

are engaged during the harvest and in the dairy industry in the summer ; and also in the meat-works. The sheltered industries in the cities have got their full quota of labour already—in fact, it is overflowing ; and when the workers in the primary industries are put off, they drift towards the cities and intensify unemployment there ; and then the Government is called upon to provide money for the relief of unemployment, and the men engaged on the relief works are paid less than the award rate of wages. This matter was touched upon at the Municipal Conference at Nelson the other day, when the Mayor of Wellington put forward some method of dealing with unemployment on the Government lines at the lower rate of wage—12s. for married men and 9s. for single men. If they are going to perpetuate this relief-work system as a slave-compound for the primary industries, so that they may get their labour thence when they require it, something will have to be done. These are questions that the Conference has to deal with ; and when we get together, I suppose we will deal with them.

Mr. Roberts : Sir, it has been stated several times in this Conference that there is a desire on the part of the employers in the farming industry to adopt some conciliatory method of adjusting disputes. I want a basis. It is no use talking vaguely about it. I agree, and everybody agrees, that conciliation is the best method. I would therefore ask, as the dairy-farmers have to face the same competition in the local and the overseas markets, would Mr. Sterling be in favour of a National Industrial Council, representative of the farmers and the dairy workers, to discuss and decide conditions of employment, wages, improvements in production, marketing, transport, &c. ; and would he be in favour of the third party, the consumers, being represented on this Council to decide the price ? I ask that because we want to get clearly down to the question of the third party. These farmers produce a very essential product for the Dominion—dairy-produce, foodstuffs that we all eat, that we must have. The workers have another commodity, their labour-power. If the third party is introduced in regard to the one commodity, it must be introduced in regard to all commodities.

Mr. O'Byrne : Mr. Sterling's paper deals principally with conciliation. I would like to ask him if it is not a fact that the dairy-factory workers' unions throughout the Dominion have had practically the whole of their cases settled by conciliation. In Southland and Otago, during the period since cheese-factory managers came into existence, for seventeen years, they have never been before the Court for an agreement or for breach of an award, except on minor points. The same position applies in connection with assistants. The wages and the whole of the conditions have been settled, either in conference with the dairy-factory directors or in the Conciliation Council.

Mr. Cornwell : Seeing that the dairy-farmers are entirely in favour of settling disputes by conciliation, I would like to ask Mr. Sterling what machinery they would establish for the settlement of those disputes in which the parties fail to come to an agreement in Conciliation Councils.

Mr. Parlane : With regard to conciliation, what would Mr. Sterling do to meet the case where employers would not agree to conciliation ?

Mr. Sterling's Reply.

Mr. Sterling : The first question was asked by Mr. Kennedy, and was whether it is not a fact that the records of the work done by the Conciliation Councils disprove the statement in my paper that this phase of our conciliation law has failed. I have not made any such statement—that the conciliation machinery has failed. What I say is that at present, as far as we can analyse the situation, the trouble is due to the tendency that has been developed to subordinate the conciliation machinery to the Arbitration Court.

The next point was raised by Mr. Bloodworth, who asked whether the dairy-farmers are in favour of a standard minimum wage being fixed, and, if so, what steps do the dairy-farmers recommend to be taken in that direction. Mr. Bloodworth added that he was interested in the continual suggestion urging voluntary conciliation, and he wants to know whether the farmers have considered any basis on which voluntary conciliation can start. My answer is that the question involved is one of theory, which will not materially arise in practice. I cannot commit my colleagues upon this question, which is one of policy, and to answer this question precisely I would say that it has not been considered. I cannot commit my people upon a vital question of policy, but I have my private opinion, which I put forward tentatively : it is that, judging from my short experience of the dairying industry, I am satisfied that the question will not arise.

The next question was that of Mr. F. R. Cooke, whose query was as follows : “ At the beginning of the Act, in 1894, butterfat was low and butter was selling at 6d. per pound, whereas to-day it is 1s. 6d. per pound, and its volume has increased. Have the workers, with the assistance of the Act, taken the bulk of the increased price ” ? That is a question of fact, and my reply is that I have not worked it out : I do not know.

Mr. Robinson asked whether it was not a fact that under the Industrial Conciliation and Arbitration Act conciliation must precede arbitration at present, and whether it is not a fact that at present conditions may be fixed in Conciliation Council without the active intervention of the Court, and, since the Court will not fix conditions, but refers them to the parties themselves, do I wish to see the Court abolished so that wages may be reduced ? My reply is that there is no suggestion, nor can the inference be drawn from my paper, that we suggest the abolition of the Court. On the contrary, I would draw attention to the final words in the paper : “ Is it not the duty of the State to make available to those who require it machinery for the settlement of industrial difficulties ? ”

Mr. Churchhouse asked, “ Are not unsheltered industries materially assisted or sheltered by the unemployment-relief works, working under a lower rate of wages than those fixed by Court awards, thus giving to primary producers the labour they require ? ” I do not think that is a form of shelter or assistance at all. Relief works are not designed to afford any shelter for unsheltered industries such as the dairying industry, and it is just a question whether the relief works afford any material