

It was also a favourable opportunity for the Government to put forward to the industry proposals along the lines of the programme on which it was elected. Negotiations were opened up, the Government representatives being Messrs. B. C. Ashwin, G. M. Pottinger, L. C. Webb, and F. P. Walsh. They met the leaders of the industry and had discussions. It became very clear to the representatives of both Government and industry—and they had passed that opinion on to himself, and he in turn had discussed the matter with Cabinet—that the work which they thought would require two Boards expressed in the Labour Party's manifesto could be done effectively by one authority. The Government had had quite an open mind on this aspect of the problem, so long as what was proposed did not mean something contrary to the proposals in the election programme to which it was pledged, and was acceptable to the industry. The Government had been quite prepared to consider anything reasonable, and its answer was that if it was firmly established that one body could do the job of fixing the price and handling the produce, obviously there was no need for two separate bodies. While every one would be enthusiastic about making two blades of grass grow where one grew before, nobody would want two Boards where one would do the job. The Government therefore told the Committee to proceed, so long as it was satisfied that what was proposed would not be a violation of the pledges it had made. The results of the Committee's work, as adopted by the Government, had been placed before the Conference the previous day and before members of the Government a day or two earlier as the Government's plan.

Mr. Hale, in his short summary of the proposals, touched upon the main principles that had been agreed upon. Mr. Hale had also wanted elucidation on one or two points, and he would deal with one forthwith, because the answer was contained in a reply to a letter he had received from Mr. Hale. Mr. Hale's letter read as follows:—

“ The Right Hon. the Prime Minister,  
 “ Parliament Buildings,  
 “ Wellington.

“ DEAR SIR,—

“ In recent weeks a committee of the Dairy Industry Council has been discussing with representatives of the Government proposals for the establishment of a Commission to fix the guaranteed prices and to market dairy-produce. At this stage, there is one point on which we think it desirable to seek clarification from the Government. As you will be aware from my letter of January 31, 1947, the demand has been made that farmers and farm workers be placed on the same basis as other sections of the community as regards the 40-hour week and payment for Saturdays, Sundays and statutory holidays. Furthermore, it has been asked that the price for the current season be reconsidered in the light of this factor.

“ The Dairy Industry Council, having discussed the proposals, desire me to ask if the powers of the proposed Dairy Industry Commission will enable it to review the current season's price, regard being had to the developments which have taken place concerning the 40-hour week.

“ Yours faithfully,  
 “ (Signed) W. E. HALE,  
 “ Chairman,  
 “ Dairy Industry Council.”

In reply to Mr. Hale's letter, he had written the following:—

“ The Chairman,  
 “ Dairy Industry Council,  
 “ Wellington.

“ DEAR MR. HALE,—

“ In reply to your letter of April 15th, 1947, I desire to point out that the proposed Dairy Industry Commission will be empowered to determine the guaranteed price. The formula by which this price is to be determined will provide that the Commission shall take into consideration, among other things—

“ The general standard of living of persons engaged in the dairy industry in comparison with the general standard of living throughout New Zealand.

“ In recent months action taken by the Government has extended the benefits of the 40-hour week; and these developments could be taken into account by the Commission in the practical application of the passage quoted above. Moreover, it would also be competent for the Commission to reconsider the price for the 1946-47 season in the light of these considerations. Authority for the Commission to do this will be included in the legislation to be submitted to Parliament.

“ Yours faithfully,  
 “ (Signed) P. FRASER,  
 “ Prime Minister.”