5 H.—1.

obligation upon the worker. Both parties to the contract have specific rights. The association said practically that there was no such right. That is the way this dispute came about. affair of the "Corinna" had nothing to do with it. I notice that the whole of the letters read by the secretary from the employers are pretty much in the one strain. They take up a certain position, and make statements which are very vague. If they had any position to stand upon, why have they not come round this table to tell us about it? Mr. McLean has told us that the Union Company's boats are now manned with the pick of New Zealand—the "flower of New Zealand" who have gone to sea to act as seamen, firemen, or trimmers. I can only say that is certainly not the case as regards the "Te Anau," which has just left this port. There were seven lads from the plough, who may never have seen the sea in their life, two tinsmiths, an ex-tramway-driver, and a photographer. I need not enumerate the cases of other boats, but it is the same throughout. That the Union Company have a right to employ what men they like I do not deny. I admit the right of the company to attach any condition it likes to the employment it offers. But if the company has such rights, will Mr. McLean say that the worker has no right to attach conditions before he accepts the employment? Has he not a right to reject conditions that are prejudicial to his interests and the interests of his trade? We do not say that the company must not employ free labour as much as it likes, but it cannot compel us to work with that free labour. I do not think it will do it. We may object to it, but we have not said that in no circumstances will we work with a non-union man. We do not come here with any hard-and-fast statement on the subject. We do not say that in no case will we work with a non-union man, but we say there is a rule of our union that union men and non-union men should not work together, and that rule we are prepared to uphold. We do not deny the justice of the proposition that every man has the right to sell his labour to the best advantage. I do not deny the right of the Union Company to do the best they can for their shareholders. Mr. McLean is a shareholder in a large company: I am not. He has paid money for his shares—that is his capital, that is part of the capital of the company—and he and his company do the best they can to improve their position. What is a union? It is a combination of working-men trying to get the best terms for their labour, which is their only capital. The only difference is that the capital of the one is limited, while the capital of the other is practically unlimited. There is no other difference, not the slightest. We do not say that any man who likes should not join the Union Company. He has a perfect right to pay his money, and reap the benefits which they can give. We say the union is a combination of workers to improve their position, to keep up the standard of their particular trade, to obtain protection for those engaged in it. Therefore the same principle that is recognised in a body, a union of shareholders, to promote their interest holds equally good when applied to a trades-union. Mr. McLean has said that his company and the Seamen's Union got on very well up to the time when they were constantly revising their rules. No doubt you cannot make things perfect in a day. Where we have seen defects from time to time we have tried to amend them. I think it was in 1884 that the Union Company joined the Shipowners' Association. That, you will allow, was going outside New Zealand. The New Zealand Seamen's Union is simply a branch of Victoria—it was formed by Victoria. It was formed originally when the first struggle took place. To say, therefore, that we affiliated to an Australian union for the purpose of crushing the Union Company will not hold water, because we have been a branch of the union since the time of the first struggle. We do not object to the affiliation of the employers whenever they choose to affiliate; but, if they may do so, why should we not do the same thing? We admit their right: what is admitted on one side should be granted on the other. But I have already said there is no question of atfiliation in this particular instance. When the last revision of the rules of the Seamen's Union took place it was admitted that the men were working sixteen and seventeen hours a day without overtime.—(Mr. McLean: No.)—I will show that the men were working sixteen and seventeen hours a day without overtime. It was suggested that the eight hours should be the same for the seamen as for the firemen. I admit at once that, in effect, eight hours for the seamen is equivalent to an increase of pay, for if men are working seventeen hours a day without overtime, it is a clear gain to them to have their labour curtailed to eight hours. This suggestion, with other proposals, was laid before the Shipowners' Association. That body agreed to the whole lot, with the exception of this proposal as regards the hours of labour. The Conference that was being held on the subject adjourned for the purpose of enabling the union to submit a fresh clause. The clause was drawn up and submitted, so that it should be twelve hours. The shipowners asked for a few days to consider it. They got that. They sent back the rules with half a dozen of the proposals they had previously agreed to scratched out, and saying they would not agree to anything more. Our representatives were virtually dismissed by the Shipowners' Association. I told the Union Company that we did not intend to force them even into this twelve hours' arrangement. They agreed to pay for Sunday sailing, and to increase the pay for overtime to eighteenpence. We were prepared to leave alone the hours of labour for the present. With regard to the men, it seems very strange that they could not give them an increase, when they received the engineers with open arms. According to the Amalgamated Society's rules, £25 a month should be the wage for the first engineer, and £18 a month for the second; but I say that you have not an engineer in your employment drawing £25 a month for the first or £18 a month for the second. There is not an engineer on the smaller boats receiving more than £20. If the engineers had been men of principle they would have waited for a favourable day and not taken advantage of you when to all intents you were on your knees. The Union Company cannot say that we have attacked them when they were struggling and in difficulty. We have attacked them in the fulness of their strength. We did not wait until they were on their knees and submissive to be kicked. As to the seamen's demands, we were prepared to waive that. So far as the Seamen's Union is concerned, everything we have done has been not only fair and reasonable but carried out in a reasonable manner. Since 1885, the time of the Conference in New South Wales, when the shipowners agreed to a Board of Conciliation, events have happened rapidly. They knocked off this Board altogether because one or two decisions were against them. They, not