to agree to refer the dispute to a committee of the parties who were there and interested in the whole thing; and finally he would be able in many cases to get the representatives to come to an agreement in connection with the points of difference. An illustration of what I am speaking about: I might say that I was present at the conference in Westport when the agreement in connection with the Denniston coal-miners was arrived at. That conference, which had Mr. William Scott, of Dunedin, as chairman, commenced with, I suppose, thirty or forty people in the room. There could not possibly have been more ill feeling displayed or strong language used. There could not possibly have been, apparently, less prospect of an agreement being arrived at, but the final issue was absolute and complete unanimity on all the points in dispute. You have also a splendid example of settlement by conference in this way in the wonderful work done by the Minister of Labour himself in connection with the seamen's dispute. At the outset, as Mr. Millar will admit, the parties were completely at variance, but with the use of tact and diplomacy—a little persuasion on one side and then on the other, the employers retiring from the room on some occasions and the workers on other occasions—the final result was a settlement which I am persuaded will be loyally observed by both parties no matter what may occur. There was one of the biggest things in New Zealand that could possibly be put before a conference for settlement in that way. Take the recent railway troubles at Home, where Mr. Lloyd George came in as mediator, and where a notable settlement was arrived at. Mr. Millar himself, I know, has a copy of a scheme of settlement by conciliation in operation with a big federation at Home, and under which very good work has been done. Now, what are the elements that make for settlement in such a proposal as the Federation submits? First, there is no compulsion. The parties meet by invitation; if they do not, then nothing is done. Second, the chairman has no vote at all, and I believe that is the weakest spot in the weak system we have at present. Third, the agreement come to in this way by the parties themselves will prove more lasting and will be more loyally observed than by any other system which could be devised. I believe, Mr. Chairman, if the scheme I am advocating at the present time is put into operation the estimate of the Hon. Mr. Reeves, that 75 per cent. of the cases would be settled by conciliation, will be nearer to realisation than by any other system of arbitration or conciliation. I do not say you may expect that every dispute will be settled in that way—there may be none settled for a month or two; but once the scheme has a fair chance of showing what can be done under it good results will follow. I have to apologise for taking up so much of your time, Mr. Chairman; but I believe the success or non-success of the legislation which will be devised at the present time will largely depend upon this phase of the

29. Voluntary instead of compulsory conciliation?—Yes, voluntary absolutely. Then, failing settlement in this way, I hold strongly that all disputes should go to the Arbitration Court—that should be the only tribunal. Further, if the Conciliation Councils proposal is gone on with and Chairmen are appointed, we ask that permanent Chairmen shall be appointed. I want to impress upon you, as Mr. Booth said the other day, that, while employers will be absolutely loyal to the legislation and give it a fair and honest trial—and I know of what I speak when I say it is the intention of the Federation, which represents the whole of the trading and manufacturing employees the problem of the representation ployers throughout New Zealand, to insist upon its members truly and loyally abiding by the law, whatever it is—we fear, and fear with exceeding fear, if I may so put it, the proposal to appoint Magistrates as Chairmen of these Conciliation Councils. We shall have to fight such a proposal step by step and use every means in our power to prevent that becoming the law if it is so suggested. The interests the employers have at stake are too great to intrust such an important matter as the settlement of industrial disputes to any persons other than those who make a study of industrial matters. Magistrates will take this work up as something aside from their ordinary work—their minds and their interest are all directed towards their magisterial duties — and, however good their intentions may be, if they do not give their minds absolutely to this work the results will be too serious to contemplate. Now, taking section 26, we ask that the words "unless both parties shall agree" be inserted after the word "Court" in the second line. That is, if both parties agree to take the dispute to the Arbitration Court they shall have that power.

30. That is going back to the old law before the Willis amendment?—Yes. Section 27: There is no provision for an employer or employers to make application for a case to go before a Conciliation Council, and we must have that. Suppose there is an award in existence, and it is an unfortunate award from the point of view of the employers. They will be bound by that award during the time for which the award is made, and under this section, no matter how serious it may be to the interests of the business or industry affected by it, the employers would have no power to apply for a variation. I feel quite sure that never was the Minister's intention, and that we have only to mention it to get the alteration asked for. Section 31: There is no provision for the appointment of a substitute as a member of the Council in the event of sickness or death, or of taking the oath of secrecy in connection with the Council. Section 34: We ask for the insertion of the words, after the word "may" in the first line, "after due notice has been given to the parties concerned." Parties may be added to a dispute without getting any notice. It is such a fair request there is no need for me to say any more about it. Section 35: The Federation asks that all agreements shall be made awards of the Court. We know that several agreements have been attacked for different technical reasons, while an award of the Court cannot be so attacked. You may remember the Wellington slaughtermen's strike, where the prosecution failed through a technical blemish; and just recently in the South an agreement was entered into with the same faults as the Wellington agreement. I think it is desirable that where agreements are made—they are made in all good faith—the law should make them as binding as possible. Section 36, subsection (1): We ask to be deleted all the words after the word "fit" in the fourth line. We think that when a dispute passes through the Conciliation Council to the Arbitration Court it should