representative of the Trades and Labour Council?—No, certainly not.

4. Have you seen the Industrial Conciliation and Arbitration Act Amendment Bill?—Yes.

5. Will you tell us what you think of it in your own way?—I would like to explain the reason why I am here to-day. Our union was practically ousted from the Wellington Trades and Labour Council because we took up a position which showed that we did not consider it represented labour. The Wellington Trades and Labour Council is controlled by about six or seven professional secretaries. Through their actions on the Council, and recognising that they were not representative of labour, we were forced to retire or to secede from the Council.

6. You were dissatisfied, and withdrew?—Yes. It was mainly on account of the Bill of last session. When that Bill came before the Council, one of the professional secretaries moved that a Parliamentary Committee be set up to deal with it, and report to the Council. Instead of doing this and giving members of the Council an opportunity to speak on it, they issued their famous manifesto. We, as a union, knowing that Messrs. Young, McLaren, and party were practically the Trades Council, and that they had summed the Minister of Labour up as a renegade and a parasite for introducing in the Bill certain clauses, and recognising that most of these clauses were what the workers wanted, sent a deputation along to the Minister to express our approval of the same. At the next meeting of the Council we had to go "on the mat" over it. The position of the paid secretaries is that they are trying to get into Parliament by any means, and it does not matter what measures where brought down they would cry out against them, so they moved a motion regretting our action in going to the Minister in connection with the Bill, and Mr. Young went so far as to say outside the Council that we were a blackleg union for doing so. When the nomination of candidates for the election of members of the Arbitration Court came out, the papers were sent direct to our union, and we nominated some one other than Mr. Young, the Trades Council's nominee. This also was reported to the Council, with the result that a motion was passed regretting that any union should be so disloyal as to refuse to accept their nominee. Of course, we explained the position before they passed the motion, and went so far as to tell them that if a Chinaman was standing against Mr. Young we would sooner vote for the Chinaman on principle; but it made no difference—we should have sacrificed principle to suit them. They then passed a further resolution to the effect that any union affiliated to the Trades and Labour Council which did not abide by the decision of the Trades Councils Conference should be expelled.

7. Were you expelled?—No, we drew out before that. They sent a deputation to our union, and Mr. Young, who was present, said there was no use in our going through the Bill at all, as he had given twenty-four pages of foolscap evidence on it himself, and that should have satisfied us.

8. You think the action of the Trades and Labour Council prevented your union expressing its opinion on the Bill?—Yes. The Trades and Labour Council was very anxious for our union to rejoin as they considered it would never do to have a split in the labour ranks, so they sent along the deputation to our meeting; but we pointed out that the resolution passed by them that every union had to obey loyally under fear of expulsion did not suit us. The position is that the paid secretaries have all the voting-power on the Council in their hands. Mr. Young, for instance, is secretary of two unions, with twelve delegates, and unless one agrees to what these secretaries say they will take some means to get them out of the Council, even if it comes to a free fight, or threaten to shoot one, as a friend of one of the secretaries did in my case. With regard to this Bill my union has gone thoroughly through it, and I will state the matters we object to. We object to clause 4 because it does not state that one employer may cause a lockout. We con-

sider it should be made clearer that one employer can cause a lockout. In clause 5, we recognise that for a union to strike while working under an award is an offence, but we want the words "or not" struck out, because we consider it is only a fair thing when an award is not in force.

9. You only want to bind a union which is registered under the Act and working under an award?—That is so. Clause 6: We want the words "where an award is in force" included, to carry out our meaning with regard to clause 5. In subsection (3) of clause 6 we want inserted, after the words "publishes in any newspaper any expression of approval," the words "or otherwise." Subsection (4) of the same clause we strongly object to. There might be only seven men in the union, as, for instance, take the glass-bevellers.

10. *Hon. Mr. Millar.*] It would have to be proved that there was a combination?—It says, "the majority of the members of the union."

11. That is to fix it on the union. If the majority indorsed the strike, then the union would be responsible?—In regard to clause 9, we object to give twenty-one days' notice of intention to strike. If that is carried there will be no strike at all in those industries.

12. This applies to specific trades: Do you think the stokers in a gasworks should be allowed to leave a town in darkness, so that people could commit all sorts of depredations and assaults?—But take a union trying to come to an agreement with its employers.

13. The trades to which this clause applies are engaged in what may be called the necessities of life. You know thousands of children and invalids are dependent on milk, and cutting off the supply suddenly may mean death?—Yes, but twenty-one days is too long a time. Cut it down, because the employers have all the benefit of it. They could get blacklegs in that time.

14. *The Chairman.*] How many days would you give?—I reckon twenty-four hours is quite sufficient. Our union has not given that clause very serious consideration however, because it does not affect us.

15. *Hon. Mr. Millar.*] It is in the interests of the public as a whole?—Yes. We object very strongly to clause 10. We consider the penalties already sufficient without suspension of registration for three years. If you had one or the other it would be a different thing.

16. But if it is made optional by the Court?—It should be one penalty for one offence. Clause 21: We consider that fines could be collected in the ordinary way as a debt, not by stopping a man's pay through his employer.

17. Do you think it is right that a single man should pay a penalty as well as a married man?—Yes, certainly.

18. Well, you cannot always get it from a single man?—If I were fined for striking at any time I should be very sorry to have my employer stopping it from my pay.

19. We desire to have an effective way of getting it paid?—A man would be practically the slave of his employer. With regard to Part III, "Conciliation," we are surprised to find a number of the clauses in last year's Bill are missing, and think the Minister must have listened to the labour agitators and taken notice of their manifesto. If any evidence was needed to show the necessity for Industrial Councils, and that they were approved of by labour, there was the instance where Mr. Young, who was loudest in his condemnation of this clause, sat with the Hon. Mr. Millar as the independent chairman to settle the seamen's case, which they did with good results, and that was purely an Industrial Council. Where there is only one man provided for to sit with the Magistrate, as it is here, there is a big chance of his being bought over

20. Supposing we made it three men, and gave the Magistrate no voting-power, would you approve of that?—Yes. No employees are afraid to meet their employers. The cry against the clause came from the agitators, because they are anxious to appear before the Conciliation Board and get their £1 per day, or whatever it may be. It is therefore not in their interests to have Industrial Councils. Clause 32: No barrister or solicitor should be allowed to appear in these matters. They cannot appear at present.

21. It is to prevent them coming in that the provision is made. At present they can appear if both sides agree?—Is that so? Well, you should make it clear that they cannot come in at all. In the "Miscellaneous" we object to the number forming a union—twenty-five—on the ground that it is too big. For instance, take the glass-bevellers. So far as I know, there is only one firm engaged in this industry, which has a monopoly. There are only six men employed in it, and they have no chance of forming a union until there are seven. They applied to our union, and we took them in. We asked the employer to meet us in conference and make a special agreement for his men, and he said he was going to resist in the Arbitration Court any attempt to bring him in under our union. He will be able to treat these men as he likes, and if the number is made twenty-five they will have no chance of forming a union if the Court refuses to allow them to come into our union. We object very strongly to section 47. The unions now are practically forced to vote for any one the Trades Council nominates. It is a waste of time to send out circulars asking for nominations from the unions.

22. The object is to prevent the appointments getting into the hands of three or four big unions. On the other hand, it is not right that a union of seven members should have the same voting-power as a union with six thousand?—One vote for fifty members would give the wharf labourers about forty votes.

23. *The Chairman.*] You would have, one union one vote, the old practice?—My idea of getting the right man is that at the special meeting the vote should be taken, and in sending in the returns the secretary should state how many men were at the meeting.

24. *Mr. Ell.*] How would it do to take the vote by ballot?—It is really a waste of time sending out papers at all if the Trades Council forces the hands of the unions. Clause 49: We object to the worker receiving any back pay at all, and consider the Government should take it for charitable purposes.

25. *Mr. Poole.*] Would you allow any expenses to the worker?—It should be in the power of the Court to say that all back pay should be handed to the Government without further legalities.

26. *The Chairman.*] In that case, do you think any cases would be brought?—The unions would prosecute the employer every time.

27. *Mr. Poole.*] What about the union's expenses?—The Inspector of Factories does all the work for the unions, and in cases where he refuses to act the union should be able to apply for its expenses if successful. That is the present state of affairs. Clause 52: We want twenty-one years to be the age limit of apprenticeship. In the skilled trades the trouble is with the permit system. We have had instances where the employers, after a young fellow has finished his time, consider the rise from £1 5s. a week to £3 to be too big, and have got him to apply for a permit. The Court says that the lowest wage a man shall get is so much, and he should get it. But when a man becomes incapacitated through age he should be allowed to get a permit. If the age for an apprentice is limited to twenty-one, we shall be able to watch him all the time in the factory until he gets the minimum. We have had several instances where men from Home anxious to get employment have applied for a permit in order to work for less than the minimum. If a permit is refused as at present the person can apprentice himself at a wage agreed on by his employer.

28. *Mr. Barber.*] How many years is an apprenticeship in your trade?—Five.

29. Then, if a lad were over sixteen he could not become an apprentice?—No; and any lad wishing to learn the trade would start before that age. Clause 53: We want it stipulated that permits must come before the unions first.

30. *Hon. Mr. Millar.*] If the clause is amended to provide that if the permit has been refused by the union the application may be made to the Inspector, would that do?—That would suit us. We want the application to come to us first, and then the applicant can have the right of appeal. Clause 57: The needs wage and exertion wage.

31. *The Chairman.*] That, you will notice, is optional?—Yes. There are only one or two minimum-wage men in the shop I work in, and in our trade the employers voluntarily pay higher wages to good men, and we have got men getting as much as £3 15s. a week, while the minimum is only £3 0s. 5d. If a man is a good man he will always get a good wage. I think the clause would be the cause of a strike, and I am very strongly against having it there. Clause 61: We object strongly to having the Assessors on the Court of Arbitration. They cannot be parties to the dispute, and must be workers in the industry. We should have to send away perhaps to Christchurch to get a man to act for us. The Court is best able to be guided by the evidence put before it. If you had a worker acting as an Assessor, it would be easy in some cases for an employer to buy him over. There was a clause in last year's Bill we should like to see inserted—that giving the unions power to collect subscriptions from non-unionists. In citing employers to appear in a case, we consider that the *Gazette* notice of the setting-up of an Industrial Council in any particular industry should be sufficient citation for that purpose, and the Court also. It seems to me a lot of red-tape to be compelled to cite every man in a whole district.

32. As was done in the case of the Canterbury farm labourers?—Yes. We think a *Gazette* notice should be sufficient.

WILLIAM ALLAN examined. (No. 12.)

1. *The Chairman.*] Do you represent the Wellington Furniture-makers' Union?—Yes; I am vice-president

2. Do you confirm the evidence given by Mr. Moriarty?—Yes.

THURSDAY, 6TH AUGUST, 1908.

WILLIAM PRYOR, examined. (No. 13.)

1. *The Chairman.*] You appear on behalf of the New Zealand Employers' Federation?—Yes.

