It came about over a question raised by the Huddart Parker Company as to the jurisdiction of the Court over their vessels. This matter is very important, and it means that the whole of the floating unions of New Zealand-all the maritime unions-will have to watch affairs very closely, seeing that shipowners have raised such a point. The point is this: In the first place, Huddart, Parker, and Co. questioned the right of the Court to bring them under an award, seeing that their vessels are registered and owned outside of New Zealand, and that their crews are shipped and paid off outside of New Zealand; and notwithstanding the fact that they trade on the coast of New Zealand, they consider the Arbitration Court has no right whatever to bring them under any award that may be made in the colony. When the question was raised the Judge said he would hear legal argument, and I believe all the maritime unions in New Zealand were represented by counsel at that time. The Judge promised to give his decision, but the decision has not yet come along. In the meantime, when the award was given he said that the Huddart-Parker Company were included for the time being. The award was given he said that the fluddard arker force on the 1st June. The Huddart-Parker Company refused in a way, as we thought, to abide by the award, with the result that we drew their attention to the fact that the award was being broken by them. They replied to us as follows, if I might be permitted to read a portion of their letter: "Wellington, 9th July, 1904.—The Secretary, Federated Cooks and Stewards' Union, 12, Grey Street.—Dear Sir,—In reply to yours of the 8th July in reference to the s.s. 'Zealandia,' we may state that we yesterday paid to those members of the providoring department who are entitled to any additional payment under the New Zealand award the extra amount due to them for the month of June. As you are aware, we are still waiting for an answer to the question we raised as to the extent of the jurisdiction of the Arbitration Court over our boats. In the meantime we are not paying more than we consider we are obliged to under a strict interpretation of the award—that is to say, we are only paying award wages while our boats are in the Wellington district." The question of territorial jurisdiction was raised by this company, and it appears to me that it is a question which this Committee will have to consider when making any amendments to the Arbitration Act. If this territorial question is to keep cropping up it simply means that any local shipowner may refuse to abide by the award directly he is outside the three-mile limit, so that even a vessel running across to Picton can refuse to abide by the award until such time as she is back again inside the three-mile territorial limit. That is what it means. What the union suggests in connection with this matter is this: Section 86 of the Act provides that the award shall be framed in such manner as shall best express the decision of the Court, and paragraph (c) of that section provides that the award shall specify the industrial district to which the award relates, being in every case the industrial district in which the proceedings were commenced. I might say that this is the point on which Huddart, Parker, and Co. are now touching.

23. Mr. Laurenson.] Do you suggest an amendment?—Yes. The amendment I suggest is that where vessels trade to any district year in and year out the award shall bind a regular trader to any industrial district whilst the award is in force. The Huddart-Parker vessels trade in the district, and the company are simply paying for the time the vessel is lying in Napier and in Wellington—that is, one day in Napier coming down and one day in Wellington, then one day in Wellington going back and one day in Napier. That is one of the main points I wish to place before the Committee. It is necessary that something of the kind suggested should be done, because I can see trouble looming up in the near future unless something of the sort is done to provide against the practice. The Huddart-Parker Company have set the lead and any other employer may follow, so that as far as the seafaring community is concerned an award will only obtain during the time the vessel is lying in the district where the award originated. There is a matter bearing on this same question that to my mind requires some provision being made by the Committee when they send their recommendations to the House. It is this: Section 21 of the Industrial Conciliation and Arbitration Act, "Industrial Associations," reads as follows: "Any council or other body, however designated, representing not less than two industrial unions of the one industry of either employers or workers may be registered as an industrial association of employers or workers under this Act." I might state that the case which I am now bringing before the Committee was not that of a local union. The Cooks and Stewards' Union is a registered association consisting of unions in each of the industrial districts of New Zealand; and in addition to section 21 and the registration under that section, section 98 provides that in the case of an industrial association submitting any reference to the Court it shall be done by resolution passed at a special meeting of the members of the governing body of the association, and confirmed at special meetings of a majority of the unions represented by the association. This was done in the cooks and stewards' case. That, gentlemen, has always been understood by us to mean that when our branches in Auckland, Dunedin, and Wellington have passed the necessary resolutions as laid down in the section of the Act to which I have referred, and have submitted the case to the Court, seeing that we produce evidence from each of these districts we have been under the impression that we have complied with the Act as to the procedure; yet the Court under section 86 limits the award to the district in which the case is heard, precisely as in the case of a union that is purely local. This we consider is a hardship. It either means that the federation is no good so far as the Court is concerned, or else that we have got to confine ourselves simply to a local award and go to each and every district where we have other unions to get a similar award. If that is to be the case it means that subsection (2) of section 98 and section 21 of the Act are of no earthly use to unions federated under the Act. That is what the Huddart-Parker Company are working on in the present case. They are treating an association award as a local award, and we would suggest that something be done in order to obviate this, because it was never contemplated by the Legislature that although an award was to be confined to the district where the case was first heard the industrial district was to be carried around on a ship's deck. In the case of the floating community the members of the union are continually going away from the district in their vessels. It is only natural that they should. Therefore, if the award is not to be made applicable to them during the time they are out of the district, it means