

the Act was designed to promote getting together, the effect of the method of working that has gradually been evolved has had exactly the opposite tendency by putting a third party between those who ought to be in immediate contact. Mr. Reeves was far-sighted enough to see the possibility of some such development, and he states his view on that possibility in the following words: "If this measure fails, it will be because it will be ineffectual, and not because it will do any active harm. If it fails, its failure will probably be because its provisions are not taken advantage of. I hope that it may be so administered and so worked that the employers in days to come will welcome it as their best friend." The dairy-farmers feel that Mr. Reeves's hope has not been fulfilled, and that this is the point round which the present dissatisfaction with our industrial machinery revolves. We find that, instead of ninety-nine cases out of one hundred being settled by the Conciliation Boards, the position is rapidly approaching the point that the figures may be reversed. Even in the common language of our everyday industrial life, we find the system invariably referred to in terms of "The Arbitration Court," and the conciliation aspect is so completely in the background as to have practically ceased to be an effective part of our industrial machinery. As our people see the problem, it is absolutely essential that whatever is done shall be in the direction of bringing into immediate and practical effect the original design of the framer of the Act and of the Government that was responsible for its being placed on the statute-book. With that design, the dairy-farmers have, as we have already stated, no quarrel. Their complaint is that the design has been so radically departed from that the wheels of progress in industrial matters, instead of revolving with celerity and smoothness, are being clogged, to the detriment of the Dominion as a whole and of the primary producer in particular. We are of opinion that the ideals of those who created the Act in 1894 are as valid to-day as they were then, and we think the solution of our present trouble, as far as the industrial question is concerned, is to be found in our getting right back to those ideals and manifesting them in the practical affairs of our industrial life. These ideals are essentially practical of attainment. As Mr. Reeves clearly shows, the primary consideration is "Conciliation," with (to use his own words) "Arbitration in the background." Is it not the duty of the State to make available to those who require it machinery for the settlement of industrial difficulties? But essentially the State in the framing of any such machinery must ever keep to the fore the idea of bringing the parties together. The intervention of a third party must be last, instead of, as at present, the first resort. (*Applause.*)

Questions.

Mr. Kennedy: I would like to ask Mr. Sterling one question about his paper, throughout which he states that in the opinion of the dairy-farmers the conciliation sections of the Arbitration Act have failed. Has he studied the records of the cases that have been settled before the Conciliation Councils in this country during the past few years? If I may read them to him, they are as follows: In the 1927 report of the Labour Department he will find, "The above figures indicate that 93·6 per cent. of the disputes dealt with by the Commissioners and Conciliation Councillors were settled, or substantially settled, by them; but it should be noted that in some cases the settlements reached merely followed upon recently-made awards by the Court or settlements through Commissioners or Councils in the same or similar industries elsewhere." In all 142 cases were before the Councils that year. The 1924 report of the Department states: "Out of the total of 130 disputes dealt with by the Commissioners and Conciliation Councils, 120 (equal to 92·3 per cent.) were thus settled or substantially settled by them without recourse to the Arbitration Court. The proportion so settled last year was 78·98 per cent." In 1925, 91·7 cases were so dealt with; and in 1924, 145 cases out of 171, or 84·79 cases, were settled by the Councils without recourse to the Court of Arbitration. In view of these figures, if he was not already aware of them, will Mr. Sterling still persist in his statement that the conciliation sections of the Act have failed?

Mr. Bloodworth: Are the dairy-farmers in favour of a standard minimum wage being fixed; and, if so, what steps do they recommend in that direction? I asked the same question of Mr. Williams, and in explanation I may say that I am personally interested in these suggestions for voluntary conciliation for settling disputes, and I want to know have the farmers considered any basis from which or on which voluntary conciliation can start?

Mr. F. R. Cooke: Sir, when the Act came into operation in 1894 the price of butterfat was low. Butter was sold at 6d. per pound. In fact, when I was farming in 1900 I was selling butter at 6d. a pound. To-day butterfat is 1s. 6d. per pound, and its volume per cow has been increased. Have the workers, with the assistance of the Arbitration Court, taken the bulk of these increased prices?

Mr. Robinson: Is it not a fact that at present conciliation precedes arbitration; and is not the Court in the background simply in order to settle disputes that cannot be settled in the Conciliation Councils? Is it not a fact that at present conditions may be fixed in the Conciliation Councils without the active intervention of the Court? As the Court will not fix conditions, but refers them to the parties concerned, does Mr. Sterling merely wish the Arbitration Court abolished in order that wages may be reduced? because it is really the question of wages that the Court deals with mostly. It would appear that the chief function of the Court is to fix wages, and that it is on this account that the Court is being attacked.

Mr. Churchhouse: Mr. Sterling stated before reading his paper that it applied to industry generally. On page one he said, "They [the dairy-farmers] have to compete for their revenue with the rest of the world, unassisted by any such artificial protection as may be open to other industries, commonly called 'sheltered.'" I want to ask him, are not the unsheltered industries materially assisted or sheltered by the unemployment-relief works, on which men work at a lower rate of wages than that paid under the Court awards? I think that is most important as showing that many of our primary industries are sheltered in some directions. The position is that most of our primary-industry employees are only working during the summer-time. Then there is an off season. They