2. You are secretary of it?—Yes.

3. You have seen and considered this Bill?—Yes.

4. Has your Federation done the same?—Yes, it has been considered by the Federation throughout the Dominion.

5. And they have communicated the results to you?—Yes.

6. And you are here to voice their representations?—That is so.

7. Will you please tell us what you think of the Bill?—The Federation as a whole, as Mr. Booth said in his evidence the other day, considered the Bill an honest attempt to deal with a very difficult problem and to arrive at a solution of the difficulties which present themselves to Parliament and to the country at the present time; and because of that belief the Federation is desirous of helping as far as it can Government and Parliament in their efforts. I want to impress that upon the Committee, Mr. Chairman, so that, while in a measure there is criticism of the Bill in what I have to put before the Committee, I wish it to be understood that the criticism is in no way factious, but is given with a desire to help our legislators. I would like to say with regard to Mr. Booth's remarks about going slow—if you remember he made a particular point of that——

8. Of the workmen going slow?—Yes. He pointed out that without striking at all the workers could gain their ends by deciding to minimise the output; and, to show that some workers and unions recognise that as a very strong power, I would refer the Committee to the remarks of Mr Park, an Otago delegate to the recent Trades and Labour Conference, where he definitely advised that course being pursued.

9. Have you the words?—I have not them here. I intended to bring them.

10. *Mr. Arnold.*] Can you tell us the date of the newspaper in which they appeared?—I will send the exact words to the Chairman.

11. *The Chairman.*] You will put them in?—Yes. [Extract from *Wanganui Herald* of 23rd July, 1908: Report of Trades and Labour Conference.—Mr. Park (Otago) held that the new Bill was turning Mr. Millar out of the House. "We are not," he added, "allowed to strike, but if we like to take the matter into our own hands we can force a lockout. We have only to agree to minimise the output, and where would the employers be then? It would be impossible to carry out the strike penalties."] Mr. Booth's remarks were not based on what was said by Mr. Park at that Conference or on anything that was said at that Conference. I asked him afterwards if he knew about Mr. Park's statement, and he said "No," he was just expressing what he felt could be done by the workers if they so desired. Further, in this connection I may say I was recently conducting a case for the employers before the Arbitration Court and got it from a witness on oath that the secretary of the union had gone round among the workers and told them not to hustle, as the award fixed their wages—the wages were not dependent upon the amount of work they did.

12. Can you give us the date of that incident?—I would rather not, Mr. Chairman, because it would probably cause a rumpus between the man and the union. I must ask you to take my statement for what it is worth. There was some question raised as to Mr. Booth's claim about the loyalty of the employers generally to the Arbitration Court award.

13. To the whole system?—Yes, that is so. With regard to the employers' loyalty to the Arbitration Court awards I would point out that, although the number of cases for breaches of the awards against employers is much larger than the number of cases brought against the employees, that is not to say that the employers are comparatively more disloyal to awards that the workers are. In many of the cases where employers are cited for breaches of these awards it means that workers have also been guilty of these breaches although they have not been cited. I do not mean to say they should have been cited, because I believe in cases where workers have laid themselves out to commit breaches and have been in collusion with employers, the Department has been just as ready to cite those employees as it was to cite the employers, and in many cases it has done so. The point I want to get at, however, is that if the cases against the employers were analysed it would be found in the great majority of instances that the breaches were due more to inadvertence, carelessness, and ignorance, than to an absolute desire to commit those breaches. The Federation has always strongly insisted upon employers being loyal to both the Arbitration Act and the Arbitration Court awards, and the instructions to the secretaries connected with the Federation from myself down are that we are not to protect the employer who lays himself out to commit breaches of an award, because, beyond all other reasons, we recognise that such employers are, so far as they do that sort of thing, taking a mean advantage of the fair employer. You yourself, Mr. Chairman, during Mr. Booth's evidence, referred to the permit system, and I judged from the tone of your remark that you were under the impression that the permit system was operative, as it was meant to be, and put into practical operation. I want to say that that is not the fact—that the permit system, as we know it at present, is to a large extent a dead-letter, and that by reason mainly of the opposition of the union officials to the granting of any permits. It is also due partly to the fact that the Chairmen of Conciliation Boards, to whom in some cases application has to be made for these permits, are not in such close touch with the employees and their work as it is necessary that those who grant these permits should be. The Federation is supporting strongly that Inspectors of Awards should have the power to issue these permits, because the Department's Inspectors are every day, and every hour of the day, practically coming into touch—and into close touch—with the workers and the work they are doing. In that way they get a knowledge of the capabilities and the limitations of workers, and we feel that they would give this system a chance that it has never had previously. They would consider the applications from all points of view, and we have sufficient faith in them, at any rate, to believe that they would give impartial decisions in connection with the applications. We do not want that the under-rate workers' clauses in the awards should be used unlimitedly, or that permits should be given promiscuously. That would operate just as hardly against the bulk of the employers as it would against the bulk of the workers. We do say, however, that these clauses were put into the awards to be made fair use of, and that has never been done. Turning now to the details of the Bill, I will just go through the items as I can, and I will place in your hands, when I have finished, this document which shows what the Federation requires, without explanation, so it is necessary I should give reasons for what the Federation is asking for. Section 3, subsection (1), dealing with "Strikes and Lockouts": The first line reads "In this Act the term 'strike' means," &c. If that is left as printed the question of what is a strike or what is not a strike will be limited to the definition set down in the clause. We ask, therefore, that the wording used in the New South Wales Industrial Disputes Act be inserted. We ask that the word "means" be deleted in line 15, and that after the word "strike" be inserted the words "(without limiting the nature of its meaning) includes." That would make the first line in this clause read, "In this Act the term 'strike' (without limiting the nature of its meaning) includes" so-and-so. We also ask that the same wording shall apply to lockouts, in section 4, where the same alteration is necessary. We ask for an addition to section 4, suggesting that it be subsection (*d*).

14. A new clause?—Yes, to this effect: "This section shall not apply in the case of any employer or employers finding it necessary to close his or their places of employment or any branch or branches of his or their business or businesses in consequence of a portion of his or their workers having gone out on strike." We think it is only fair to ask for some such protection as that to employers who may find themselves in difficulties when a strike has taken place. Section 5: You

will notice that in dealing with penalties the wording is different to what is usually the case in these matters, and the cause says "shall be liable to a penalty of" so-many pounds. We ask that throughout the section the words "not exceeding" the amount stated shall be inserted. We ask for the same addition in connection with section 6. Subsection (2) of section 6: We ask that this should be altered to read "Every person, industrial union, industrial association, trade-union, or other society or association who or which makes any gift of money or other valuable thing to or for the benefit of any person, industrial union, industrial association, trade-union, or other society or association who or which is a party to a strike or lockout shall be deemed to have aided or abetted the strike or lockout within the meaning of this section unless such person or persons prove they so acted without the intent of aiding or abetting the strike or lockout.

15. Shortly, you would make that section apply to not only persons but associations?—Yes. We think it is too restrictive, and should be made to include all who are likely to commit breaches of this section. Section 7: We ask that after the words "Inspector of Awards," in line 48, should be inserted the words "or any party to the award or dispute." The section, as it reads at preesnt, gives only the Inspector of Awards the right to take action in connection with strikes or lockouts. We ask, as is at present the case, that any party to the award shall have the right. Experience teaches us in these matters, Mr. Chairman. You will remember that in connection with the Blackball strike the Attorney-General gave an opinion with regard to the meaning of "aiding and abetting," and the Federation took the very best legal advice in connection with the matter, which was to the effect that the Attorney-General was not correct in his interpretation. As a matter of fact the Federation arranged that the Blackball Company, a party to the award, should take action to have the question decided; but just at that time the Minister of Labour publicly stated that it was his intention to alter the Act to make it quite certain that what the Federation desired would be given effect to, and the intended action was therefore not taken. We ask that the power given to any party to the award existing in the present Act should not be taken away in this Bill. Section 9, subsection (2), paragraph (*g*): This refers only to the retail sale or delivery of coal, whether for domestic or industrial purposes. We feel that is getting at perhaps the least important part of the matter, because if the section does not apply to the mining of the coal it will be absolutely ineffective, and we ask that this subsection should read, "The mining and sale or delivery of coal, whether for domestic or industrial purposes."

16. As it stands now it does not cover the getting of coal?—That is so, and therefore it does not get at the root of the matter. We ask that paragraph (*h*) of the same subsection should be made to read, "The working of any tramway, railway, or other carrying company or business used for the public carriage of goods or passengers, and all labour incidental thereto." We take it that the intention of the Government in this clause is to prohibit strikes in connection with our transport facilities, and what might be called our public utilities, and the clause as we suggest it is framed with that intention. Paragraph (*i*) of this subsection (2) reads, "Any industry or occupation of such a nature that any danger to the public health or safety, or any injury or destruction of the property of the employer, has resulted from the strike." We ask that after the words "has resulted" should be inserted the words "or may result." You will at once see the necessity for an alteration of that kind, as the whole of the intention might be there, the whole of the damage might be probable, and we think the country should be protected from this danger, and not have to wait until after the damage has been done. We think the clause will be much more effective with those words in it. Section 10, dealing with the suspension of registration of a union convicted of certain offences: The Federation considers this an important point, and asks that provision should be made that a strike, immediately it occurs, should automatically suspend an award without waiting for the sitting of the Court or the hearing of the case by a Magistrate. We feel that where a strike has occurred neither the employers nor any other of the parties should be bound by the terms of the award. As a matter of practice now, I presume, as, say, in the case of the bakers' strike in Wellington, had the employers not been able under the circumstances to abide by the provisions of the award strictly, the Department would not have taken action against them; so it is only asking to have made law what is the existing practice. I take it that that might be fairly claimed to be the practice of the Department, because I feel sure, from my own knowledge of the fair method by which the Department conducts its business, it would never take action against employers placed in such a position. Then, subsection (3) of section 10 reads, "During any such period of suspension the operation of any award or industrial agreement in force at any time during that period shall be suspended"—I want you to note this—"so far as the award or industrial agreement applies to persons who are members of that union or association,"—it only applies to them—"or who were members thereof at the time when the said judgment or conviction was given or obtained, and also so far as the award or industrial agreement applies to the employers of any such persons." Now, what would be the effect of the operation of this clause? The effect would be that, if a strike took place in any industrial district, only certain persons would be freed from the operations of the award—certain other persons would still be bound by it. That is the position, which clearly would not be practicable, and which Parliament itself could not expect would be submitted to. An award must either govern the conditions of the given trade in the given district altogether and absolutely, or it must be altogether and absolutely suspended, and so we object to the partial suspension; it must be absolute.

17. Let us be quite clear as to what you mean. You are sure you have stated the position correctly?—As we see it.

18. If a strike of furniture-makers took place in Wellington the effect of this clause would be the suspension of the award under which they were working, would it not?—Only partially.

19. But would you have it to affect all other workers in the Dominion?—No. The intention is that it should apply to all those furniture-makers under this award.

20. Who were members of the particular union?—Members of the union or association. As the Bill reads, it would apply only to those who are members of the union or association. Any award applies to all workers who are working under the award, whether members of the union or association or not.

21. Do I understand you to mean that you would have the suspension apply to all the workers in that industry in that district in which the strike had taken place?—Yes. Shortly put, our claim is that when the suspension takes place, so far as the award is concerned, it should be absolute. We cannot see that it is practicable to have a partial suspension—that it should affect certain parties to the award and not others.

