32. It rests with the employer at the present time to recognize ability, but unfortunately it is not done. The employer does not do it because he is up against competition?—Yes.

33. Whatever regulation or amendment may be brought in it will simply rest with the employer to say what he considers the man is worth. My experience has been that whenever any individual is doing work somewhat superior to his fellow-men and receives 1s. per day extra, he earns it. It should be the policy of the employers, where they can do it, to recognize ability ?-- Undoubtedly.

- 34. The reason why there are so many unskilled workers to-day is because there is no incentive for the men to learn skilled trades. They are merely working along mechanical lines, knowing that they will get the increases as time goes on. The result is there are a lot of unskilled workmen to-day. How would you bring about an amendment or regulation that would give to the worker extra remuneration?—I suppose you can do it by piece-work. Where it is not practicable to do it by direct results, then the only thing I can think of is for the local committees that I have suggested to fix the wages.
- 35. Mr. Howard. I concur that it is the Court's work to fix the minimum rate of wages and not the maximum. Seeing that the Statistician fixes the rate of wages by the index number, that relieves the Court now of its work ?-- The minimum is now fixed by the index number to a great extent.
 - 36. The Court is doing work which it ought not to do ?—Yes, but that provision is only temporary.

37. But it could be made permanent ?—Yes.

38. And more scientifically ?--Personally, I think the mistake has been made by increasing the wages to the full percentage of the cost of living, and you are going round and round. What I think the Court should do is to increase the wages by 75 or 80 per cent., and so bring things down.

39. Mr. S. G. Smith. Do you know of any industry in New Zealand that has registered under

the Arbitration Act for one union in New Zealand ?-- They cannot do that.

- 40. The Amalgamated Society of Railway Servants is a Dominion organization?—They have special provision in the Act.
- 41. Mr. Kellett. It comes under the Act?—Yes, but I am inclined to think it has a certificate, but I am not sure.

42. The executive is controlled by the branches?—Yes.

- 43. Mr. J. S. Dickson. That is only one branch of the railway service. There are two other organizations—namely, the New Zealand Locomotive Engine-drivers, Firemen, and Cleaners' Association and the Railway Officers' Institute ?-Yes.
- 44. The Chairman.] Is there any other matter you wish to bring under the notice of the Committee?—Yes. I have not heard section 6 of the Bill discussed. A suggestion was made by one of the Conciliation Commissioners that clause 6 of the Bill is not practicable because it would be impossible to carry out the intention within that time. It is suggested that the words "one month" should be deleted altogether, leaving only the maximum period—two months.

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