

*Mr. Hoban*: I think they understand the difference between the two cases. The simple difference between the two points is a matter of extremes. Then, we have your final answer on this question. You are willing to take the consequences if anything happens. We shall instruct our secretary, and I have no doubt about what will be done. Of course, we shall consider it, and we shall instruct our secretary to offer arbitration. You say you are willing to save the country expense, and we shall see if you are willing to stand the expense of blocking the trade of the colony.

*Mr. Owen*: The Shag Point difficulty, I think, pointed out to the Commissioners what may occur.

*Mr. McKerrow*: Yes.

*Mr. Owen*: The unionists do not handle packages, luggage, or anything of that sort. I only want to point that out.

*Mr. McKerrow*: Yes.

*Mr. Owen*: As far as we are all concerned here, as representing the Executive, we deplore the idea—the very possibility—of extreme measures; in, fact, we never dreamt it would come near to such a thing. Of course, when it comes to that unionists all hang together.

*Mr. McKerrow*: I should like to ask you one thing: Do you think it compatible with the ideas of liberty to put these threats before the public? Do you think there is much difference between the morality of the men who threatened in the Shag Point difficulty to which you refer and the burglar who meets you in some lonely part, and says, "I want your money. If you deliver it up quietly we will be friends; but of course I have a pistol here to do execution." As regards the morality, do you not think they are on a par?

*Mr. Owen*: I should be very sorry to do anything of the sort. I disclaim the idea as far as I can possibly do it.

*Mr. McKerrow*: Of course, I know you would not be a burglar.

*Mr. Owen*: But you must remember you have refused arbitration.

*Mr. McKerrow*: I have explained that it is beyond our power. We are the arbitrators appointed by the Government representing the country. We are arbitrators in all matters relating to the railway service; so that it is no use going to another set of arbitrators. Parliament must appoint them if they are to be appointed. We cannot do so, or agree to co-operate with them. Of course that is the legal aspect of the matter.

*Mr. Owen*: You have refused absolutely to reconsider the sixty hours a week.

*Mr. McKerrow*: Supposing this other set of arbitrators were to decide against you, you would simply have this bloodshed argument in your pocket.

*Mr. Hoban*: No; we shall demand eight hours for the whole service. We shall then submit the matter to arbitration, and if it said that ten hours is fair and reasonable, and compatible with the interests of the workmen of the colony, then we shall be able to agree to that.

*Mr. McKerrow*: But I understand you to say that you are unable to agree to that.

*Mr. Winter*: Arbitrators would be of no use whatever unless both parties agreed to their decision.

*Mr. McKerrow*: It was stated that unionism was of such a nature that your combination was, in a measure, powerless in the matter—that you must agree to eight hours.

*Mr. Winter*: Morally we are compelled to, but not literally.

*Mr. McKerrow*: In arbitration there would be a deed. Presuming we were to agree to arbitration, we should have to sign a deed, and one of its conditions would be to abide by the award, which might be for ten hours.

*Mr. Winter*: We should have to abide by it, but unionism would not permit it.

*Mr. McKerrow*: Unionism would not permit your Association to accept ten hours a day; but if we are forced to submit to arbitration we are willing to abide by the award. With regard to the Shag Point matter, that is very much like a man coming with a pistol and demanding your money or your life.

*Mr. Winter*: I say no. We are not demanding your money: we are simply demanding an increase of the public money doled out for a public service.

*Mr. McKerrow*: We are so far the representatives of the public in this matter.

*Mr. Winter*: But I am a shareholder in it.

*Mr. McKerrow*: Exactly; but there are 600,000 shareholders.

*Mr. Winter*: But each one is an individual shareholder, and no one has any particular claim. It is a public concern. We do not ask your money or your life, but simply a little bigger share of the distribution in the way, not of money, but of time.

*Mr. McKerrow*: I would like to point out that the Commissioners cannot accept arbitration, because they have no power to do so. They are dependent on the supplies voted by Parliament, and if Parliament refused to vote the supplies arbitration would be to no purpose. If the Commissioners agreed to make regulations very largely increasing the expenditure the House would very likely decline to pass the vote; so that we could not agree to arbitration, as we could not be sure of giving effect to the decision.

*Mr. Winter*: The House was quite willing to vote a lesser amount, because you had been able to reduce the expenditure on the railways to a considerable extent. They found no fault with that; and if you ask for more money I do not think the Government or the House will refuse it.

*Mr. Hoban*: Further, you know as well as I do that, as matter of fact, if the railways asked for £100,000 a year it would have to be placed on the estimates. But it is not necessary to ask for that supply. As you say, you made £63,000 this year: what will it be next year, with the prices of produce higher, as I hope they will be? If you ask Parliament I do not think there will be three men in the House against us.

*Mr. Owen*: I would like to point out, about this sixty hours, that it is so much in advance of anything the other colonies have been asked to concede in any shape or form. I do not want to quote