22. Whether members of the union or not, so long as they are working under the award?—Yes, we want it to apply to all who are working under the award. Part II, dealing with enforcements: Section 13: We ask that the words "not exceeding" be inserted where required, as mentioned before. The section provides for penalties for breach of award or industrial agreement, and we ask that it should be worded somewhat on the lines of the present Act—section 101, subsection (*c*)—where it provides specifically that the Court may either dismiss an application or impose such fine for a breach of award as it deems just, and in either case with or without costs. Section 14, subsection (1): The Federation is opposed to Magistrates as such taking enforcement cases, which it thinks should be taken by the Arbitration Court only, or, if Conciliation Councils are set up and a permanent Chairman appointed, they should be taken by them. I would like to say that the Federation recognises the difficulty presented to the Minister in connection with this matter. It recognises that, while it says the Arbitration Court is the best tribunal to deal with these enforcements, the unavoidable delay that takes place is a fair cause of grievance, especially so far as the unions are concerned, and the Federation would very much like to assist the Minister in making a provision which would be acceptable to both sides. At the same time the Federation feels that the putting of enforcement cases into the hands of Magistrates—gentlemen estimable enough, no doubt, but not accustomed to the studying of industrial questions—would not prove satisfactory, for unless those who deal with these matters understand industrial questions there will be a great deal more dissatisfaction than is caused by the delay under present conditions. I make these remarks, Mr. Chairman, because I want to impress the Committee with the fact that we are desirous of assisting as far as it is possible in the making of a law that will be satisfactory to both sides. Subsection (3) of section 14: We ask that all the words after "Inspector of Awards" be struck out. The effect of this will be to cause all enforcement cases to be taken by the Inspector of Awards only, and will prevent them being taken at the suit of any party to the award or industrial agreement. We think that, if an employer or union reports what is considered to be a breach to the Department, the full inquiry the Department makes from both sides will be a protection that the interests of both sides will be fully conserved; and that if after such inquiry the Department considers there is no case to go before the Court that should end the matter. I know of my own knowledge that the Department has frequently been compelled to bring cases for enforcement before the Arbitration Court which it felt were both unfair and unjust. It has brought them to get rid of the importunity of active union secretaries sometimes, and in other instances for the protection of the employers and the Department itself, because it knew that if the cases were taken by the union it would not be presented in such a fair manner as by the Department's officers. If cases are to be taken by Magistrates we should like provision to be made for laymen to appear on behalf of the employers. Our secretaries do not as a matter of course take enforcement cases, but it is advisable for them to do so occasionally, and it has happened quite frequently that because of their knowledge of the Act — and more particularly because of their intimate knowledge of the award clauses and the intention of the framers—they are absolutely the best persons to take these cases. Just recently we had a case in connection with the flax-millers' dispute, which involved an amount of £2,000 a year to the flax-millers of the industrial district. The Department believed the employers were right in the course of action they took, but I understand the Crown Solicitor in Wellington and the Crown Prosecutor in Palmerston thought there had been a breach of award. I personally conducted the case on behalf of the employers, whose contention was upheld by the Court. If that case had been taken in the ordinary way by a solicitor who had not the knowledge of the working of the award that I had, the employers are of the opinion that he would not have been in so good a position to conduct it as I was. I do not mention that in any egotistical spirit, but just to give point to the necessity for provisions to be made permitting laymen to appear in enforcement cases on behalf of employers. Section 15 provides for the giving of two days' clear notice of intention to defend. We ask, if that is kept in the Bill, that it shall be made imperative that sufficient notice shall be given to those persons who are cited, and we suggest fourteen days. In many cases we confer with the Department, and, generally speaking, signify what course will be taken. We want it laid down that sufficient notice shall be given, because if it is only one or two days there will probably be no time for this to be done, and the defendant's position might be very much prejudiced unless that provision were made. Section 16: In any such action the Magistrate may give judgment for the total amount claimed, or for any less sum as he thinks fit. We ask that the words "the total amount claimed," in line 10, be deleted, and the words "an amount" inserted. The Federation considers that the section as printed imposes upon the Magistrate the duty of imposing a fine.

23. No; it says, "may give judgment"?—At any rate, it infers there is an amount claimed, where as a matter of practice there is no amount claimed; there is only a citation for breach of award, and the amount is left to the judgment of the Court.

24. You mean that there is no definite amount put into the claim, but there is an uncertain amount claimed?—There is no amount claimed. There is a citation for breach, and an amount by the Department is never claimed. If there is no amount claimed for any breach the Magistrate will give judgment simply according to the merits of the case.

25. I think there is a little mental confusion in your mind connected with this matter, but I will make a note of what you suggest?—In connection with this section 16 we make our old claim that section 101, subsection (*c*), of the Act be altered in so far as it prohibits costs being given against the Inspector. Section 21: The employers have taken up this stand: that, while they feel this will be a very difficult proposition to put into operation, and may result in some cases in the employers having to pay the fine out of their own pockets, and in other cases in hardship being inflicted on a worker through the brand of "striker" being put upon him, and consequent difficulty in his getting work from some employers, still, as it is admitted to be absolutely necessary that there should be some compelling force behind the Court's decisions, they must give their approval to the proposition. The Federation assents solely on the ground that, unless the employers thus assist, the fines in many cases will be quite unenforceable. The Federation gave a considerable amount of attention to this matter to find out if it were possible to make any suggestion to the Minister by which the fines could be made enforceable by some other means. We were quite unable to do so, and therefore give what, after all, must be admitted to be a qualified approval only of the proposal. Subsection (5) of section 21: We ask that the words "on demand" be inserted before the word "pay" in line 23. We think the employers, if they thus agree to assist the Government and the Department, have the right to ask that it should be the duty of the Department to go to the employer for payment of the amount he should so collect, and that it should not be made an offence, and that it should not be within the power of the Government or Department to make it an offence, if an employer forgot to pay the amount. Section 24: In this section, if a union is in default in connection with the amount of the judgment, members then are liable to the extent of £5 each. Now, the principle of the Bill right through has been to make the penalties not easier, but heavier. The present Act makes every member of a union liable to the extent of £10, and we fail to see why there should be any reduction in this case. Take the bakers' strike as an example: The very fact that the Minister decided to take action against the individual members instead of against the union, and the fact that these members are individually liable to the extent of £10, has, I think, at any rate, been an element in causing the strike to fizzle out as it has done; and to reduce the fine in a case of this sort would be simply making the work of the Minister and of the Department harder and less effective. We do not wish to be thought to be hard on the workers, or harder than necessary, and, seeing that we have agreed to the immensely increased penalties—or not raised objection to the immensely increased penalties proposed to be placed on the employers under this Bill—we cannot be accused of being harder on the workers than we agree to be ourselves in connection with the fines. We would also like to see provision made in this section giving power to the Government to attach the funds of a union immediately a strike has taken place. If the Minister had had that power in connection with the Blackball strike I venture to say there would have been no difficulty whatever in collecting the fine of £75.

26. *Hon. Mr. Millar.*] It was imposed by the Court in that case. I suppose the union would do the same as the Blackball men did?—What was that?

27. Divide their funds before they struck?—I understood it was after they struck.

28. They did, but other unions might withdraw their funds before they struck?—In many cases the strike takes place before they have time to do that sort of thing. At any rate, we make the suggestion with the idea of assisting the Department. Part III, Conciliation Councils: In connection with this Part of the Bill, the Federation is taking strong exception to the setting-up of Conciliation Councils. Set up as suggested they would simply perpetuate, if they did not aggravate, the position in which we find ourselves to-day in connection with the Conciliation Boards. The Federation suggests, as put forward by Mr. Booth, the appointment of conciliators, or Conciliation Commissioners, as they are termed in this proposal, to whom all disputes should be referred, and whose main duty it would be to endeavour to get the parties themselves to confer and come to a mutual agreement. I want to say that so long as we have the element of compulsion, and so long as we have the chairman in connection with this conference with a vote, so long shall we have failure in dealing with matters by conciliation; and having given a great deal of thought to the matter, and as one who is intensely desirous of arriving at something that will bring us, at any rate, a measure of industrial peace, I feel that if the Federation's suggestion were adopted it would go further in that direction than anything which has been proposed so far. I believe the public conscience is behind us in this matter, and would be glad indeed if the Committee could see its way to accept our proposal and give it a trial. Now, it might be said that if you appoint a chairman without a vote and with assessors representing each side you would get out of the difficulty. I am positive, however, you will not get out of it in that way, because, as I have already said, so soon as you do so you destroy the true spirit of conciliation. Immediately the Government appoints these people you will have the employer's representative on the one side and the worker's representative on the other battling for all they can get. You will have no spirit of conciliation unless the parties are invited to meet and to try and come to an agreement. The result of an invitation of that sort would be that a considerable number from either side or both sides would gather at the invitation of the Commissioner, supposing one were appointed. In answer to that possible objection, and speaking as the result of experience, I say, let them come so long as you have the right man as Industrial Commissioner, and let them have a go and blow off steam, and I believe that will be one of the biggest elements in arriving at a final solution and agreement. If the chairman so appointed is worth his salt at all, the result of this blowing-off of steam will be that he will find out what are the non-essentials, at any rate, in the dispute, and they could be disposed of. He will find out what are the more important points upon which there is the greatest variance on one side or the other, and at a certain stage in the conference, by the exercise of a little tact and diplomacy, he would get the parties in most cases, if not in every case,

to agree to refer the dispute to a committee of the parties who were there and interested in the whole thing; and finally he would be able in many cases to get the representatives to come to an agreement in connection with the points of difference. An illustration of what I am speaking about: I might say that I was present at the conference in Westport when the agreement in connection with the Denniston coal-miners was arrived at. That conference, which had Mr. William Scott, of Dunedin, as chairman, commenced with, I suppose, thirty or forty people in the room. There could not possibly have been more ill feeling displayed or strong language used. There could not possibly have been, apparently, less prospect of an agreement being arrived at, but the final issue was absolute and complete unanimity on all the points in dispute. You have also a splendid example of settlement by conference in this way in the wonderful work done by the Minister of Labour himself in connection with the seamen's dispute. At the outset, as Mr. Millar will admit, the parties were completely at variance, but with the use of tact and diplomacy—a little persuasion on one side and then on the other, the employers retiring from the room on some occasions and the workers on other occasions—the final result was a settlement which I am persuaded will be loyally observed by both parties no matter what may occur. There was one of the biggest things in New Zealand that could possibly be put before a conference for settlement in that way. Take the recent railway troubles at Home, where Mr. Lloyd George came in as mediator, and where a notable settlement was arrived at. Mr. Millar himself, I know, has a copy of a scheme of settlement by conciliation in operation with a big federation at Home, and under which very good work has been done. Now, what are the elements that make for settlement in such a proposal as the Federation submits? First, there is no compulsion. The parties meet by invitation; if they do not, then nothing is done. Second, the chairman has no vote at all, and I believe that is the weakest spot in the weak system we have at present. Third, the agreement come to in this way by the parties themselves will prove more lasting and will be more loyally observed than by any other system which could be devised. I believe, Mr. Chairman, if the scheme I am advocating at the present time is put into operation the estimate of the Hon. Mr. Reeves, that 75 per cent. of the cases would be settled by conciliation, will be nearer to realisation than by any other system of arbitration or conciliation. I do not say you may expect that every dispute will be settled in that way—there may be none settled for a month or two; but once the scheme has a fair chance of showing what can be done under it good results will follow. I have to apologise for taking up so much of your time, Mr. Chairman; but I believe the success or non-success of the legislation which will be devised at the present time will largely depend upon this phase of the question.

