

*Mr. Herbert:* Sir, I just rose to make one reference to Professor Tocker's paper. On page 23 he refers to labour costs, and states that labour costs are 50 per cent. of the total national income. He also says that the total national income is £116,000,000. Does he mean to infer that £58,000,000 is paid to the New Zealand workers in wages? If the statement he makes on page 23, that the wages paid to the workers amount to 50 per cent. of the total national income, is correct, then it may be inferred that the workers receive £58,000,000 in wages. Now, it is a pity that the professor, who has access to documents and statistics, has not made some more detailed inquiry in reference to labour costs. I would suggest that when the professor makes a statement like that he should give some more detailed evidence as to cost of production. We know that material is a big factor in the cost of production; there is also depreciation to be taken into consideration, and we also have interest, rents, and profits. Nothing is mentioned about profits except in a period of depression. Then, I would like to ask Professor Fisher a question as to a statement made on page 20 of his paper, where he states that his work was paid for at piece rates. Does he mean that?

*Professor Fisher:* I would not have said it if I did not mean it.

*Mr. Herbert:* Do you say that?

*Professor Fisher:* Yes.

*Mr. Herbert:* Well, it struck me as being peculiar. I did not know that research work was paid for at piece rates. On page 20 of his paper it says, "For the type of work on which I am engaged, piece rates were at one time frequent; time payments have now been generally substituted, and it is agreed everywhere that the change was a good one."

*Professor Fisher:* Do you agree with that?

*Mr. Herbert:* Yes, I agree with that, but I thought it was unique that a professor should make such a statement as that.

*Mr. Bromley:* I do not want to prolong the discussion, and it is with a good deal of diffidence that I rise to speak at the end of the presentation of papers such as we have had to-day. It is not for the purpose of criticism, but in order to obtain, if possible, some elucidation, when the professors reply to the discussion, that I am rising at this juncture. Referring first to the address of Professor Murphy, not having his paper before us it is difficult to follow his remarks closely, but I have a record here that he made it quite clear that more production was the solution of our economic difficulties and depressions which the country is labouring under at the present time. I find in his own book, "Outlines of Economics," that he points out that consumption is the supreme motive and ultimate determinant of production, for the wants of the consumer determine the market of production. He did not make it clear that he was blaming the workers for under-consumption. We say that he does not get sufficient to enable him to consume enough. He also made some reference to the inefficiency of the workers: it may not have been quite definite, but it was implied that the workers were less efficient than previously. I find, again quoting from his book, that he points out that a more even distribution of wealth would react favourably upon the efficiency of the workers and consequently increase production, and in that respect we are in agreement with him, but we want to be sure that he is emphasizing that point to-day. That is what is required if we must have more efficiency. Mr. Semple has shown that the workers here are quite as efficient as those in any other country in the world. If we are to have that increased efficiency we must have a greater share in the distribution of wealth produced. The professor seemed to have some objection to the Court fixing a minimum wage, because that is, after all, what the Court does. It is not supposed to fix a standard wage. Again quoting from his book, he says that the minimum wage should be a fixed charge upon the industry, and if the industry is not able to support it it is parasitical. That was quoted by Professor Belshaw. I want to refer to one other point in his speech. It was referred to by Mr. Cook from a different angle, but I am inclined to think that he misunderstood Professor Murphy when he joked about the Arbitration Court determining such issues as whether the spreading of raspberry-jam on tarts was skilled or unskilled labour. He cracked a joke at the expense of the Court and instanced its dealing with such trivial details. He said that labour legislation must not be couched in general terms, but must be of the most detailed character.

*Professor Murphy:* I think you have got the old edition.

*Mr. Bromley:* These are quotations from the professor's own book, but seem to have been entirely forgotten by him when he was speaking to us yesterday, and it is only with a desire to find out what he means that I am speaking. With regard to Professor Tocker, I want him to explain whether he thinks his is a complete paper when in it he, as an economist, places before a Conference of this kind a paper in which he sets out before us the difficulties of the primary producers, concentrating his whole argument on wages costs, but never mentioning other costs. As I have only half a minute left I would like to draw his attention to the *Journal of Agriculture* for October, 1927, where a table appears on page 225 showing the expenses of a dairy farm per 100 acres, and out of the total of £418·875 the wages cost for labour is only £158—a very small detail; and that may be why it was not emphasized by Professor Belshaw, and was referred to by Mr. Williams as having been missed out.

*Mr. Purtell:* Like Mr. Polson, I have a horror of figures and graphs: I would sooner have plain reading. I believe that a psychology has been created in this country, as in other countries, and that that psychology is not quite true. I do not believe that things are quite so bad as some people have suggested. For instance, we have had the "jam-tart business," which is not of much importance anyhow, but it only goes to show how this psychology can be created amongst the people, who think that we are in a really bad position. These professors have admitted that they have no practical experience. I find in Professor Tocker's paper that he states that, apart from the Conciliation Councils, there does not seem to be much business doing in connection with the Court. Well, we as trade-union secretaries find that the Conciliation Councils are useless, because they are generally a dead wall, refusing to do anything; and that is the end of it. There is another statement here in Professor Tocker's address