

He had already explained that the 1946-47 price could be reviewed by the Commission and that all factors could be taken into consideration. He would like to express the hope that, while he did not know whether the new proposals would remove the industry entirely from politics, it would lend itself less to party politics. Apart from those associated with Government policy, there would be no directive from the Government in regard to details. In price fixing, the Commission would not be under direction, but it would be under an obligation to consult and discuss with the Government if the financial position was such that the proposed guaranteed price could not be met from the financial returns from overseas. That provision was just plain common-sense. He thought the proposals were not only important to the industry, but that it would also be an example to the country generally of co-operation in practice.

He was not going to enter into any discussion regarding the present economic and industrial situation except to say that they all saw tendencies in many directions that might shake the very foundations of the country. He was just going to say this: that there must be a stopping-place to anti-social action, from whatever quarter. The conscience of the people of the country would not long tolerate the various groups who were repeatedly threatening to coerce the community. No country could survive economically—and if it could not survive economically it could not survive socially—unless there was a realization among all sections of their responsibilities in pulling their weight in the industrial life of the country. He was not going to blame any one section, but was going to say that all required to have a sense of deep responsibility in discussing economic matters and determining questions of prices and wages and allied questions. It would be very easy for the Government to remove stabilization and all other restrictions, and let prices and wages and farm returns and profits and dividends soar. They would mount up like a fountain, and then would collapse like a fountain when turned off, and there would be widespread suffering. The alternative, and the only alternative, was co-operation. The Government could use restrictive measures and could establish itself as a dictatorship and use force. Occasionally the use of compulsion and even force was unavoidable, but its constant use was not a sensible or successful policy, and unless the common-sense and conscience of the people of the country as a whole were awakened, then the economic life of our land would collapse. It was their individual and collective responsibility to endeavour to institute a system of co-operation, and in that respect he personally would like to see industrial workers and farmers getting together and discussing matters frankly, friendly, and plainly in regard to each other's responsibilities. For instance, how could their markets be maintained unless the commodities produced were sent away from the country as quickly as possible? The first condition of success was co-operation from all concerned.

The Government would put the agreement into legislation, and a new phase in relationship between the Government and the dairy producers would be commenced and be an example of the proper attitude to be taken by all if the country was to go on as they wanted it to go on from prosperity to prosperity.

The proposals referred to by the Prime Minister and placed before the Conference were as follows:—

It is recommended by a joint Committee comprising representatives of Government and of the dairy industry that—

- (1) There shall be appointed a Commission to be called the New Zealand Dairy Commission.
- (2) The Commission shall consist of seven members to be appointed by the Governor-General on the recommendation of the Minister of Marketing, of whom—
 - (a) Three members shall be appointed on the nomination of the Minister after consultation with the New Zealand Dairy Board;
 - (b) Three members shall be appointed from a panel of six names nominated by the New Zealand Dairy Board; and the Minister shall consult the said Board before recommending to the Governor-General;
 - (c) A Chairman shall be appointed on the nomination of the Minister after consultation with the New Zealand Dairy Board.
- (3) The Commission be a body corporate.
- (4) (i) The Chairman of the Commission shall be appointed for a term of five years, the retiring Chairman to be eligible for reappointment as Chairman or as a member of the Commission. Any appointment to fill an extraordinary vacancy shall be for a term of five years.
- (ii) The first appointment of members of the Commission shall be for a term not exceeding five years: Provided that at the end of the third year two members to be selected by ballot shall retire, and similarly two original members (or persons appointed to complete a term of office of original member) shall retire by ballot at the end of the fourth and fifth years respectively; and also provided that of the two members retiring at the third, fourth, and fifth years respectively, one shall be a member appointed on the nomination of the Minister and one a person appointed on the nomination of the New Zealand Dairy Board.