29. Voluntary instead of compulsory conciliation?—Yes, voluntary absolutely. Then, failing settlement in this way, I hold strongly that all disputes should go to the Arbitration Court—that should be the only tribunal. Further, if the Conciliation Councils proposal is gone on with and Chairmen are appointed, we ask that permanent Chairmen shall be appointed. I want to impress upon you, as Mr. Booth said the other day, that, while employers will be absolutely loyal to the legislation and give it a fair and honest trial—and I know of what I speak when I say it is the intention of the Federation, which represents the whole of the trading and manufacturing employers throughout New Zealand, to insist upon its members truly and loyally abiding by the law, whatever it is—we fear, and fear with exceeding fear, if I may so put it, the proposal to appoint Magistrates as Chairmen of these Conciliation Councils. We shall have to fight such a proposal step by step and use every means in our power to prevent that becoming the law if it is so suggested. The interests the employers have at stake are too great to intrust such an important matter as the settlement of industrial disputes to any persons other than those who make a study of industrial matters. Magistrates will take this work up as something aside from their ordinary work—their minds and their interest are all directed towards their magisterial duties — and, however good their intentions may be, if they do not give their minds absolutely to this work the results will be too serious to contemplate. Now, taking section 26, we ask that the words "unless both parties shall agree" be inserted after the word "Court" in the second line. That is, if both parties agree to take the dispute to the Arbitration Court they shall have that power.

30. That is going back to the old law before the Willis amendment?—Yes. Section 27: There is no provision for an employer or employers to make application for a case to go before a Conciliation Council, and we must have that. Suppose there is an award in existence, and it is an unfortunate award from the point of view of the employers. They will be bound by that award during the time for which the award is made, and under this section, no matter how serious it may be to the interests of the business or industry affected by it, the employers would have no power to apply for a variation. I feel quite sure that never was the Minister's intention, and that we have only to mention it to get the alteration asked for. Section 31: There is no provision for the appointment of a substitute as a member of the Council in the event of sickness or death, or of taking the oath of secrecy in connection with the Council. Section 34: We ask for the insertion of the words, after the word "may" in the first line, "after due notice has been given to the parties concerned." Parties may be added to a dispute without getting any notice. It is such a fair request there is no need for me to say any more about it. Section 35: The Federation asks that all agreements shall be made awards of the Court. We know that several agreements have been attacked for different technical reasons, while an award of the Court cannot be so attacked. You may remember the Wellington slaughtermen's strike, where the prosecution failed through a technical blemish; and just recently in the South an agreement was entered into with the same faults as the Wellington agreement. I think it is desirable that where agreements are made—they are made in all good faith—the law should make them as binding as possible. Section 36, subsection (1): We ask to be deleted all the words after the word "fit" in the fourth line. We think that when a dispute passes through the Conciliation Council to the Arbitration Court it should

be begun again *de novo*, and be decided by the Court on its merits. No dispute, or any party to a dispute, whether employer or worker, should be weighted by any impression on the mind of the Chairman or member of the Council. The same proposal applies to section 37. Section 39: I ask the Committee to look at the peculiar position we are placed in here. If the Conciliation Council make recommendations any of the parties to the dispute may sign a memorandum of agreement, and the parties who so sign are bound by the conditions of the agreement. Those who do not sign are not so bound. I want to point out the unfairness of this. In connection with the Wellington cooks' and waiters' dispute, it will be within the recollection of the Committee, certain recommendations of the Conciliation Board which were very much objected to by the employers were in operation for twelve months. Now, it was widely known that some of those recommendations were absolutely unworkable and unenforceable. It was just as widely known that, so far as some of the employers were concerned, some of the conditions were so irksome as almost to warrant a strike of the employers, if I may so put it, and yet the secretary of the union was able to go, after the agreement had been in operation for months, and secure signatures of parties consenting to be bound by a thing like that.

31. By employers who had not been signatories in the first instance?—Yes, who were not bound. You can get printed forms for that sort of thing, and after signing one of these forms some of the employers did not discover until the agreement was put in operation against them what they had signed.

32. That was not through the smartness of the secretary, but through the indifference of the employer?—Yes, and I want to make that clear in fairness to the secretary, because I do not blame him. All that would be necessary under this clause would be for the union secretary, immediately after the recommendations were made, to get hold of the employers who had not taken any notice of the case, and get them bound; and I do not think that is the intention. It would be better to leave the law as it is at present, so that if there are any objections they should go on to the Court. Subsection (2) of section 39: There is another very strong objection to this. It is proposed that the Council's recommendations should operate pending the Court's decision. A recommendation is made in connection with a certain industry; the recommendation comes into operation; those who are under that recommendation will perhaps have to alter the whole incidence of the working of their trade or industry in order to obey that recommendation. Then the matter is referred to the Court, and the recommendation is wiped out and an altogether different award made, and again those who are bound to obey have to alter the conditions under which they are carrying on their industry. It is absolutely impracticable, you see. Section 49, Part IV, "Miscellaneous": We ask that this clause be retained as printed; we think it is very necessary. Section 51: We think this clause should be altered to provide that an employer "shall allow" a copy of the award to be fixed in some conspicuous place. If you put the onus of fixing it up in some conspicuous place and keeping it there on the employer, you put him at the mercy of any one who cares to tear it down and sue for a breach of award.

33. It does not say who shall do this. It says the occupier of the shop shall be fined for not doing it?—That is what it means—the onus is on the employer. That was the intention, and we say it is wrong. We say that if the employer allows a copy of the award to be put up, that is sufficient.

34. *Hon. Mr. Millar.*] It might be provided that he shall not be fined if he proves that he put it up?—As a matter of fact, there is no need for the provision, because nearly every union has its award in book form, and these large copies of awards are awkward to put up and are easily destroyed. Section 53, subsections (1) and (2): The Federation asks that these clauses be retained as printed. I have given my reasons already why the Inspectors of Awards should issue the permits. These permits are granted for a certain time, and we ask that a permit shall remain in force until fourteen days' notice is given to the employer that it shall cease.

35. *The Chairman.*] That it shall be valid until notice is given to revoke it?—Yes.

36. *Hon. Mr. Millar.*] That would not do in many cases. A young fellow comes out from Home and wants to complete his apprenticeship here, but cannot do that very well, and it would be perhaps quite right to give him an under-rate permit; but assuming that he has served five years, he ought to be a qualified man if his employer does his duty, but whether qualified or not, he can knock about the Dominion on this permit. We want some check on these permits?—I would get it by putting the responsibility on the man.

37. He should have to apply for a new permit at the expiration of the date?—Yes, otherwise the employers will be in trouble. Employers are generally busy men, and perhaps, through carelessness in some cases, do not know when a man's permit runs out; then the secretary nabs him and complains to the Labour Department, and the Department has to prosecute. The onus should be put on the man with the permit, and not on the employer. The whole question resolves itself into this: Should these under-rate permits be made use of or not?

38. For old men, yes?—Yes, that is so, and also in the case of a man desirous of perfecting himself at his trade, or who has some physical disability.

39. Under exceptional conditions?—Yes, of which the Inspectors of Factories are the best judges. We ask that the onus be put upon the man, and not upon the employer, to see that his permit is renewed at the proper time. Section 54, "Extension of application of industrial agreement on application by party thereto": We just want it to be made clear that all parties whom it is proposed to add to any industrial dispute shall have the opportunity of appearing before the Court to state their cases themselves.

40. *The Chairman.*] After the first decision has been given?—Yes. It is the case now, if application is made to add parties to an award; notice is given when the Court shall hear the application.

41. How would it do if, when a dispute first comes forward, a notice in the *Gazette* should be considered a citation to all the parties in that industry; the notice would be bound to be copied into the newspapers?—It would be absolutely useless. We had the point raised in a case here, and I do not think, after that, the Court will ever again agree to a newspaper citation.

42. *Hon. Mr. Millar.*] This only expects them to do under an industrial agreement what they can do in regard to an award of the Court?—So long as that is made clear, that is what we want. I think the present law says, "after hearing the parties." Section 56, "Awards to prevail over contracts of service in cases of conflict": Objection is particularly made to the reference to apprenticeship. Change of award would make void any apprenticeship agreement, or even apprenticeship under the provisions of an award. It would vary it. We say that arrangements legally entered into, and especially in connection with apprenticeship, should not be varied simply because another award comes into force. Section 57, the "exertion wage" proposal, is opposed by the whole Federation as being impracticable. "Impracticable" is also put down opposite the proposal for two assessors to be added to the Court. We say, first of all, that there is ample provision in the principal Act for the appointment of assessors if it is thought fit. What is going to be the result in practice if you appoint these assessors? In the forthcoming sitting of the Arbitration Court I am appearing in seven disputes. The Court after sitting in Wellington goes to Masterton, Napier, Wanganui, Palmerston North, and then back to Wellington, where it sits again. That means that you would require fourteen men to act as assessors in these cases. These fourteen men must be present at the first sitting in Wellington, and the Court will be here the best part of fourteen days. These men will have to be in all the places I have mentioned, and be carried with the Court to hear evidence in the several cases. We should have quite a royal train. After returning to Wellington they would have to hang about until the decisions were given, and these cannot be given on the spur of the moment—time is required for consideration.

43. The assessors ought to sit in the four centres, and there should be quarterly sittings of the Court?—The demand will become so strong and insistent from all parties that you will have to make smaller industrial districts.

44. It is coming now; I have already four applications?—Then you would have to provide for the Arbitration Court to sit in those districts.

45. You cannot make a perfect system?—No; but I am pointing out the impracticability of this proposal for assessors. If you appoint these, you have only one more man on each side trying to get the best he can for those he represents. You are no further ahead. Subsection (3) of section 60: This provides: "The said assessors shall not be parties to the dispute, or members or officials of any industrial union or industrial association which is a party to the dispute." What we are wondering at is where the assessors are to come from.

46. You can take them from Christchurch for Wellington, and from Otago for Canterbury?—The matter of the expense does not trouble us so much as the difficulty of getting men who understand the conditions of an industry, and are willing to leave their business to take up these positions. And yet you gain nothing after all, because you will have the same conditions as you have now. Subsection (9), "The assessors shall, before entering upon their office, make the same oath or affirmation as is required from the other members of the Court by section seventy-three of the principal Act": I want to point out that it is a very dangerous element, this appointing so many different assessors, in many cases to some extent irresponsible men. The oath of secrecy will not be so valuable under these circumstances as where you have permanent men. The danger of that must appeal to you as men of the world. Now, finally, there is an additional clause asked for with regard to the registration of unions or associations under the Act. The clause is this: "That any trade-union, trade association, or representative number of employers shall have the right to appeal to the Court against the Registrar in registering, cancelling the registration of, or refusing to register a trade-union or trade association, and the Court may on hearing evidence make an order instructing the Registrar as it thinks fit." This provides practically the right of appeal for all the parties against registering or refusing to register. It was found in the sailmakers' case in Dunedin that the parties had no power to appeal against the Department's decision. There is a difficulty about the matter; it is not clearly laid down, and it is just as well to simplify it. I have to thank the Committee for the patient hearing given me, and shall be pleased to answer any questions that may be put to me.

WALTER LEWIS THOMPSON examined. (No. 14.)

1. *The Chairman.*] What are you?—I represent the Federated Builders of New Zealand. I do not think I can add very much to what Mr. Pryor and Mr. Booth have already said in regard to the proposals contained in this Bill. Mr. Booth's criticism of the Act, I think, was on all-fours with the feeling that the Federation have with regard to the working of the Act as it has so far progressed, and also with regard to the incompetency or inefficiency of the worker as we find him to-day. Mr. Booth mentioned that it was a case of going slow.

2. The "ca' cannie" principle?—Yes. We find it in our particular business that, although the worker's wages have not increased more than about ten per cent. on what they were twelve or fourteen years ago, his efficiency, or the amount of work we get done, is not more than 50 per cent. of what it was twelve years ago. I will tell you why, if I may mention an instance. About fourteen years ago I had a contract, and allowed 6s. per 100 ft. for labour on the raw material. I made a profit of 6d. out of that; while I have frequently now allowed 10s. for the same amount of work and made a loss, although it is exactly the same class of work. That simply goes to show that there is less work being done by the worker now than there was twelve or fourteen years ago, while the wages have not increased probably more than 10 per cent. That accounts in a very large degree for the increased cost in building.

