

26. Does Mr. Polson mean that wages shall be fixed on national production when he says "Wages should bear an ascertainable relation to productivity and depend largely on production"?—My answer is: No; the production I referred to was that upon which workers are themselves engaged.

27. Do you not think that if the country workers, such as farm labourers, forestry workers, chaffcutters, drainers, &c., were protected by Arbitration Court awards or industrial agreements, would it not make for more efficiency in the various industries, the conclusion being that the workers would be more satisfied and give better service?—My answer is: No. It would, in my opinion, disturb the good relations at present existing. We do not accuse our permanent employees of inefficiency; they are generally efficient.

28. Is land-deterioration due to the "go slow" of the farmers?—My answer is: No; land-deterioration is due to the high and increasing cost of working land. Far from going slow, the farmer to-day is working harder than ever in order to exist.

29. Does Mr. Polson think that the wages of workers in the freezing industry are too high?—My answer is: I think there are too many restrictions in this industry, which are a greater cause of increased cost than high wages. That the wages of slaughtermen are high is proved by the fact that as the rates of payment have been raised the output has been reduced.

30. Might not the increased cost to the farmers be the result of our freehold policy especially causing speculation in land-values?—There is no time at my disposal to discuss freehold *versus* leasehold policy; and, if there were time, it is not relevant. I should just like to say, however, that there has been more speculation in leasehold than in freehold lands.

31. Does Mr. Polson think that immigration is responsible for unemployment?—My answer is: Obviously, too great an influx of immigrants unwisely selected or insufficiently controlled must have an effect on employment. I am informed, however, that most of the immigrants in recent years have come to New Zealand at the instance of workers already here. Therefore the responsibility rests upon the workers, at least to some extent.

32. Is Mr. Polson of opinion that the piecework system has brought industrial peace in those farming industries where the system is in force?—My answer is: No system has brought complete industrial peace under existing conditions, but piecework has meant increased efficiency and improved earning-power, particularly in the shearing industry.

33. Regarding Mr. O'Byrne's question—if I know of any strike that has occurred in the dairy industry in Southland or Otago during the past seventeen years, and during which period unions have been formed in that district—my reply is that the question seems to imply that there has been no trouble. I am prepared to accept Mr. O'Byrne's statement, and am particularly pleased to hear it.

Mr. Semple: I move, That Mr. Polson's time be extended.

The Chairman: No; I keep the time. We must observe the time-limit. The next item is the paper given by Mr. C. H. Williams on behalf of the Sheep-farmers' Federation.

Statement of Sheepowners' Federation.

Mr. C. H. Williams: Mr. Chairman, we, as a matter of fact, are prepared to produce collective opinion on other very important phases of the subject we are here to deliberate upon—the tariff, for instance, or finance—but we thought it advisable to confine this paper strictly to the arbitration system; not because we consider it necessarily the most important of those factors which are affecting us to-day, but for the reason that we do consider it a factor of great importance, and it is one of those factors which are ready to our hand for amendment. Furthermore, our antagonism to the Arbitration Court, as at present constituted, is, I think, one of the reasons for the calling-together of this Conference. That is the reason, gentlemen, why my paper is confined to the one subject. Further, I would like to make it clear that the opinions stated in this paper are the result entirely of our own interpretation of the conditions as we find them to-day. They have been arrived at independently of the opinions of the economists; though, necessarily, they are modified to a certain extent by the general reading of economic questions, which, of course, constitute a part of the education of every one of us. Again, I would like to say that we have purposely avoided going far into detail at this stage, and for this I think the Conference will thank us. One very small matter before I begin the paper: After hearing the questions put to Mr. Polson yesterday, I have listened with envy this morning to his very clearly typewritten condensation of those questions, and I would ask any gentlemen who wish to question me to be kind enough to do their own condensing, because the time at our disposal is not sufficient to enable me to do it. I will be particularly glad if gentlemen from the Labour side will be good enough to put their questions in writing as far as possible. I will listen to their comments, and endeavour as far as I can to give the answer to the questions according to those comments.

We, as representing the Sheep-owners' Federation of New Zealand, desire, in the first place, to congratulate the Government upon their action in convening this Conference, and to thank them for the opportunity thus accorded to us of expressing our views upon the industrial situation. We feel sure that the evidence that will be forthcoming from the different sections of the community concerned will be of the greatest assistance to them in their effort to solve the very important problems which confront the community at the present time.

We are asked to give our views as succinctly as possible upon the advantages and disadvantages of the present system of regulation of industrial conditions. It is to be presumed, therefore, that the existence of certain conditions—viz., the unfavourable economic position of the farmer—the consequent general depression of secondary industries and services, the loss of rural population, and the existence of an acute measure of unemployment—are outside the scope of this paper, except in so far as they are evidence of weakness in the system. It is presumed also that by the expression "system of regulation of industrial conditions" the Industrial Conciliation and Arbitration Act is meant, that