

pay a lump sum per ton for whole cost at the screens, or to lease them the mines at a nominal interest on the capital value of the plant.

29. Did that apply to all the mines?—It was on the hewing-rates of the three mines.

30. How was that notified to the men?—It was notified by the manager to Mr. Andrews, the secretary of the Miners' Association, by letter dated the 30th June.

31. In a notification of that kind, how was it known that it reached the men? was it stuck up in the mine?—No; it is a recognised thing at Brunner that any communications made to the members of the association should be sent through their secretary whom they elect. That has been going on for years.

32. Do you think that is a good thing for the men?—I do not regard it myself as beneficial for the miners, and I am quite sure it is not beneficial to the mine-owners.

33. I mean this way of communicating with the members of the unions?—I think if the union is to exist at all we cannot use any other way.

34. Do you think it is a good thing for the men?—I cannot, of course, tell that.

35. What ensued after they received the notice of this reduction?—We were informed that a meeting of miners was convened, and our proposition was placed before them, and a ballot taken, which resulted in their deciding to go out on strike if our reduction of 20 per cent. was insisted upon. The papers showing the circumstances will be produced by Mr. Bishop. We simply informed them that our pay-sheets showed a serious loss, and we wished to devise some means whereby this loss could be covered, and we wished to be allowed to retain 20 per cent. in our hands in suspense.

36. *Mr. Brown.*] For what purpose?—For the purpose of recouping the loss we were making on the then work. If we failed to establish the position we stated, that amount, or some proportion of it, should go back to them.

37. *The Chairman.*] And that is how the 20-per-cent. reduction was demanded?—Yes; and I can give you a further reason why that was made. It was made primarily because we were sustaining a loss, and secondly because we saw that their wages were increased to that extent—that is to say, they could afford to lose 20 per cent. and still make good wages.

38. Then, the result of the ballot was that this proposed arrangement was rejected?—Yes.

39. Then, what ensued?—I wrote this letter to the Premier dated the 16th July, of which you have a copy.

40. This letter sets forth the position in your mind: will you tell us what actually took place in the mines as the result of their declining to accept these terms?—When they declined they drew their tools and ceased working.

41. On the date that you made this proposal?—No, not at that time. They first asked for an extension of the date, as in my letter we offered to submit our books, in proof that the loss actually existed, to any accountant they might appoint. They wanted the extension in order that they might appoint accountants to look into the books. We granted that and a second extension, without the 20 per cent. operating. We tried each time to get it, but each time we gave way rather than stop working.

42. *Mr. Moody.*] Your loss was still going on?—Yes. Then I went away to Wellington after the first extension—2nd July—was granted, knowing that it was a question of accounts. I was in Wellington when I wrote this letter.

43. It was after your second extension of time—14th July—and while the books were being examined, that you wrote this letter?—Yes. I saw that there was little or no prospect of their agreeing to the 20 per cent., then I wrote the letter to the Premier on the 16th July.

44. On what day did the men draw their tools?—Well, the accountants, of which Mr. Commissioner Brown was one, telegraphed to them the result of the account-taking, from Dunedin to Greymouth. I think that would be about the middle of July. Then we pointed out to them that the accounts clearly proved our contention, and that unless they agreed to concede the 20 per cent. the mines must be closed on Monday, the 21st July, and work was stopped on that date, but the tools were not taken out until the 1st August. Meantime there was a demand made that we should allow them a further extension of time to receive the written statement of accounts. This was declined.

45. Do you think it could be argued with any reason, you having given them this notice, that they were to be locked out of the mine?—Of course, looking at it in that way, it would be locking out in one sense. The reduction we were asking them to concede would enable them to earn the same rates as they earned before March on the net-weight system, which had been in operation for years. We pointed out simply that on the net-weight system an average of 12s. 3d. per shift of seven hours was earned, and on the gross-weight 14s. 8d. for like time. In that increase is comprised, very largely, our loss. We could not increase our selling rates, as nine-tenths of the trade was under contract for the current year, and we told them that this excess they had imposed upon us meant an immense loss, and we wanted them to go back to the rates which would give them 12s. 3d., and upon which our contracts were based.

46. And they refused to work at the reduced wage?—Yes.

47. *Mr. Brown.*] You did not ask for a reduction beyond the previous rate of pay?—No; and we did not ask for a reduction below that which, in our opinion, would enable them to earn a fair rate of pay.

48. *The Chairman.*] That is to say, had they not struck they would have received an average of 12s. 3d.?—Yes; we considered they would, by working fairly at the rates we were offering them. The 20 per cent., you will observe, was only on the hewers: it did not apply to the truckers and other labourers. Nevertheless we expected to get 20 per cent. on the truckers and others through a more efficient mode of working, because the percentage on the hewers would not have made up the deficiency.