3. Do you mean to say that on a former contract, under the old conditions, you could make 6d. out of 6 shillings' worth of work which you made the standard of as 100 ft. of stuff?—Yes.

4. And that now you reckon on 10 shillings' worth of stuff?—And make a loss. That could be proved over and over again by builders here in Wellington if they were asked that question. With regard to the "needs wage," as proposed in the Bill, that we think is almost if not entirely impracticable. We should want such a great many standards set up that it would be almost impossible to adopt such a system. It is rather a difficult question to get over. We find the difficulty in this way: that if there are men in our employ possessing special merit it is a very delicate thing to remunerate them, because the men get talking to one another and say, "So-and-so has got a rise, and I want a rise." It becomes common talk, and every one wants a rise, so that if you desire to reward a man you have to do it quietly.

5. Can you not point out that the man is worth the increase, and talk straight?—They all think they are worth it, and you cannot differentiate. With regard to Mr. Pryor's address, in which he contended that a Conciliator should be appointed, we all agree with that method or course of procedure. We find that the more you can bring the parties together without any red-tape the better and sooner an agreement will be arrived at. There is a better feeling existing between the employers and the employees when a mutual agreement is arrived at without any "shall" business about it. There have been three disputes I was connected with which were settled in that way. We were just left to ourselves to talk the matter over round the table, and we came to an agreement, which was made an award, and which has worked out very well in Wellington. I might also emphasize the remarks made by Mr. Pryor with regard to the collection of fines. As he pointed out, it would either mean that the employer would have to pay the fine or the worker would be penalised in such a way that he would have difficulty in finding employment, because he would simply be passed on from one to another and be the first to go when an opportunity occurred of discharging him. I do not know that I need take up the time of the Committee any further, and will simply add our approval of what the Employers' Federation has been pleased to put before you through Mr. Pryor.

FRIDAY, 21ST AUGUST, 1908.

MARIANNE ALLEN TASKER examined. (No. 16.)

1. *The Chairman.*] You appear here, I believe, as the secretary of the Wellington Domestic Workers' Union?—As the president. I also appear for the Christchurch Union.

2. I understand there is some difficulty with regard to your unions?—Yes, the difficulty of registration.

3. That is the point on which we wish to hear you: What is the position?—The position is this: that the Act does not cover, I believe, domestic workers—not entirely. It is understood by the union that it covers a section, such as lodginghouse-keepers and people who keep domestic workers and go into business. It is thought these girls are not kept for "comfort" purposes, but for hire. As I read the definition of "worker" contained in the Act, "'Worker' means any person of any age of either sex employed by any employer to do any skilled or unskilled manual or clerical work for hire or reward." We think it would be useless just to cover one section of domestic workers unless you could bind the whole.

4. You say the definition of "worker" in the Act partially covers your union?—That is so.

5. Have you had any confirmation of that opinion from any one else?—We did not get a legal opinion. We left it to the Labour Department, and thought there was a clause in last year's Bill which would include domestic workers, but it is deleted from this Bill. If that definition could be inserted it would cover what we want. We were registered, but through some fault the registration lapsed.

6. How long has your union been formed?—Nearly two years ago it was formed—or a year and eight months; but I went to England, and left the union in charge of, principally, a member of the Wellington Trades Council.

7. Can you give us the date when the union was registered?—About January, 1906.

8. Did you then proceed to lodge any complaints and take steps to obtain an award?—The girls did, I believe, in my absence. They called a meeting of the employers, and were confronted by four lawyers, which frightened them, and the thing collapsed. They thought they were going to Court.

9. How did you manage to lose your registration?—They simply let it lapse through ignorance.

10. Has the registration to be annually renewed?—No; but they have to send in annual returns, which the girls failed to do.

11. You failed to furnish the statutory returns, and so the registration was cancelled?—That is so.

12. Now I suppose you are all sorry?—Yes. I was not aware of it when I came back, and I was asked to put new life into the union.

13. Have you applied to be registered again?—Yes.

14. What answer did you get?—That we had no standing: we could not come under the definition of "worker," because domestic servants were kept for comfort and convenience.

15. Has the Act been altered in the meantime?—No; I believe not.

16. Then, the Department had made a mistake when registering your union?—I believe the Department took Dr. Findlay's opinion, and he held that we could not come in under the Act.

17. Can you tell us anything about the position of the Christchurch Union?—No. They simply wrote and asked me to appear for them. They said they would send me their arguments, but I have not received them yet. They said the need of power to register covered the whole of the domestic workers in the Dominion.

18. Will you now tell us what you want?—At present we have no legal standing without registration, and are not able to go before the Conciliation Board or Arbitration Court to ask that the abuses under which domestic servants suffer should be remedied or alleviated.

19. Then, you want the definition of "worker" which appeared in a previous measure to be inserted in the Bill of this year?—Yes. I believe that definition does cover domestic workers.

20. "'Worker' means any person of any age of either sex employed by any employer." That would be the definition you want?—I believe that would cover it. What we are doing is not done in any aggressive spirit, but really with the desire to raise the status of the domestic worker, so that domestic employment will be more sought after, in preference to employment in factories and workshops.

21. You think that as the Act stands it would include some of your people who are employed in lodginghouses and other places?—I believe it would.

22. But it would not include those engaged in domestic service?—The workers I refer to are in domestic service to some extent, but the employers are employing them for their own profit.

23. You want the whole of those engaged in domestic service to be bound by the Act?—Yes.

ELIJAH CAREY examined. (No. 17.)

1. *The Chairman.*] What are you?—Secretary of the Wellington Cooks and Waiters' Union.

2. Have you seen this Bill?—Yes.

3. Will you tell us what you have to say with regard to it?—I am instructed on behalf of the union to give evidence on the question of the Arbitration Court overriding statute law—because the fact that the Arbitration Court has done so in our case is a very sore point with the members of our union.

4. Will you tell us in what way?—The position is this: Two years ago my union went to the Conciliation Board to obtain certain conditions, and took especial pains when framing the demands to make them conform to the hour provisions of the Shops and Offices Act. For instance, they asked that assistants in restaurants should work only fifty-two hours per week, as provided in the Shops and Offices Act. The Board, despite the protestations of myself and others assisting me in conducting the case, fixed the hours at sixty-five per week. We protested that it was not in the power of the Board, composed of five citizens, one of whom was a lawyer, to override the will of Parliament. Our protests were of no avail, and the recommendations of the Board became an agreement binding on the union and the employers. We communicated with the Labour Department, and asked that a case should be brought to show that it was not within the power of the Board to fix the hours at sixty-five against the fifty-two hours provided for by the Shops and Offices Act. After about nine or ten months' negotiations the case, which had previously been heard in the Magistrate's Court and a decision given in favour of the agreement as against the Act, was appealed against in the Supreme Court, with the result that the union's contention that the Act must hold as against the recommendations of the Board was upheld. We knew that by instigating this case we were endangering the agreement, which, apart from the 65-hour provision for restaurant assistants, was a very good one in other respects; and we found that, because, as the lawyer gentleman put it, that was wrong in law, the whole agreement was considered by the President of the Arbitration Court to be invalid, and it was thrown out after being in existence for a year. We had at the time a dispute with about ten employers who were not bound by the agreement and who refused to consent to be bound by the agreement, and we took a case against the employers in the same industry—I believe the first case of the kind in the Dominion—to get an award binding those ten in the same way as we thought the other 290 employers were bound. The President of the Arbitration Court ruled, previous to the hearing of our second dispute with the future employers, that our agreement was invalid, and agreed to attach all the parties bound by the old agreement to the new dispute. We had made our demands for the ten or twelve employers synonymous with the conditions laid down in the agreement, because we thought that in the interests of everybody it was fair that these should be bound in the same way as the 290. Our conditions fixed the sixty-five hours a week as laid down by the Board in the first place against our protest. When the President of the Court ruled that the agreement was invalid because the Board had done something which in law it had no right to do, we pointed out the trouble we had taken and that the will of Parliament should hold as against the decision of four laymen and one lawyer, and we asked that in framing the award the Court should in justice to us so fix it that it would not override an Act of Parliament. We stated that as a union we believed that the opinion of eighty or ninety legislators should be given attention to, and that the provision in the labour laws which stated that the law should be subject to the award of the Arbitration Court did not in our opinion mean that the Arbitration Court should impose in its awards hour provisions in excess of the hours fixed by statute law. The award of the Court subsequently made took away many of the conditions that the Board had given us. For instance, it took away preference of employment for female labour, it took away the Sunday holiday we had, and it even took away the half-holiday. In addition to depriving us of many good things we had under the agreement, which the Court ruled was invalid because there were hours in it in excess of those provided for by the Shops and Offices Act, it reimposed those very hours; and the position was this: that, while the Conciliation Board, composed, as I said, of four citizens and one legal gentleman, which had previously recommended sixty-five hours a week for certain members of the union, had done something wrong which would not hold good in law, the Court, composed of one legal gentleman and two citizens, did the very same thing as the Board had done, and yet because the Court did it it was right. And the position is this, further: that if in Wellington there was no Cooks and Waiters' Union certain people would now be working only fifty-two hours a week, but because the union took advantage of the Act it had imposed on it an additional thirteen hours a week. I found subsequently, when I went to Christchurch to endeavour to organize a union there

some time ago, that many of the assistants said, "What is the good of joining a union? We are working fifty-two hours a week: if we join a union we shall get the same conditions imposed on us as you had imposed on you in Wellington—an extra thirteen hours a week." Just now there is an agitation in Wellington that the operations of the union should be extended to the country; but many of us are afraid to go to the country for fear the Wellington award will be extended to the country, and, although we may make representations about the fifty-two hours for workers, no more notice will be taken of us than before. There is another point on which we consider the Arbitration Court overrides statute law, and it is a very sore one to members of the union. It affects female as well as male workers within the meaning of the Shops and Offices Act. An award was made covering female workers in restaurants, and if a girl worked more than fifty-two hours in a week the employer was guilty of a breach and was liable to be taken to the Magistrate's Court and fined for it. Now there is provision in our award—although the time for female employees does not exceed fifty-two hours a week—which allows an employer to work a female employee overtime. So far as my memory guides me, there are only thirty or forty hours' overtime a year allowed under the Shops and Offices Act.

5. *Hon. Mr. Millar.*] Ninety hours, I believe?—Ninety, is it? I am not quite certain. Now a female employee, who previously could only work fifty-two hours a week, can work ninety hours a week; she can work as many hours as she likes provided the employer pays her 9d. an hour overtime. The position is this: that, whereas in the first place it was an offence to work a female overtime without getting permission, or in conformity with the Shops and Offices Act, now she can work overtime, and it is only an offence if the overtime is not paid for. A case which occurred a fortnight ago will illustrate the position of hardship. A restaurant-keeper employed a girl from sixty to sixty-two hours a week. I reported the matter. Had there been no award the case would have been heard, and because it was a clear case the employer would have been fined. As it is, the effect of the Shops and Offices Act is altogether destroyed, and the employer can only be prosecuted for not paying the overtime. The case was reported three or four weeks ago, but, as the girl has gone away, it is impossible to get her evidence now. The employer can deny that the overtime was worked, and the case will probably be withdrawn because there is no evidence to support it, and if brought it would probably be dismissed by the Arbitration Court. The members of our union think some provision should be made in the Bill to prevent the Court from usurping powers such as I have illustrated. The Trades Councils' Conference previous to the last one suggested that an amendment should be made in the Bill to prevent the Arbitration Court taking away from the workers rights and privileges already granted, and also to prevent the Court imposing in its awards more hours than are allowed by Act of Parliament; and the opinion of a majority of my union is this: that that provision in the labour laws which says "subject to an award of the Court" was only put in to render it legal to impose less hours than those provided by the Act. For instance, in the Factory Act or Shops and Offices Act an award imposing less than fifty-two hours' work a week would be legal. But we do not think Parliament ever intended that the power should be twisted the other way, so as to impose, as in our case, an extra thirteen hours a week. Neither do we think a girl, merely because a union is formed in the industry, and merely because the principle of the Act has been overridden, should be deprived of benefits that would accrue to her were there no union in existence.

