

*Mr. McBrine* : I was amused to hear Mr. Polson commenting on Professor Belshaw's paper and accusing him of guesswork, when later on he stated that the figures he himself had obtained regarding transfers of land might be misleading and indicate something else. Was not that a guess of some kind on his part? At any rate, he had not a very strong case. In regard to land-values, I would refer other speakers on this side to Professor Tocker's paper, who, in his conclusion, suggested that the sole remedy for the evils we are suffering from at the present time, and which are affecting prices, can be cured only by the reduction of labour costs. "Labour costs must be reduced," declared Professor Tocker. But in the whole paper there is nothing said about the trouble being due to the result of the high land-values, or to the over-capitalization of industries. I just submit this suggestion to some of the farmers present: that when they say it is essential there should be a reduction of labour costs, there should be also a lowering of something else. I admit that I do not know very much about land-values as a whole; but I do know, from the first-hand statements of people who have done the buying, that there are a number of farms in the Waikato district that have changed hands in the last few years at something like £100 per acre—dairy farms and good land. I am told also that that land would not have fetched under any consideration more than about £50 per acre before the war. The interest rates before the war and before the period of inflation might roughly be said to have ranged around 5 per cent.; a security of that kind ranges to-day somewhere in the vicinity of 7 per cent. I am assuming for my argument that one worker is dairying, roughly, on 20 acres of land. I do not know if that is so or not, and I throw it out as a suggestion. Here is the position: at £100 per acre 20 acres pays an interest charge each year of £140. The same 20 acres at £50 an acre with 5 per cent. interest paid an interest charge of £50 before the period of inflation; so that each worker who held that land had to hand over to a non-producer—and I emphasize that point—an additional 90 per cent. in value each year beyond what was necessary before the period of inflation. I am sorry, personally, that we have not had before us a paper dealing with the banking and financial aspect of this question before the discussion took place. We have had very little evidence in connection with the other economists' papers, and it is to be regretted that regarding that aspect we have nothing directly to deal with at this Conference. We must also have in mind the absolutely enormous charge on the joint product of the people which is exacted by the third party, who is a non-producer—that is, the interest-drawer—because, after all, the interest-drawer does not actually produce anything at all. I suggest that that aspect should not be lost sight of in the discussion.

*Mr. G. H. Williams* : I would like to endorse what has been said about the value of the papers which have been read by the Professors of Economics; but it is impossible to agree with all that the professors say, because they do not agree with each other. But, agreement or disagreement, there is no doubt they have been a very valuable contribution to the facts and matters placed before this Conference. These papers have been the result of a vast amount of study as to this particular question from the point of view of the scientific side, and they will prove of great value to the country generally. It is therefore absurd for me in the short space of five minutes to attempt to deal in detail with the papers before us. If this Conference were to adjourn for three years to enable me to study the subject of political economy I would be very pleased to go away and then come back and deal with these papers in detail. The one feature I wish to call attention to in Professor Belshaw's very valuable paper is that he has practically excused the labour conditions—or I will say, the costs of production, from being the result of labour conditions—as being of no importance at all. That is to say, the importance of the Arbitration Court, which is to a very large extent responsible for the labour conditions ruling in this country to-day—the importance of that is minimized beyond what I think is a right and proper extent. That is the only point generally that I feel inclined to call attention to in that paper. There is, however, another point, and that is that the various conclusions drawn by Professor Belshaw and by Professor Tocker are based on the same data. As to which point of view I am most in agreement with is beside the point. I merely call attention to that fact, and further reiterate the impossibility of going into detail as to reasons for siding with the one conclusion or the other in the space of time that is available.

*Mr. Polson* : It is now 5 p.m. I move, That the Conference do now adjourn till 7.30 p.m.

*Mr. Bishop* : In view of the fact that many of the delegates wish to leave Wellington on Friday evening, and that the Easter holidays commence next week and we are likely to adjourn till after the holidays, I should like to move that we sit to-night in spite of the resolution passed earlier that the daily sittings close at 5 p.m., and that to-night be devoted to the completion of the papers now before the Conference, so as to enable us to make a start to-morrow morning with the other papers to be presented.

*The Chairman* : I was waiting to see whether the discussion was finished, so that we could take the professors' replies on the debate this evening. Is there any one else who wishes to speak?

*Mr. Roberts* : I have consulted my colleagues, and I am afraid that many of them, unfortunately, have other meetings to-night, so that it would be impossible for them to be here. The professors would certainly not have time to reply in one hour, and there would be other discussion, I understand. Professor Murphy's paper is not ready, and many of the delegates think that they should have it before they discuss the statements made in it. I think that if we agree not to meet to-night the discussion would not take much longer. We could get through the discussion in the time mentioned by Mr. Bishop—that is, by Friday night.

*Mr. Bishop* : We have twelve papers still to come.

*Mr. Roberts* : I do not think they will be the tomes that we have had to-day.

*Mr. Bishop* : I suggest that we sit on now till 6 o'clock.

*Mr. Roberts* : I second the motion.

*Mr. Baldwin* : I protest against sitting till 6. I think we should adhere to the limit laid down. Motion agreed to.