

inefficiency, and of being the specific cause of our national difficulties, then it is equally legitimate for the workers to point out that the producers who control one and a quarter million dairy cows are going slow in butterfat-production, and that they are apparently satisfied with the present low average.

Some critics seem to think that if the workers, by some superhuman effort, could double their output, and could live on 50 per cent. of the present wage-scale, that the troubles of this Dominion would be at an end. Such a supposition ignores the fact that we already have a problem of unemployment to solve. Lower wages and reduced purchasing-power would only aggravate the position. The primary producers have found themselves in difficulties because of the low price realized by the sale of their produce. This is due to the reduced purchasing-power of our customers—the wage-earners. Still lower wages would mean still less purchasing-power and still lower prices for produce.

The primary producers are generally credited with being hard-headed, practical men of experience and not visionaries or theorists. We respectfully suggest to them that they can increase their annual income by many millions easier and better on the farm and through the cows—factors over which they have direct control—than they can by operations through the Arbitration Court or elsewhere, which would increase unemployment and reduce purchasing-power.

The suggestion that the wages and salaries or hours of the workers in the dairy factories have an appreciable effect on the return of the dairy-farmer is not borne out by the facts. Taking one provincial district only, an increase of wages by 10s. per week for every employee in the dairy factories would cost the suppliers in this area less than 6d. per head per week. The relation of wages to the sale price of product is shown by the fact that the total wages and salary cost per pound of butterfat in 1925-26 was less than 1d. per pound. It was shown in evidence before the Parliamentary Committee last year that in the wool industry the amount returned as wages to labour employed in that industry is, in proportion to the total return, much less than it was in 1914.

The value and justice of uniform hours of work in all industries cannot be challenged. We are of opinion that production should be so organized as to allow ample leisure for all engaged in it. We recognize that the Conference is dealing with moral issues, and that there can be no industrial peace if the condition of employment and remuneration rests upon an immoral basis.

Factors other than wages and hours have, however, largely influenced the net return to the farmer. During the past ten years and more we have been passing through a period of land gambling and speculation. Some men have been getting something for nothing out of the national income. We are now faced with the consequences, and it would be a deplorable miscarriage of justice if the workers were now called upon to pay a bill that had been contracted by others. It is not necessary to supply all the facts relative to the orgy of speculation during the war period. During one year alone, if values are taken, one-third of the land changed hands. That this speculation was not confined entirely to land is evidenced by the fact that Justice Frazer, in the memorandum to his judgment of the 4th March, 1927, said, "It is undeniably true that a number of freezing companies are not making any profits, or are making a very low rate of profit, but it is impossible to avoid the conclusion that this is due in the majority of cases to over-capitalization during the war period."

What we have stated with respect to labour employed by the dairy industry applies to all other branches of farming, agricultural and pastoral. There is not sufficient reason for the exclusion of any section of workers connected with the land from the operation of the same industrial laws which regulate the relations between employers and employed in other industries. Any such exclusion resulting in the farm-worker being placed in a less advantageous position than workers in other industries would induce workers to leave the land and seek employment in other occupations. It has been found possible in other countries to apply industrial laws to land occupation, and there is no sound reason why it cannot be done in this country.

*Land-utilization.*—The importance of adequate and substantial credit with reasonable margins of security cannot be overestimated. For many years our land system has been entirely based on the quickest route to immediate profit. The question of effective utilization to secure the maximum ultimate return has not been considered. The system has resulted in the ruin of our natural timber resources, and our mineral-energy resources have been exploited with a view not to effective utilization, but for the purpose of providing quick returns to shareholders, whose interests are entirely in their capital investment. What land industry will give the greatest national dividend is rarely if ever considered. The comparatively easy return from wool-growing as against dairy-farming, the long wait for returns from timber cultivation, the doubtful markets for our orchard products have all largely influenced our utilization of land. Provided that markets for the products are available, the land should be utilized to produce the commodities that will supply a livelihood for the largest number of people. There are large areas of land held for wool and meat raising to-day, providing a livelihood for the minimum number of persons, which, if fully settled for wool and meat production, or used for butterfat or other production, would sustain many times the number of people. We are of opinion that an inquiry should be made into the possibilities of reducing the number at present unemployed, by a systematic exploitation of our lands from the national viewpoint.

For the information of delegates we are setting out a statement of hours and wages in North Island dairy factories, under the awards at present in operation.

*Dairy Factories Workers : Hours.*—Butter-factories : From 15th August to 15th March, fifty-six hours per week of seven days ; from 16th March to 14th August, forty-four hours per week of seven days. Cheese-factories : From 14th August to 14th May, sixty hours per week of seven days ; from