6. *The Chairman.*] You have stated your case with considerable detail, and wish the Bill to be passed in such a form as to prevent what you have referred to happening again?—Yes.

7. And to meet the difficulties you have laid before us?—Yes.

GODFREY POWELL examined. (No. 18.)

1. *The Chairman.*] I understand you wish to give evidence not so much with regard to the Bill before us, as with reference to the permit system and its abuse?—Yes, and the under-rate-paid men in particular.

2. What are you?—A joiner.

3. What is your official position?—District secretary of the Amalgamated Society of Carpenters and Joiners.

4. Have you been deputed by them to give evidence here?—Yes. We have received communications from our branches, which number about twenty-two in the Dominion, to urge upon Parliament the necessity for altering the permit system in some way so as to make it more effective to our tradesmen in the country districts. In the larger towns we have paid secretaries who are able to watch over the system of permit-granting; in many country districts we have no agents, hence the abuse of granting permits.

5. Will you tell us what the present position is?—In country districts where we have no branches the Magistrate is the only person who can grant permits. The Conciliation Boards do not sit in these places, and consequently the Magistrates issue the permits. With permission I will read a letter I received which will explain the position:—

"Department of Labour, Wellington, December 1, 1905.

"G. H. Powell, Esq., Secretary, Wellington Branch, Amalgamated Society of Carpenters and Joiners' Industrial Union of Workers, 2 Tutchen Avenue, Wellington.

"DEAR SIR,—

"Mr. Stanford, the Stipendiary Magistrate at Wanganui, finds a difficulty in complying with clause 5 of the Wanganui Carpenters' award of 17th January, 1903. That award requires notice to be given to the secretary of the local union, which is defunct, and notice to you would not be convenient, nor would it comply with the terms of the award. The Magistrate, after conferring with the President of the Arbitration Court, has directed me to ask you, by way of esta-

blishing a method which will be fair to all parties, to request your society to appoint a local secretary or agent in Wanganui with power to attend the Magistrate in connection with applications for under-rate permits. Though this will not be a strict compliance with the award, it will probably be found to operate satisfactorily. The matter is an urgent one, as applications for these permits may be made at any time. Will you therefore let me know what your society thinks of the matter as soon as possible, and oblige,

"Yours faithfully,
"J. MACKAY,
For the Chief Inspector."

This shows to the Committee the difficulties we are presented with in regard to these under-rate-paid men in country towns where we are not represented. What we should like is a clause inserted in the Bill providing that these permits shall only be granted to men who are unable through old age or other infirmities to earn the minimum wage. At present men from any other trade or calling can obtain a permit from a Magistrate in a country district to work at under-rates, while competent carpenters are walking the street and cannot get employment. The following is a list of permits issued, which was obtained by my society through the Labour Department:—

Place where issued.	By Chairman Conciliation Board or Stipendiary Magistrate.	By Union Secretary.	Period.	Total.
Auckland	62	3	1906–9	65
Gisborne	...	103	1905–7	103
New Plymouth	7	...	1904–5	7
Wanganui	28	...	1904–7	28
Masterton	11	63	1903–7	74
Wellington	5	...	1906–7	5
Napier	...	6	1907	6
Palmerston North ...	8	4	1905–7	12
Nelson	19	61	1905–7	80
Christchurch	1	15	1904–7	16
Dunedin	105	16	1904–7	115
Invercargill	12	...	1905	12
Oamaru	1	8	1907	9
Timaru	Employers and union	5	1907	5
Totals	259	278	...	537

It will be seen that there is a marked difference in the number issued in Wellington—namely, five—where we have a paid secretary to look after our interests, and we wish to stop the large number being issued in other places on account of the injury it is doing to the trade. It will be noticed that Gisborne ranges very high, simply because a man who had obtained a permit at one time could not obtain work unless he had one. Employers demanded from all strangers if they had permits; if not, the employers requested them to go to the secretary and obtain them, so that they could work at less than the minimum rate. In fact, it was simply trading upon this system. I do not think for one moment Parliament ever intended that the provision for the issue of permits should be abused in the way in which it has been abused since its inception.

6. You show that permits have been granted in large numbers in comparatively small towns?—That is so, indiscriminately.

7. While in the large towns the number granted is very small?—Yes, in proportion.

8. And that in those towns where building operations have been very brisk during the last few years an exceptional number of permits have been granted?—That is so.

9. Will you tell us how it is you have not a branch of your society or an agent to represent your society in those places?—The reason is that it is only since 1904 that we got permission to extend our operations to the country districts. Our constitution would not allow my committee the distribution of the funds to establish representatives where we had no branches.

10. Permission from whom?—We are an international organization, and our funds were only made available for this purpose by the Executive Council of the society at the head office in Manchester.

11. Owing to the constitution of your society it was impossible to get any representation in the places you refer to?—Yes, because we had not the funds with which to establish an organizer until our rules were amended in 1904.

12. What proposal have you to make? Who are these people who are continually getting permits? Are they old people of your trade whose best energies have decreased by advancing years?—No, we make no objection to any applicant of that kind, but we do take exception to drapers and blacksmiths, and men who have not had any previous knowledge of the trade, obtaining a permit to work at the trade to the injury of our own members. In fact, we have applications from all classes and conditions of men: there was a jockey who applied at Wanganui to work at no more than 4s. a day. He applied for a permit, and obtained it because there was no opposition to its issue; and in many cases applications are made through a solicitor.

13. But he was not a member of your union?—No. We have very few members of our union working under permits. We have only a few old men, and the provision in the Act was intended for these only, I maintain.

14. Was it not the original understanding that when any trade obtained an award the permits granted should be confined to members of that trade?—No; any worker who considered himself incapable of earning the minimum wage paid in the trade, and not being a member of the trade, could make application for a permit to work for an under-rate. We had no opposition to offer in the case I have mentioned. Permits are granted for six months, should the time have expired. If the secretary fails to give a permit within twenty-four hours the applicant can apply to the Stipendiary Magistrate.

15. *Mr. Bollard.*] Do you suggest that a large number of men who receive permits obtain them improperly?—They have to make formal application certainly, but they can get permits if there is no opposition. We maintain it is not for any other tradesmen to come into our ranks and take the work away from us, thus debarring competent men—whether members of our union or not—from getting employment. There are employers who tender to do work by employing men at the standard rate of wages, while others who are tendering against them pay a lower rate of wages to underpaid men, whom they employ in preference to the fully paid competent men. We appeal to the Committee that this is not fair to those employers who are trying to observe the award, and to carry out the works in accordance with the plans and specifications.

16. As a matter of fair-play, you consider that a number of these permits are obtained improperly?—That is so.

17. And you think the law should be altered?—That is what the members of my union and members of our trade outside of it desire.

18. You do not object to a man who is incapacitated, and therefore not able to earn the minimum wage, obtaining a permit?—We have no objection whatever to the applicant in that case.

19. *Mr. Arnold.*] In those districts where you have no representation, in the case of the aged members of your society, how is it possible for the Magistrate or local constable to fix a fair wage in a trade of which they have no knowledge?—As far as members of our society is concerned, we have had no applications; but any old member of the trade, whether a member of the union or otherwise, can get a permit, and the wages are determined by the Magistrate or Chairman of the Conciliation Board, or the secretary of the union. If an applicant asked for 5s. a day, the Magistrate on the evidence would grant it.

20. But there is no other evidence except that of the applicant, because in country places you have no representation?—That is so; we have no jurisdiction in many country districts.

21. Does this system work well in the cities?—We have no permits issued in the cities other than those to aged members of the trade.

22. Take Dunedin: you said a large number had been granted by the Chairman of the Conciliation Board?—I am referring now to Wellington and Auckland, where we have secretaries allotted to us.

23. In the cities has the system of granting permits by the Chairman of the Conciliation Board been a satisfactory one?—I think so, because he notifies the secretary that So-and-so has applied for a permit, and the secretary has a chance of being heard, and if the evidence is sufficient in favour of the applicant the permit is granted. In Wellington, if the applicant is a young fellow, we endeavour to have him indentured for the remainder of his time, so as to throw the onus on the employer of teaching him the trade, thereby minimising the number of incompetents. Under this permit system our trade is becoming demoralised, and we wish to have better tradesmen in order to turn out better work, and, if possible, to remove the slur so often cast by many employers on the members of the trade, and also on members of my society, that so many carpenters and joiners of to-day are not worth the minimum wage. We are of the opinion that if the system of granting permits were abolished, or amended in some effective manner, we should then have more efficient tradesmen as a result. The permit system is only encouraging the system of turning out inferior tradesmen, for the simple reason that men never have a chance to learn the trade in all its branches.

24. When an application for a permit comes before the Chairman of the Board, who represents your society?—The secretary.

25. Do you think that system is better than to have a committee set up for that purpose?—We have never gone into that proposal. It is left entirely to the secretary to deal with the permits.

26. If a young fellow twenty-five years of age applies for a permit, do you suggest that he should be made an apprentice?—Provided he has served a certain amount of time at the trade; but I do not think he should start to learn the trade at that age.

27. But suppose he has some knowledge of it?—Yes, in that case let him be indentured for the remainder of his term—say, two or three years, according to the length of time of service. Many raise an objection to the wages they receive if they are bound for a term, but there is nothing in the Act to say they should not receive more—say, at the same rate as obtained by permit.

28. Outside of the young fellow who has had a certain amount of experience at the trade, and the old men, you would do away with the permit system?—Yes, outside of those people.

29. *Hon. Mr. Millar.*] Can you tell me whether the permits of which you read a list were issued to separate men, or include reissues to the same men?—No. We asked the Government to give us the returns for the years mentioned.

30. It is quite possible that when the term is expired the holder has received notice from the secretary and has applied again, and had another permit issued: does the list include cases where two or more permits have been issued to the same person, or simply the number of individuals to whom the permits have been issued?—That I could not say. The list is given of permits issued to individuals, but I dare say after the six months have expired the permits may have in some instances been continued; but we are confronted with the difficulty of giving the holder of a permit

the necessary notice that the permit has expired, owing to the change of address, and as a result the permit holds good until notice is given by the secretary. We want the onus removed from the secretary and placed on the applicant.

31. Your complaint is that men outside the trade have been granted permits to work as carpenters?—Yes, and are at the present time—to every trade outside our own.

32. That could be met by an amendment of the Act providing for the filling-in in the permit of the term for which the man may work in the occupation for which he applies?—Yes, providing it stipulates that at the expiration of the term for which the permit was granted, failing a renewal, the permit is invalid, and the holder liable for committing a breach, and that he has had some previous knowledge of the trade.

33. So that a young fellow could finish off his time, or an old man take a reduced wage?—Yes.

34. It was never intended that a man who had been working at another trade should take advantage of this provision?—That is so. We raise no objection to old men in our trade coming in under the permit; but in the case of young men permits are granted for six months, and at the end of the term they want another one, and so on. In Gisborne there are a lot of men not getting the minimum wage at all: the employers simply bind them down to the permit system.

