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questions that may be asked in reference to the paper read by Mr. Acland last night. In the penultimate paragraph of Mr. Acland's paper he refers to the happy relations which existed between the Shearers' Union and the Sheepowners' Federation during the war period. We agree with his remarks on that point, but I desire to ask Mr. Williams to explain the attitude of the representatives of his federation when, upon meeting the union's delegates during recent years, they have absolutely refused to discuss wages and conditions before the Conciliation Council, stating that they desired to place the responsibility upon the Arbitration Court. On numerous occasions I have represented the shearers when we have met the sheepowners' representatives before the Conciliation Council, and they have refused to discuss wages and conditions, always stating that the responsibility must be placed upon the Arbitration Court—that they were not going to get into hot water with their membership. That was their While the union has adopted a conciliatory attitude, the federation has adopted the reverse, and that has been responsible for the break in the relations which previously existed between the two sides. My second question is, Will Mr. Williams explain why his federation has refused to assist the Shearers' Union by refusing to import shearers' implements in order to enable the shearers to get them at reduced cost. A while ago an understanding was entered into that sheep-shears would be imported into New Zealand, but by the time they were sold by the firms that imported them the price was excessive. There is no question about that. By a joint arrangement, sheep-shears could be imported and sold to the shearers, in some cases in the back country, at 125 per cent. less than the storekeepers are charging the shearers to-day. For some reason or another the Sheepowners' Federation constantly refused to have any further dealings with that matter.

Mr. Kennedy: On page 101 of his paper Mr. Williams states that men should be paid on what they produce: how would he pay men who produce nothing? Take the Professors of Economics, who produce nothing: what would you pay them? On page 101 Mr. Williams deals with breaches of agreements and awards: could Mr. Williams give us the number of breaches of awards and agreements committed by the employers, and also the number committed by the workers? On page 102 he says that the present system provides for one-sided compulsion only on the part of the Court: is he aware that under the present Act the employers can cite and take to the Court a union of workers? On page 102 he says he believes in conciliatory collective bargaining. Would Mr. Williams be prepared to give the Conciliation Chairman the right to vote on questions upon which the representatives of the two

parties could not agree?

Mr. Robinson: Mr. Williams in his paper blames the Court for fixing bad conditions—not so much the wages, but the conditions. Does he not know that it is most unusual for the Court to fix con-Why does he, therefore, blame the Court? There is no agreement about conditions ditions at all? regarding the matters referred to the Court. Very often the Court refers them back to the Conciliation Council on the ground that the Court is not an expert as to the conditions. In a case in connection with the busmen and the Dunedin City Council the employers would not agree to conditions, and the matter was referred to the Court, which said, "You cannot expect us to deal with these matters. You are experts. Get together and deal with them yourselves." So that any conditions are fixed by the parties themselves, and, that being the case, the Court is not justified in making them stand to that agreement afterwards. Further, regarding another question on page 101, it is said, "There is too great a power in the hands of the Judge in one direction, and too little in another," meaning that the Judge has the power to bind an employer, but not to bind the worker. But is it not the fact that, as the Court only has the power of fixing the wages—the volume of wages—the employer can immediately defeat that by raising prices after the award is made? We have seen that for a good many years the wages have never gone up with prices. And the index figures will tell us that for a great number of years since 1914 wages have never kept up with prices; and it has not been a case of wages rising after the prices have risen, but of just the opposite—wages have been endeavouring to keep up with prices, but have not done so.

Mr. Worrall: I ask a question of Mr. Williams, as to whether he infers that there are only two ways to solve the problems confronting us—viz., reduction of wages, or increase in per capita output. I suggest to Mr. Williams whether the question of distribution is not mostly to be solved by increased output. Does Mr. Williams think that an increased output must eventually result in greater unemployment? I would like to give an illustration of what I mean, without taking up too much time. I refer to the bootmakers of Northampton. On various occasions these men have increased their output, with the only result that the warehouses have been bursting with the product of their labour, and the workers themselves were amongst the unemployed walking the streets. One could illustrate that aspect again and again, but I think the one example will be sufficient. The other point I wish to ask about is whether the question of distribution must not be first settled before the employers can expect the

worker to put his mind into the problem of increasing the output?

Mr. Bloodworth: I ask Mr. Williams if he or the Sheep-farmers' Federation is in favour of a standard minimum wage being fixed; and what steps does his federation recommend in this direction, supposing they are in favour of it? On page 101 Mr. Williams says, "The spirit of compulsion must enter also into the work of conciliation, creating antagonism where none need exist." Yet practically the whole of page 102, and in fact the main suggestion contained in the paper, is for a system of compulsory conciliation. The precise words are: "With compulsory conciliation in force, and voluntary arbitration as a possible sequel, conciliation would become the king-pin of the system." If compulsion now destroys the spirit of conciliation, would not compulsory conciliation equally destroy the spirit, and create antagonism under his proposed system? I personally cannot support compulsory conciliation, and the two words seem to contradict each other. I am speaking with considerable experience of the system as it stands at present, and I have not come across the spirit of antagonism in the Conciliation Council. I have almost invariably found the true spirit of conciliation to exist in the Council chamber. I do not think it is correct, as Mr. Williams says it is, that the spirit of