

arbitration and the relations of arbitration to the welfare of New Zealand, and my paper was a definite attempt to diagnose the situation and to bring out those aspects of it which seemed important. I cut my paper very severely, in order not to have it unduly long. I had not, of course, heard Professor Belshaw's paper then. I have been accused of not exploring this, that, or the other thing, but a paper such as I presented cannot completely exhaust every point that might be raised. I brought up those points which I believed to be most material to this Conference; the others had perforce to be neglected.

Mr. Roberts brought up the human factor, and urged that it should receive full consideration; and it will, of course, but there is a limit to what can be given to the human factor. Some one else referred to the Australian tribunal of 1920, which determined the wage required to maintain the standard of good living; but the Australian Commonwealth Statistician told them that if they took the whole production of Australia that standard could not be provided. In Europe the International Labour Office built up index figures of the real wages existing in different countries throughout the world, and they found that there were enormous disparities. For instance, speaking from memory and calling the average standard of London 100, the workers' standard of living in Philadelphia was about 180, Ottawa 160, Sydney, 140, New Zealand about the same, London 100, and lower as one goes eastward. Berlin is about 70, Rome 50, Russia 40, and India below 30. The standards of living throughout the world are thus very variable indeed. The standard of the American worker, as shown by these wages, is six times as high as that of the worker in India. There are real reasons for these variations, but the main reason is the varying productivity per worker, and the fact that the limit to the amount that can be given is the amount of production. I have tried to show certain factors that limit production in this country, and I want those hindrances removed in order that the standard of living may rise. I claim to be just as humanitarian as any one else, but my method is different. You are trying to get more for the worker—I do not think this can be gainsaid—by getting it from somebody else; but very little can be done in that way. I want to get more for the worker by getting him to produce more for himself. The Arbitration Court is not an effective instrument by which the standard of living of the worker can be raised. Much more could be done if more attention were given to increasing production. I would suggest that the operation of the Arbitration Court does not educate people in self-reliance, nor give them those opportunities to develop their own ability which might enable them to get the highest standard of living for themselves.

Another point referred to by Mr. Roberts touches matter that I wrote only after serious consideration—it was not lightly written—"It is through such regulations that concrete application is given to many fallacious and futile ideas commonly held." The fallacy is that of raising the standard of living through the Arbitration Court. "Through them," I continued, "we get the demarcation of functions standardized and carried to a degree intolerable in a young and growing country where variety and diversity are the essence of progress. Through them we have limitation of the range of tasks to be performed by one man, the creation of jobs in order that employment may be found, men's wages for boys' work, skilled men's wages for unskilled work, and all the futility of making jobs regardless of their effect on costs, &c." Out of respect for my time limit, I did not bring along a Book of Awards in order to quote specific instances of each of these cases. But, in regard to the creation of jobs in order that employment may be found, I am informed that the number of people employed on threshing-mills is greater than it was. The number of men to be employed on a particular job is specifically set down, and they must be employed to do that particular job. "Men's wages for boy's work." I did work once, so I am not entirely ignorant of what I am speaking about. I find in the motor-mechanics' award that the minimum rate for washing motor-cars is something over £4 per week; and I have known boys who could wash them very well indeed; and the same wage is paid men for attending petrol pumps, which boys could do equally well. There are other jobs restricted to men that boys can perform very effectively. Before the Arbitration Court came into existence, and even in the early days of the Court, there were many jobs available for boys just leaving school, without the restrictions of apprenticeship, and under that system boys learned their trades sometimes very effectively. At the present time a great many of these avenues are closed to boys by the rigidity of the present system; and that is one of the difficulties found in placing boys.

*Mr. Purtell:* Displacing men.

*Professor Tocker:* If a boy can do the work a man is now required to do, then by all means let the boy do it. Let the man do a man's work. "Skilled men's wages for unskilled work": I looked this morning through the painters' award, and found that "a painter shall get a minimum wage of 2s. 3d. an hour . . . On ships, the painting of passengers' or crews' quarters shall be regarded as skilled work." Now, I am not a skilled man, but I can paint a house satisfactorily. I have done it several times, and I have also painted a bathroom; and I think I could paint crews' quarters and passengers' quarters too. I think that this type of thing is sufficient to show the futility of the system—sufficient to illustrate the points I want to make. Fleece-picking in wool-sheds is another job I might have mentioned now done by men, but which used to be done by boys.

Another point raised by Mr. Roberts was in connection with my estimate of the total production of the sheltered and unsheltered industries, and my statement that the 54 per cent. produced by the sheltered industries was practically all sold in New Zealand. Mr. Roberts asked, "Is this of no value?" It is, of course, of great value. My point is, these people are there all the time, and they will buy as nearly as possible the same whatever the state of New Zealand as a whole. But the farmer has to sell in an unsheltered market, and his purchasing-power depends upon the price of his products in the world's market, increasing as the price rises and falling as it falls. The farmer, in short, is what is known in economics as "the marginal buyer," and he sets the price. You have 50 to 60 per cent. of the market assured, and 40 to 50 per cent., or the farmer's demand, is not assured; sometimes it diminishes and sometimes it increases. And it is that margin that determines the price, and