35. Do you think there can be a more complete system of machinery for the proper issue of these permits than the Labour Department, with its agents all over the Dominion?—No, I do not think so, providing, of course, the secretary has an opportunity of being heard. If the local Inspectors were to take the matter up, our interests would be served greatly where we have no branches of our society.

36. The Labour Department could notify the secretary of the union that application had been made, and also the policeman in outlying districts?—I do not like the idea of the policeman being in it, for in every instance he has no knowledge of the trade. Plausible stories are told by some of these applicants. We would like the permit to apply to those it was originally intended for—that is, to old men, or those suffering from injuries or infirmities. We would strike out of the Act the words "any worker." We should like you to see that the injustice which is meted out to members of our trade, and not only to members of the union, is removed.

37. That is why I propose that this should be done by the Labour Department, which is responsible to Parliament for all it does, and that it should be taken out of the hands of the Magistrates where there is no Conciliation Board. There is no one better able to get information about the workers than officers of the Department?—I quite agree with that. I have to thank the Department and its officers in several of the country districts for the able manner in which they try to protect our interests. But they have no power in this direction just now. If it is left to constables they have no idea of what is required, and would only increase the number of permits.

38. I am trying to evolve a check over the whole of the Dominion. We have large outlying districts in which there is no other person than the constable who can notify the head of the Department of such applications. The constable would not grant the permit, but would notify the Department when a man had applied for it. This could be done by telegram?—I believe that would meet the difficulty.

39. We should then have the whole thing under complete control. If you want the permit system continued there is only one effective means of keeping a complete check over them, and that is through the Labour Department on the lines I suggest?—We do not want it wiped out of the Act.

40. You have admitted that it is necessary for the old men, if we confine it entirely to workers in the trade, and also for young men to finish their apprenticeship?—Yes, if the Department stipulates that they shall be legally indentured to serve the balance of their term, in which case it would throw the onus on the employers of teaching the young fellows their trade.

41. Parliament would not give the Labour Department power to insist on indenturing?—I admit it is a very difficult thing. So far as our trade is concerned, it is imposed upon more than any other. Twenty-four hours' notice to the secretary of an application for the issue of a permit is not sufficient.

42. My intention is that the representative of the Labour Department shall telegraph the information?—That may meet the difficulty to some extent.

GEORGE HENRY LIGHTFOOT, Secretary of the Wellington Branch of the Amalgamated Society of Carpenters and Joiners, examined. (No. 19.)

1. *The Chairman.*] Is there anything you wish to say supplementary to what Mr. Powell has stated?—I do not think so, and the evidence I gave last year would cover the position.

2. Is there any representation at all you wish to make with regard to the present Bill?—Yes, with regard to that portion of the Bill dealing with enforcements. My opinion is in favour of the major portion of that part, but clause 17 we regard as hardly fair. My union takes its own cases for enforcement before the Arbitration Court, and this clause if passed will mean that after bearing the entire expense of the proceedings and winning a case it will be money out of pocket, while if it lost it would be more out of pocket, because under the existing law costs can be given against the union. We suggest that the penalty when recovered should go to the plaintiff. We also suggest that when there is an appeal from the Magistrate's decision, and a case is stated for the Arbitration Court, it should be on points of law only, and not in regard to penalties. Those are the only items I wish to mention.

3. *Mr. Ell.*] You are representing the Amalgamated Society of Carpenters and Joiners?—Yes.

4. And those are the only points you have to give evidence upon?—Yes. I might say with regard to the rest of the Bill that my union held a special meeting to consider it, and its various decisions were practically the same as those arrived at by the Trades and Labour Council, with the exception of the evidence Mr. Powell and I have given.

MICHAEL JOHN REARDON examined. (No. 20.)

1. *The Chairman.*] Whom do you represent?—I am representing the Trades Council Conference.

2. We have already heard the representatives of the Trades Council Conference?—We had a letter read at last night's meeting of the Wellington Trades Council stating that one of its representatives would be heard to-day.

3. But you said you represented the Trades Council Conference?—Well, we are endorsing the opinions of the Conference. I appear instead of Mr. Westbrooke, as it is impossible for him to attend.

4. Then you support *in toto* the recommendations that were laid before us by the gentlemen who represented the Trades Council Conference three weeks ago?—Yes. Do I understand that the whole of the Conference's proposals were laid before this Committee?

5. They were laid before us with such scrupulous exactness that, when one member made a mistake, another one, going over the same matter step by step, made the same mistake. In fact, it was parrot-like, and this has made the Committee a little careful about having the evidence duplicated. We shall be glad to have any help you can give us, but we scarcely want repetitions and recommendations such as have been given before. Give us the views of the Trades and Labour Council so far as you possibly can?—I will pass over proposed minor amendments, and go to clause 17 of the Bill, in reference to the penalties going to the parties. We in Wellington have had considerable difficulty at times in getting the Labour Department to see eye to eye with us in the matter of breaches. We do not say that we are always right, but we often think we are right and that the Department is wrong. We have of necessity to take cases before the Court ourselves, and we feel that if we go to the expense and trouble of doing so the penalty should go to the union if we win. Then, in the matter of appeals—clause 18—we feel very strongly that we have quite enough litigation, and are anxious to avoid as much as possible appeals from decisions given by the Magistrate. We object strongly to the fines being deducted from moneys due to the workers. There are many unions—I might almost say the majority—the members of which only receive a very small wage. I have a union of about 1,300 members, and I am safe in saying that not more than one in twenty of them earns £2 8s. a week all the year round. Now, if one-fourth of that man's wages were deducted it would be a serious matter for his family; and we feel also that to deduct one-fourth of £2 8s. would be going contrary to the existing law, and we feel keenly in regard to this matter of overriding laws which have been passed by Parliament.

6. What method would you suggest to take its place?—We say that the Crown should have no greater privilege in this respect than the coal-merchant or grocer.

7. He can attach wages over £2?—If he can get an order from the Magistrate, but there are very few Magistrates who would feel disposed to make an order in the case of men who are only earning £2 8s. a week and have wives and families to keep on that in the cities. We object, of course, to these drastic provisions for the collection of fines. We take it that a union is in the same position as a limited-liability company, and, if a limited-liability company fails, the creditors can claim no more than what the company possesses; they cannot fall back on the private funds of the shareholder. We also feel very strongly on the subject of the abolition of Boards of Conciliation. We say that they have sat for years, but have never had a fair chance. We want these Boards to be given a fair chance before we utterly condemn the principles of conciliation and arbitration. We have stood by the principle for many years although we have not got all we might have expected. We still stand by the principle, but we say, Give us a fair chance before the Boards of Conciliation.

8. You say the Boards have not had a fair chance: will you give us what you think are the reasons for that?—The facility with which cases are referred to the Court. As an illustration of this I might say that in May last I took a case for the General Labourers' Union in the country districts before the Board. We thought the recommendations made by the Board would be accepted, but two days before the month which is allowed under the Act for appeal an appeal was made by five or six employers in Napier. A few days afterwards, in Wanganui, where no appeal came from the employers, the general labourers went out on strike, believing that they were entitled to the 1s 1½d. an hour which had been recommended by the Board instead of 1s. There is an argument in that why only a majority of the employers should be able to make an appeal, because I am quite satisfied that a very large number of those cited in the whole industrial district were ready to accept the Board's recommendations. We had evidence from the employers that they were quite prepared to pay what the union asked, which was above what the Board recommended. In the same case there is also evidence of the injustice of holding a union responsible for strikes. I knew nothing about this strike in Wanganui until I got a telegram stating that the men were out, and then I found that not one of them was a member of the union, although it was generally believed at the time that they were and that the union would be responsible for the strike. As you are probably aware, the Wellington Trades Council and the Trades Council Conference decided that it would be wise to endeavour to induce the Labour Bills Committee to strike out the whole portion of the Bill dealing with Conciliation Councils.

9. Right down to clause 44?—Yes. I had an illustration in Invercargill last week of how unsatisfactorily these special Boards would work. I was down there to help the timber-workers with their case. The three members of the Timber-workers' Union who were with me were men well versed in the work, but they were not versed in the technicalities of business, and had pitted against them admittedly the keenest business men in Southland. After spending three days with them in going through their case I felt quite convinced that the representatives of the union would have been no match against the employers in a Board set up under this system of Councils of Con-

ciliation. They might be equally versed in the technicalities of the work, but would be quite incapable of holding their own in discussion and in dealing with the facts from a business standpoint.

10. How did the case go off?—It has not been settled yet; it is being considered by the Court now. This was a union with 750 members, and the Committee will quite understand the difficulty there would be in the case of organizations containing ten, twenty, or thirty members. If a body of 750 members found a difficulty in getting suitable representatives for a Council of Conciliation, it would be almost impossible for the smaller organizations to do so.

11. You think they would be unequally matched?—I am sure they would. In Part IV there are certain clauses which the Trades Council have redrafted, but you are perhaps conversant with them.

12. You object to the number of seven forming a union being increased to twenty-five?—Yes.

13. And to the method of voting provided for in clause 47?—Yes. With regard to the number of members to form a union, it must be obvious to the Committee that the unions that remain to be formed will not be large bodies of men.

14. Are there many branches of industry in which no organization exists?—Taking Wellington in comparison with Christchurch I should say there are a great many, because there are many more unions affiliated with the Trades Council in Christchurch than there are in Wellington. I do not know the number, but I should say there are from ten to twenty more, and many of them are very small unions.

15. Is there any probability of unions of small dimensions being included in the existing unions: Would there be any disposition among the present unions to take them in?—I have endeavoured to do that, but I find the Court does not take very kindly to the idea. I do not know why. I endeavoured to have the unskilled labourers in the meat-works joined to the general labourers' award, but the Court decided that they could not be regarded as general labourers.

16. Is the objection of the Court due to the fact that it would mean that a number of awards would have to run in one establishment?—No; so far as I can see, the tendency on the part of employers is to have one award for their own little business. I had rather a serious illustration of this from our point of view in the case of the meat-workers in the Hawke's Bay district. When Nelson Bros., of Tomoana, received notice that they were going to be cited as parties in the general labourers' award they called a meeting of their men and told them that an octopus union of Wellington was going to take charge of them and that they should form a union of their own. The men decided to form a union, and the manager was present at the meeting. His was the guiding hand; he framed the rules and showed them how to run the meeting. They had never had anything to do with a union before. When the union was registered and Mr. Nelson told them that he had an agreement drawn up ready for signature and took it that they were satisfied with the existing conditions the men felt that all was not right. Under the existing conditions wages ruled at from 6s. to 8s. a day. The men communicated with Wellington, and I got into touch and pointed out the position to them. They then called a meeting hurriedly and threw out the officials who had been recommended by the company, and filled their places with men who were more independent, with the result that when the Court sits in Napier next month they will ask for an award on claims which are considerably in advance of the existing conditions. This has been the inclination, as far as I can judge, on the part of many employers for some time, and certain remarks which were made by Mr. Justice Sim at a sitting here in Wellington—I think at the last sitting of the Court here—inclines me to the opinion that he favours that method.

17. He favours employers putting up unions practically at their own dictation and under their own control?—I do not know that that is Mr. Justice Sim's intention, but that would be the effect.

18. As a safeguard, I suppose, against any movement from outside, or, indeed, from inside?—Yes; we judge it as having the effect of preventing independent men from exercising any control.

19. *Mr. Arnold.*] Men independent of any employers. That is only what you think the Judge's opinion is?—I am not giving any opinion. What I say is that Mr. Justice Sim made use of certain words—I may not be giving the exact words: he said, Why do they not form a union of their own? They could engage seven men to form a union. Mr. Pryor said, "We have."

