

rates fixed every day. Now you can see how utterly absurd it is to think that the Arbitration Court is going to fix the rates. We should want an Arbitration Court for every shop in the colony, and it would have to sit incessantly to provide for the day's requirements. But nevertheless it is a matter of very great gratification to me to find these clauses embodied in this Bill, because in a way it expresses governmental sanction to a system which I believe may be made to yield very valuable results in stimulating industrial efficiency. If employers can be induced to take such a scheme as this up, and devote the necessary care, ar.d patience, and attention to the details, there is no reason why it should not work out well, and, so far as the Bill, or the Government, encourages employers to do this, good work will be done. But it is quite out of the question to ask the Arbitration Court to attend to the details of any such scheme. I shall be glad to answer any questions which the Committee may wish to ask with regard to the details of this plan. Speaking generally of the Bill, I believe the employers will be loyal to it if it is passed, as they have been on the whole loyal to the labour legislation from the beginning.

5. *The Chairman.*] Is that claim entirely borne out?—There have been, of course, a great many breaches of awards by the employers.

6. But you used the words "from the beginning"?—Yes, I think so.

7. *Mr. Arnold.*] You might say "in the main"?—I do not think I am overstating the case at all when I say that the employers have been loyal to the legislation since the beginning. I do not say that they have not proposed amendments, but when the law has been passed we have respected it, and those who have taken the lead among the employers have insisted on the law and the Court being respected. I believe we have done our best to obey the law, and I believe if this Bill is passed we shall continue to do so, whether we have very much faith in its final success or not. As far as the conciliation clauses are concerned we are all strongly in favour of it. We should like to see them still further simplified. I think the ideal Conciliation Board is a board composed of the two parties to any given dispute meeting in as friendly and informal a way as possible to talk over grievances and try to arrive at an agreement in a conciliatory spirit. There should also be a provision for the parties in such a case, if they fail to come to an agreement between themselves, to call in the services of an official chairman—call him an Industrial Commissioner, or whatever you like—who would have a certain status. I suggest a status somewhat above that of a Stipendiary Magistrate. There should be one Commissioner for each Island, and his services should be at the disposal of any disputing parties. He should take the chair at their conferences, and his duty should be to act as a conciliator to bring the parties together in a reasonable and conciliatory manner if possible. But I would not clothe him with any mandatory powers, because just as soon as you do that you destroy his value as the first step in conciliation. I believe that if that system were properly organized, and the right kind of man appointed to the official chairmanship, a great many of the disputes that now go before the Arbitration Court would never reach that tribunal. If it is decided to maintain the Arbitration Court, then disputes which cannot be settled in the manner I have described could still be dealt with by it, or such points as the original conference found it impossible to reach agreement upon. But so far as the original conciliation conference is concerned, I would have that entirely informal, and would have no binding awards made and no enforcement clauses. We have heard a great deal about the loss to the community and to individuals as the result of strikes and industrial dissension, but as a matter of fact the labour legislation, and the Industrial Conciliation and Arbitration Act particularly, has not operated in the past so much as a preventive of strikes as it has acted as a regulator by State interference in the conditions of the industry. That is to say, that the control of industries has been very largely taken out of the hands of those who are responsible for it and put into the hands of irresponsible parties. I doubt very much whether that was the original intention of the framer of the Act, and in so far as it has taken that form I believe it has been baneful rather than beneficial; while at the same time I do not wish it to be understood that I regard the whole system of labour legislation as baneful. After all, strikes do not seem to me to be such a terrible bugbear as some people would have us believe. The loss that falls upon a country by reason of strikes is the loss consequent upon the withdrawal from active work of a certain number of men, the idleness of a certain amount of machinery, and the paralysis of a certain amount of business organization. Such a loss has never, so far as I am aware, been a very serious thing in the Dominion, and I am quite sure that the cost of the arbitration system has resulted in a loss of industrial efficiency far greater than ever resulted from strikes, or than was likely to result during the period the arbitration system has been in existence. I may perhaps be a little pessimistic in my views as to the industrial situation, but with the experience of the past fifteen years of State regulation of labour, and in the light of current events, I must confess that I am very doubtful of the wisdom of trying to maintain and bolster up a compulsory system of arbitration which, it seems to me, must inevitably lead to the decay of industrial efficiency, and in consequence must work harm to the industrial interests of the Dominion. I should like to say a word or two about the proposal that fines and penalties enforceable against workmen should be made collectible by employers by an attachment of wages. I recognise that it is very difficult indeed to collect fines and penalties from workmen, and possibly this is the only way in which it can be done; but I must express an opinion that if employers are made responsible for collecting such fines, it will mean that the employers will have to pay the fines themselves. It is quite clear to me that if I have a man working for me at 8s. a day, and I have to take 2s. a day from his wages, I am not going to get eight shillings' worth of work from that man. I should be a great deal more than human to expect that from him. There are one or two minor things I have noted in the Bill that I would like to call attention to. In section 27 there is a provision that "Any industrial union or industrial association which is a party to an industrial dispute may make application in writing," &c. There is no provision for an individual employer or any number less than seven doing