

(4) The system has not secured industrial peace. It probably has diminished the number of strikes and lockouts; but this is merely because the parties felt that they could get their will more easily or fully through the Court than by direct action. The power to strike always exists, and experience shows that when labour thinks it will pay to strike, or to adopt irritation tactics or any other form of direct action, it will take this course, whatever the law may say.

"The working of the Arbitration Act under Mr. Seddon, and then later, shows that when the State allies itself with strongly organized labour for the purpose of regulating industry, there is peace while labour is dictating to the State, dispeace when the State dictates to labour."—(Rankin: "Arbitration and Conciliation in Australasia," p. 177.)

The union endorses the following passage from the Bulletin of the Canterbury Chamber of Commerce, No. 28, dated May, 1927:—

"Following upon a period of serious industrial strife, the Act aimed to provide official tribunals before which representatives of employers and wage-earners might meet and, in a calm, judicial atmosphere, discuss and settle their differences dispassionately and without resort to industrial conflict. For the next ten years industrial peace appeared to have been achieved. The Conciliation Boards were used less than had been expected; but the Court, which had been regarded merely as a Court of appeal, before which intractable cases might be brought for final decision, shouldered the additional burden; times were prosperous, prices and wages rose steadily, no serious industrial stoppages occurred, and in many quarters New Zealand's system of compulsory arbitration was regarded as having settled the strike problem.

"Twenty years have passed since that period of peace ended, and it appears now that peace was due not to compulsory arbitration alone, but also to the considerable volume of additional legislation for improving labour conditions, to relief from the depression which prevailed in the early 'nineties,' and to the rising tide of prices and prosperity which made continuous wage-increases possible. From 1906-7, when a temporary setback to the country's prosperity checked the rising trend of wages, the Court's power to secure industrial peace began to wane, and, despite many amendments and consolidations in the Act, industrial troubles became more frequent. The stronger and more militant unions in particular, whose disputes the Court was designed to control, learned to place themselves beyond the Court's jurisdiction at their convenience by declining to register or cancelling their registrations under the Act. The Industrial Disputes Investigation Act, which followed the serious conflicts of 1913, was a tacit admission of the inability of the arbitration system to secure the measure of control which had been expected of it.

"The official records of disputes involving stoppage of work from 1906 to 1925 are summarized in the following table:—

	Strikes.	Lockouts.	Total Stoppages.
1906-10	22	3	25
1911-15	146	1	147
1916-20	221	1	222
1921-25	299	2	301
Totals	688	7	695

"One stoppage of work occurred in 1906; the number gradually increased till it reached 73 in 1913; it fell during the war, but rose to 77 in each of the years 1920 and 1921; it fell to 34 in 1924, but reached the record number of 83 in 1925.

"The official figures for the distribution of disputes since 1906 may be summarized as follows:—

Disputes in	Whole Periods, 1906-25.	Fifteen Years, 1906-20.	Last Five Years, 1921-25.
Food, drink, &c.	102	65	37
Mining	242	135	107
Shipping and cargo-working	215	86	129
Total for three groups	559	286	273
All other groups	136	108	28
Total	695	394	301

"During this period, from 1906 to 1925, the total disputes involving stoppages of work in New Zealand numbered 695, of which 242 were in mining, 215 in shipping and cargo-working, and 102 in food, drink, &c. (mainly freezing-works), or 559 stoppages in these three industrial groups combined. Over this major part of the field of industrial trouble the Arbitration Court has had little effective control, though the Industrial Disputes Investigation Act has probably exercised some restraining influence. During the five years 1921-25 the concentration was even more marked, for, out of 301 stoppages, 273, or 90 per cent., were in the three industrial groups named above, and 28 in all the other groups combined. It appears now that in the industrial groups dominated by strong and militant unions, where compulsory arbitration is most necessary for the settlement of disputes, the system either fails to operate or operates only at the convenience of the unions. Obstructionist tactics are commonly used with impunity, and the unions can compel the employers to accept the awards of the Court; but the employers can exercise no such compulsion over the unions, for they may register under the Act or not, as they please."