

From the winter of 1877, for some eighteen years, the colony was plunged into depression. With the end of the great public-works schemes of the "seventies," the country was faced with extensive unemployment and distress unprecedented in its history. But the problem of unemployment was scarcely visualized by those in authority, and immigrants continued to arrive. The depression was world wide, being associated with a drain of gold into France, Germany, and the United States of America, the opening-up of the American railways, and a huge flood of goods from that country on to the world's markets. New Zealand's markets for wool and grain were affected. Incomes from overseas and incomes from Government spending on public works declined together. New Zealand industry was unprotected, and, in the face of overseas competition and falling prices, resorted to the usual methods of cost-cutting.

Extensive unemployment made the lowering of wages easy. Women, girls, and boys replaced men in industry, and all were faced with competition from women who worked long hours in their own homes. The Employment of Females Act of 1873 was incapable of adequate enforcement.

Conditions deteriorated rapidly, and industrial unrest developed, until it became impossible to ignore any longer the lowering of standards of living among the working population. In 1890 a Royal Commission was set up to investigate the "sweating evil," and, although its majority report began, "With satisfaction we report that the system known in London and elsewhere as 'sweating' and which seemed at one time likely to obtain a footing in some of our cities, does not exist," the facts revealed in evidence, and the dissenting opinion of three members, showed a state of affairs which can scarcely be regarded with composure even after half a century of amelioration. Its immediate result was the passing of the Factories Act, 1891.

While this Act remedied many of the abuses which had been current, it was soon found that it had not touched one important aspect of "sweating." It provided (section 23) that any occupier of a factory who had work done outside his factory should keep a record, for the use of Inspectors, of the names and addresses of workers concerned, of the description and quantity of the work, and of rates of remuneration paid. This section was aimed at the practice of giving factory workers work to be completed at home, at the protection of those who worked habitually in their own houses, and at the employment of children at home. That it failed in its full purpose is demonstrated from the following quotation from the second annual report (1893) of Mr. Edward Tregear, the Secretary of the new Department of Labour:—

The subject of "sweating" is a very important but difficult one to comment upon. There is little doubt but that sweating goes on in a few places, but it is proceeded with in a manner which the Factory Inspectors (with their present powers) cannot prevent. Such work is generally given to persons who, not having any factory or workshop, and not assembling in any number, do not come within the provisions of the Act. Two points of difficulty are met with when attempting to put down sweating by legislative action: one is that it is hard to reconcile the right of entry to private houses with the sanctity of the homes; and the other that the "sweating" wage, miserable as it is, sometimes stands between the unfortunate recipient and starvation. If the State prevents this pittance being worked for, the authorities must either regulate wages or pension indigent workers, both of which courses are at present "outside the domain of practical politics."

In the following year the report of the Department contained further reference to sweating in much stronger terms. It was said that some of the homes in which work was done were "dens of dirt and pestilence, from which germs of contagion are scattered broadcast among the public . . ." Further, "respectable" employers could not compete with those who cared "for nothing but making money" and who found "homework" extremely convenient." A great part of the trouble was attributed to two classes of workers—namely, married women who took piecework to eke out husbands' incomes or to provide a little extra money and who could therefore afford to "under cut" piece rates, and those who, through invalidity or other causes, had to