

in vogue in Europe is quite right: that the State should subsidize, and the employer and the worker should contribute something. It is not a matter of great importance, because I suppose it all passes itself on to the public eventually.

37. That is a wider question; that does not come close to the question we are now considering?—That is so.

38. Have you given consideration to the question of establishing more widely than they exist now throughout New Zealand of labour exchanges?—Yes.

39. Can you tell us where such exchanges are established at present—in the leading centres, important exchanges?—Yes; we have them in all the towns in New Zealand—small as well as large. They are there to be used if they are wanted, but in most small towns they are hardly ever used; but still the offices are there. The system only wants developing.

40. The establishment throughout the Dominion of properly equipped labour exchanges would be a condition precedent, would it not, to the establishment of any system of insurance against unemployment: you must have a labour exchange; that is a first step?—Yes; it is recognized in Europe that it is necessary to have these exchanges so as to prevent fraud.

41. There must be registration at them of the employment of workers, and there would be the check which that registration gives?—Yes, of course, the workers, as they become idle, would have to register and accept within reason whatever employment was offered to them. I think the establishment of labour exchanges in connection with insurance would minimize the necessity of paying money to men during idleness.

42. It is a check on unemployment?—Yes.

43. Have you given any consideration to the question as to whether it would be desirable under a system of social insurance to make a systematic attempt to decasualize labour through the system of labour exchanges?—Yes, I think that is the most important phase of unemployment—to deal with casual and intermittent employment.

44. Would you favour the attempt being made systematically through labour exchanges to focus employment on particular men, so that those who now get half a day's work in the week would get a whole day's work, and so lift them out of the ranks of unemployed labour altogether?—Yes.

45. In that way you would have a lesser number of casual workers to deal with?—Yes, I think when you are dealing with that question you are right at the kernel of the trouble.

46. Supposing you decasualize, have you considered as an adjunct to a scheme of social insurance the establishment of settlement farms in convenient localities to help those who are left?—Yes, I have considered that in this way: it seems to me that it would be an excellent idea if the State were to institute an extension of the present workers' dwellings scheme (which lately has been extended so as to set aside blocks of 5 or 10 acres of land in country districts). If the Government were to see its way to extend that system so as to enable town workers who are in intermittent employment to put in their spare time on sections of land provided by the State I believe it would be a very good thing.

47. That no doubt would be helpful, but do you not think that it is one of the serious weaknesses of Mr. Lloyd George's scheme that there is no system by which they can deal with those who are left over—who have no employment at all? I suggest to you that that is one of the real difficulties in the Mother-country, that there is no system by which the large number who have no employment are dealt with?—Undoubtedly.

48. And that in any perfect system that might be formulated here these settlement farms ought to be considered—at any rate, as an adjunct?—Expressing an offhand opinion, if, say, a thousand men now work at half-time, and under the change proposed the number was reduced to five hundred men at full employment, I do not anticipate that the other five hundred would have nothing to do. The other five hundred would be gradually absorbed from time to time in other employment.

49. You agree that it would be desirable if it could be done to have a system of farms by which they could be helped to tide them over their want of employment?—Yes. My view is this: it comes to really the same thing. I do not think it would be practicable to regulate the casual employment in such a way as to give permanent employment to the reduced number of men. Economically the system would not allow of that, although I do think that perhaps to some slight extent that could be done. Let those men who are engaged for part of their time employ their spare time on sections provided for them by the State at a reasonable distance from their ordinary work, so that while a man was working part time he would be able to work on his section for the rest of the time.

50. Do not you think that a great deal could be done to help labour by giving free passes on railways to transfer workers from point to point where work happens to be offering?—Yes. To some extent we have always done that. When I joined the Department first in 1893 there was a good deal of that done.

51. Is it being done now to any extent?—To a slight extent, but we have to take care not to allow men to defraud the Government.

52. You know that enormous assistance is given in the Mother-country to workers to move from point to point, although the railways there are in the hands of companies; enormous sums for this purpose are advanced yearly; repayments have to be made, and they are nearly always satisfied. I suggest to you whether it would not be largely availed of in this Dominion, where we own our own railways?—Yes, I quite concur in that. The difficulty we have met in the past is this: a man will come to us and say that he can get a job at so-and-so flax-mill. We make inquiries, and find it is so, and we give the man a pass, and perhaps after all he never gets there. He will get something else to do on the way, and we lose him.

53. He has probably reached employment?—Yes, probably; but we lose trace of him.