20. *The Chairman.*] Has your attention been directed to clause 57 of the Bill, with regard to the "needs wage" and the "exertion wage"?—Yes. We are very strongly opposed to the needs and exertion wage.

21. What do you understand by it: I should like to get your view?—The first I heard of this needs and exertion wage was in a letter by an anonymous writer to the *Evening Post* on the 25th February, 1907. In taking cases before the Court we have always endeavoured to make the minimum sufficient for a married man and his family to live decently upon. We do not know what is in the mind of the Court when a minimum is fixed, but we assume that the minimum fixed is what a married man can live decently upon. This anonymous writer in the Wellington *Evening Post* eighteen months ago stated that the Act at present did not make provision for married men with families or give them encouragement or consideration above single men. Well, we take it that this anonymous writer is the father of this suggestion, and following out that line we take it that his intention is that if the present minimum is sufficient for married men with families to live on, then single men should get less. If that were the case employers would not take on married men, because they have not sufficient sentiment in them to pay more to married men than to single men for the same amount of work. In my experience the exertion wage is this: In the sawmills the man who gets the exertion wage is the benchman. We had evidence in Invercargill last month of a man receiving £16 a month and a bonus. If the benchman works hard every other man in the mill must work hard too. Those who supply the logs are worked harder and those who take the timber away must work harder.

22. The revolutions of all the other wheels depend upon the revolutions he makes?—That is so, and he is the only one who receives consideration at the hands of his employer. We feel it would be impossible to make provision for an exertion wage without doing grave injustice to the majority of men. It would mean that one would get an exertion wage while an injustice was being done to twenty.

23. It has been alleged before the Committee by more than one witness that the efficiency of workmen of late years has distinctly decreased—that the return they make in labour for their wages is far less; in other words, that labour has become much dearer to the employer?—That is a very hard statement to disprove. But I know that in two instances it was disproved in a case I took in Invercargill last week. One was in connection with a man who got £13 a month six or eight years ago; he is getting £12 or £13 a month to-day. Six or seven years ago he had only to do the tallying in the yard; now he does the stacking and loading in addition.

24. He does more work for the same money?—Yes.

25. That is only an individual instance: can you tell me anything of a general nature? Do men go about their work as readily and cheerfully and work as freely as they did a dozen years or fifteen years ago? Do they count their minutes in a begrudging style, as if they were afraid to lay one brick extra in a given time?—I have never known it to exist. I have worked for employers who were not men you could work cheerfully for.

26. Men who wanted the utmost maximum?—Yes, and they had a most disagreeable way of getting it. And I have worked for employers for whom it was a pleasure to work; and I do not think it could be stated with truth that we do not do our fair share of work. Some years ago, when I was working in the timber industry, we thought it was an extraordinary tally for a man to turn out 8,000 ft. of timber a day—that was 1,000 ft. an hour. Later on men turned out 10,000 ft. a day for a month. I took the tally myself, and the average was 10,000 ft. a day for the nineteen days that the mill worked. There is a practice of playing off one mill against another, and if one mill turned out a large quantity another would try to beat it. We heard of one man turning out 16,000 ft., and that record stood for a considerable time, but eventually we had a benchman who turned out 22,000 ft., and when the case was being heard in Invercargill last week we had the extraordinary story of a benchman on the West Coast turning out 28,000 ft.

27. Is the general average about 8,000 ft. a day?—The average per day is very much in excess of what it was many years ago.

28. Is that attributable to better mechanical methods?—To some extent. It is also attributable to men becoming ambitious, not so much for monetary gain, but because they have pride in their work and try to excel others.

29. This goes to rebut the statement as to the decrease in efficiency of the workmen?—So far as the industry of which I have most experience is concerned.

30. That involves considerable skill, and strength as well?—Yes. I take it that the Committee has seen the recommendations of the Trades and Labour Council with regard to the representatives on the Arbitration Court.

31. Yes, all those matters of detail we have gone fully into?—With regard to the recovery of back wages, we agreed that if a man accepted less than the award he was not entitled to more than three months' deficiency if he sued. We have no sympathy with a man who goes to work for less than the award rate of wages, and we think this would be a deterrent to some extent. We also disapprove of getting the Labour Department to fix the under-rate permits. The impression that most people have is that the unions strongly object to them; but they only object when the under-rate permits are given to men who are not properly entitled to them.

32. Did you hear the evidence of Mr. Powell with regard to the swamping of his trade by this system?—Yes. I think we have only refused two permits, while we have given a large number. We object to permits being granted in times of depression, when there is a lot of surplus labour on the market, to men who are not old men nor physically incapable.

33. You think they should be confined to men whose major occupation has been in the trade?—Yes.

34. Is there any improvement in the proposal to put the system under the control of the Labour Department?—Certainly not. The Trades Council Conference suggests the appointment of a committee from both sides. But our objection to the Labour Department dealing with the system is that the Department is inclined to go along the lines of least resistance.

35. In other words, the Labour Department has to be goaded a good deal before it will do much?—We find it difficult to get the Labour Department to do much for us. What we fear is that the Labour Department is somewhat under the influence of the Minister, and it does not follow that it will always have a labour Minister in authority. We have at present a Minister who is a labour man, but it does not follow that he will be there always; and if the position were held by a man not in sympathy with labour his views would be reflected by the Department. There might come a time when the Labour Department would be issuing permits indiscriminately. What I have referred to are the most vital points, which we feel most strongly about.

36. *Mr. Arnold.*] With regard to the Conciliation Boards, you say that these Boards have never had a fair chance?—That is so. Taking my own experience before the Wellington Board, we find that they do not take evidence and go into the matter in the same way as the Court does. They sit round the table and discuss matters and ascertain from each side what their views are. If the parties fail to arrive at an agreement on any point the members of the Board endeavour to bring them together as far as possible, and, after having allowed both sides to thresh the matter out carefully, they then come to a decision on the points not agreed upon.

37. They always had a chance of doing that, had they not?—Yes, until the Employers' Association propounded the policy of ignoring the Board altogether, and from that time onward the local Board had to subpœna the employers before they would appear.

38. What brought about that state of things? You say, "until the Employers' Association ignored the Board"?—I take it that the employers were endeavouring to secure public agitation for the abolition of the Boards, and endeavoured to do so by throwing ridicule on their work.

39. Is it not a fact that originally all the cases had to go before the Board in Wellington?—That is so.

40. And legislation made it possible for the employers to go past the Board?—Yes.

41. What brought about that legislation?—It has been said that it was brought about by the workers themselves, but I am not able to say whether that is correct or not. It has been said that the workers asked that this clause in the Bill should be inserted, but my knowledge of the member who moved for the insertion of the clause leads me to think that it was done at the instigation of the employers, because he was one of the bitterest opponents we had.

42. The fact of one man moving an amendment could not have put it on the statute-book. Is it not a fact that the class of representatives placed on the Board by the Wellington workers, and the stand taken by those men, caused the strongest general disgust to be felt throughout the Dominion, which was reflected by members of Parliament, and caused a majority of the House to make it possible for the employers to ignore these Boards? Was it not brought about by the Labour party themselves in that way?—It is rather hard for me to answer a question that would reflect on the representatives of unions in Wellington.

43. It is not difficult at all, if true?—I would rather not answer the question. I think it is rather unfair to ask me to make reflections on the representatives of the unions.

44. How long have you been in Wellington?—Only about three years.

45. So that your experience is limited so far as that is concerned?—Yes.

46. With regard to the special Boards: You say that you had a conference at Invercargill recently?—No, that we had a case before the Court there.

47. The Chairman asked you, with regard to the special or Industrial Boards, whether they worked satisfactorily or not, and you said you had a conference at Invercargill, and from your experience there the representative workers were no match for the representative employers?—If I said that, it did not convey my meaning. What I said, or intended to say, was that we had a case before the Court, and from the experience or knowledge I gained there of the capabilities of the opposing sides I was quite satisfied that if they were to form a Council of Conciliation they would not be able to form one that would do justice to the workers.

48. Then, you had no conference at Invercargill?—No.

49. Then, the two parties did not sit over a table in argument in connection with the different clauses?—They did previously, but not while I was there.

50. How do you come to the conclusion that the intelligence of one body was pitted against the other?—By the different methods—it was the way the case was handled.

51. What you say is that those who conducted the case for the employers were keener than those who conducted the case for the employees?—No; that would be a reflection on myself. I refer to the preparations that were made on both sides.

52. That conveys to my mind again that those who conducted the case had not properly coached their witnesses. You have made a statement that reflects on the intelligence and abilities of the worker in contradistinction to the employer?—The employees' representatives put their side as well as they could. Their witnesses were very good, and they put up a very good case; but the employers' representatives were able to put the whole position from a financial and commercial point of view, and practically we were unable to touch them on that matter.

53. *The Chairman.*] Is not that disadvantage very general?—I am sorry to say it is.

54. *Mr. Arnold.*] If those two people met round a table there would not be any need to go into such questions as those?—They did meet round a table.

55. Then they held a conference?—Yes, before the Court arrived.

56. The question is as to the intelligence and ability of these people in comparison with the employers. Your argument against the Councils is that, if the two parties met, the intelligence and the ability of the employer is so much greater than that of the employee that the workers would be placed at a great disadvantage, and you say that was made evident to you in Invercargill?—I do not think I mentioned anything about the intelligence and abilities of either party. So far as dealing with the work is concerned the men were as capable as the employers, but they had no experience of commercial matters.

57. You admit that the worker, given the opportunity, is just as keen and intelligent, and as well able to look after his own interest, as the employer is?—If given equal opportunity, certainly.

58. Does not the same argument apply to Boards of Conciliation, where the two parties have to meet?—No, I think not. We have Mr. Cooper, and we consider he is the ablest man for this work we have in New Zealand, and I think that every union in this industrial district which knows anything about the man would be sorry to find any Board set up without him.

59. Are the employers not represented by the best men they can get?—I have no doubt about that.

60. And Mr. Cooper is a match for them?—We hold that he is a match, and that is the reason why we want him on every case.

61. Now, with regard to the number of industries affiliated with the Trades Council, you say there are ten or twenty more in Canterbury than in Wellington?—Speaking from memory.

62. But there are a large number more?—Yes.

63. And you are of opinion that those industries are represented in Wellington?—I have no doubt of that.

64. Then, what is the cause of them not being affiliated? Is it want of interest or want of energy on the part of the organizers?—I do not know. We appear to pursue a different method in

Wellington to what they do in Christchurch. We concentrate our energy in making the organization we are associated with more powerful. In Christchurch it appears to me that the anxiety of those who take a particular part is to get into as many organizations as possible, none of which are completely organized.

65. So that the fact of these people not being connected with the Trades Council here is really because they are not properly looked after by the organizers?—They have not been organized into unions.

66. Speaking of the needs-wage suggestion, you told us there was a letter in the *Evening Post* nearly two years ago, and you considered the writer was the father of the suggestion?—So far as my knowledge goes.

67. Then, speaking of the Bill immediately afterwards, you say, "We take it his intention is" so-and-so?—Yes.

68. Then, the inference must be that the writer of that letter, who does not sign his name, was either the person who made a speech in which he enlarged on this scheme, or the Minister in charge of this Bill?—We do not say it is the Minister in charge of the Bill.

69. You suggest it was one of those two people?—What I say emphatically is that the views contained in the two-column letter in the Wellington *Evening Post* are now in this Bill—even the very words "needs wage" and "exertion wage."

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