

259. Are there generally a number of miners and labourers about Reefton and Greymouth looking for work?—Yes, the last twelve months there have been.

260. You have no complaint against Mr. McLean now as far as coming to reasonable terms is concerned, except on the points I have mentioned, have you?—Mr. McLean told us at our last conference with him that if he could possibly afford it he would concede the terms, but he could not do so.

261. You know all the rates of wages paid by Mr. McLean at the present time?—Yes.

262. Are the rates outside higher than they are in Reefton?—I believe they are higher than the wages paid under the Reefton award. The Reefton award is the lowest on the West Coast. Mr. McLean pays for outside work the same wages that are paid on public works.

263. You said that under the co-operative system a man who does not work does not get any pay. Did you have the men on the works in your mind when you made that statement? Say a man goes off his work for a day or two or three days in a week, the rest of the co-operative gang deduct that from his share of the earnings, do they not?—Yes.

264. Those were really the men that you had in mind when you made that statement, were they?—Yes, simply the men that will not work. A certain number of men do not go to these places to work in any case: they are exceptions, of course.

265. Have you known men on the co-operative works who, as long as they were there, would not work any more than to earn just enough to live on?—I have found cases like that—men who, after they had got a few pounds, would go on the spree. There are not many like that. The average man goes into the backblocks to get all he can while he is there.

266. Do you know whether co-operative gangs are allowed to choose their own mates?—Not in all cases.

267. Do you mean recently?—Recently.

268. Can you give me any case in which they are not?—Yes. Men going on to the Midland line now are told what gang to go to.

269. But the gang need not take them in unless they like?—They are not consulted. The men are simply told to go there.

270. The gang have a right to object, have they not?—They are told they can put them out again.

271. You say that a contractor is not necessary, any more than a secretary of a union?—I fail to see, in carrying out a public work, that a contractor is necessary. If you have a contractor, to my mind it is a vote of censure on your Public Works Engineers: it is as much as saying that they are not capable of carrying out the work themselves.

272. Supposing that Mr. McLean has to find a large sum of money for financing this work—say, £50,000, or £75,000, or £100,000: do you think he would be necessary then?—The Government would be just as well able to finance the work as a contractor.

273. Do you think that Mr. McLean's previous experience is of no value?—Of course it is of value.

274. Suppose that Mr. McLean brought £20,000 worth of plant on to this work that he had had for previous works, would not that be saved to the Government?—No.

275. Why?—Because he will see that he puts in a price to cover it.

276. *Hon. Mr. Fraser.*] You were speaking about co-operative works: would you mind explaining what you meant by a co-operative work?—I take it that a co-operative work means that each shares in the contract. It prevents one man from employing another to make a profit out of his labour. It gives, or should give, to the worker himself the whole of that which his labour produces.

277. How were the gangs to be constituted under your idea of a co-operative work?—According to the nature of the work they were doing.

278. Let me put it in this way: under the co-operative system that you had in your mind when you spoke of it as being the best, would there be freedom to select your own mates in the gang?—Yes.

279. Would you consider the co-operative system a good one where there was no such freedom but where men were just taken by the Engineer and told to go into a particular gang, and, that gang being formed, they had to go to work on a certain basis?—No; I think the system would be improved by allowing the men to select their own parties.

280. You said that you have worked on co-operative systems?—Yes.

281. Was it underground in tunnels, or in open country?—Both.

282. Under the Public Works, I suppose?—Yes.

283. What was the system there in forming the gangs: was there absolute freedom in selecting your own mates?—Where I was working there was, and we did very well too.

284. Was that the invariable practice?—No. We were allowed to do so on account of our going to put through a tunnel, and afterwards the same gang went to cuttings.

285. *The Chairman.*] I understood you to say just now that you had approached Ministers, and they said they could not have this work conducted under the Mining Act, because there was a contract?—It would be a breach of the contract.

286. But, apart from that, were they of opinion that it ought to be under the Mining Act?—Yes. Mr. McKenzie promised that he would introduce legislation to bring any future work of that description under the Mining Act.

287. *Right Hon. Sir J. G. Ward.*] Did the Minister say he would make any such amendments retroactive?—Not to apply to the Otira Tunnel, but to future contracts.

288. *The Chairman.*] Is the bank-to-bank clause to apply to wet places?—No.

289. Generally speaking, is the bulk of the work in the tunnel in wet places or not?—Yes, they are all wet, more or less. Nearly every man that goes into the tunnel goes in with a suit of oilskins on him.