FRIDAY, 30TH MARCH, 1928.

The Conference resumed at 10.15 a.m.

Right Hon, the Prime Minister: In the absence of the Chairman, Mr. A. D. Thomson, I have been asked to preside at the Conference to-day, and I ask you to deal with that question first.

Mr. Roberts: I move, That the Prime Minister take the chair.

Motion agreed to, and the Prime Minister took the chair.

The Chairman: A question arose yesterday with regard to the procedure, and the Parliamentary Committee met this morning and outlined their decision on the matter, as follows:

"The Parliamentary Committee, during the consideration of the important matters they anticipated would come before the Conference, were unanimously of the opinion that 'decisions' should

be arrived at by mutual agreement and not by weight of numbers.

"While the question that arose yesterday afternoon might be considered as a 'detail of procedure,' we would suggest that where any difference arises during the discussions in open conference and cannot be agreed to on the voices, it be referred to two members, one selected from either side. If they fail to agree, the case to be submitted to the Parliamentary Committee, the decision of that Committee to be final.

"We would suggest that any rule made or agreed to by the Conference should not be varied or

departed from without the unanimous consent of the Conference.'

I think that states the Committee's view of the position, and I suggest that it is a sound policy to adopt during these proceedings.

Professor Murphy: The professors wish to waive any claim to the status that was in dispute

yesterday.

The Chairman: Thank you very much.

Mr. Roberts: We have already a Business Committee of six members, and I think they have done very good work up to now. I also think that if this matter were referred to two members of that Committee they would be able to deal effectively with it. They have already dealt with difficult situations that have arisen up to now in connection with the Conference.

Mr. Polson's Reply.

The Chairman: The next question is the reply of Mr. Polson to the questions asked him

yesterday regarding the paper from the Farmers' Union.

Mr. Polson: I wish, first of all, to thank the Conference for the opportunity to give a considered reply to those questions, which were very important and go deep down to the root of the whole matter we are here to discuss. It is therefore desirable that one should give a considered opinion, and I am sure we are not here to count one another out. I feel that, as far as the group I represent is concerned, that is the last thing they want to do. They wish, if it is possible, to bring about better relationships with labour than exist at present, and we are here for the purpose of mutual information. I wish to assure Mr. Roberts also that no individual of the name of Murphy has had any say whatever in the answers to these questions.

I did not think so, Mr. Polson. Mr. Roberts:

Mr. Polson: Before beginning, may I say that the script of the questions asked me would require at least one hour to read, so that I have endeavoured to shorten them as much as possible, and to group them together, so that in many cases I am answering two or three delegates' questions in the one answer. I have given the answers as briefly as possible. The questions were:—

answer. I have given the answers as briefly as possible. The questions were:—

1. What is the justification for third-party intervention in industrial disputes?—My answer is that, as the farmers have to pay the piper, they have a right to at least some say in the calling of the

- 2. Has Mr. Polson any knowledge of the shop-steward movement in Britain? Does he consider that movement, which is common where the arbitration system is not compulsory, any less inquisitive than the New Zealand system ?-My answer is that I know nothing of the details of the workers' interference in the management of British factories. I regret to learn from the question that it is even worse than in New Zealand.
- 3. Does not your paragraph on page 77 indicate that the employers were responsible for initiating the practice of forcing the Court to settle questions which should be settled by mutual agreement? — My answer is: No. The paragraph does not indicate anything of the kind. Workers are responsible for at least as many cases going to the Court as the employers.

4. Will Mr. Polson please define in more detail what is meant by the term "legitimate profit"? -My answer is: A profit that will enable the employer to carry on his business and get an adequate

return for his capital after payment of all charges.

5. Will Mr. Polson tell the Conference if, in his opinion, the interest rates paid on the mortgages existing to-day on the farms are fair, seeing that mortgagors are compelled to do the bulk of their business with the mortgagee ?- My answer is: I desire neither to defend nor uphold the conditions stated in this question. Only a small proportion of farm mortgages are held by stock and station agents, and therefore the question is not relevant to my argument.

6. What would Mr. Polson say to the statement that the wheatgrowers and woolgrowers refused to sell their products at under a certain rate ?-My answer is that to the extent that this statement implies a general accusation against woolgrowers and wheatgrowers it is incorrect. As a matter of fact, during the war the woolgrowers accepted a price far below the world's market price. It is estimated by some authorities that in this way they presented the British Government with £15,000,000.

7. Why did not Mr. Polson, in dealing with Mr. Justice Sim's refusal to make an award for farm labourers, tell the Conference that the Conciliation Council had recommended that an award should