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wage workers employed in industries covered by an award of the Court of Arbitration. An investigation of that matter proves that there were nearly three children to every average married male wage worker. When we send out papers we do not ask a "single" man if he is married, and, if he is not, how many children he has. We send that paper to the "married" man, and ask him how many children he has. This statistical matchmaking does not get over the question, and does not lead to the conclusion Mr. Turner suggests. Has the Canterbury Chamber of Commerce made the investigation on the lines I suggest? Otherwise their results are fallacious for comparison purposes, since they include all kinds of people—professors, doctors, parsons, and that kind of individual—who are not really producers at all in the sense we generally use the term.

Mr. Nash: I wish to call attention to the published index figures on page 141 of Mr. Turner's paper, and to ask him if the deductions he makes in that connection are not entirely disproved by the statements of the economists at this Conference? Mr. Turner brings forward certain indexes which tend to show that prices of what are called sheltered industries or goods are much higher than the prices for goods exported by the farmer. If he will refer to page 39 of the official report of the Conference he will find there a paper by Professor Belshaw, in which he indicates a comparison of the producer's material costs, showing that farm requisites have not advanced to the same extent as export prices. One other question is: Will Mr. Turner tell the Conference how many of the 44,560 workers referred to on page 140 were working under the Industrial Conciliation and Arbitration Act at the time the disputes he referred to took place? My last question is in reference to page 139, where he refers to wages, and says "that the system was good while wages and prices were rising, but now that the tide has turned it does not operate to general benefit." I take it he means that the system was good while wages and prices were rising during the war years. I wanted to call attention to the fact that, according to the Government Statistician, not in one year from 1914 to 1924 were the effective wages of the worker equal to what they were in 1914. The following figures are taken from the Government Year-book, and they show that the effective wages for the years 1914 to 1924 were as follows. Taking 1914 as £1, in 1915 they fell to 19s. 7d., in 1916 to 18s. 9½d., in 1917 to 17s. 9d., in 1918 to 16s. 8d., in 1919 to 16s. 3d., in 1920 to 16s.  $5\frac{1}{2}$ d., in 1921 to 17s.  $10\frac{1}{2}$ d., in 1922 to 19s. 4d., in 1923 to 19s.  $2\frac{1}{2}$ d., in 1924 to 19s.  $0\frac{1}{2}$ d. The figure expresses in money the amount of goods which could be purchased with the wages in each year as compared with 1914; or, in other words, for every £1 received by the worker in 1914 he received a lower sum in the other years. I ask Mr. Turner if his opinion is that the reason why the arbitration system was effective during the war years was because at that time it had kept the workers' wages below the effective wages of previous years.

Mr. Black: The reader of the paper states on page 141 that the Dunedin City Council, faced by an increase of wages awarded by the Court, and with the same income as before, had to make the inevitable decision to reduce the number of their employees. Does he know that the Dunedin City Corporation, because it had spent a deal of money in relieving unemployment during the past two years, had decided on a reduction in hands long before the Court had given an increase of 1d. per hour to Corporation labourers? Does he know that the Corporation had intimated many months before that it would have to reduce the number of regular hands on account of the amount of casual labour it had to employ in the relief of unemployment, which the Corporation felt should have been relieved by the Government?

Mr. F. R. Cooke: I want to arrive at an understanding as to whether the gentlemen on the other side are sincere in their papers, and I would like to ask Mr. Turner if he stands for the Chamber of Commerce paper as being a balanced statement of the cause of this Dominion's present difficulty. There are 77,661 workers in what are named as sheltered industries, receiving £16,573,441. The total wealth-production of the Dominion is £116,000,000, and the exports are £50,000,000—46 per cent. of the total product. This year, I think, they are £54,000,000. That was 46 per cent of the total product of New Zealand, for which £116,000,000 were paid. Incometax has been lowered the past few years, and bank-share interest increased at a much bigger percentage than wages. In face of these facts and others, do the gentlemen on the other side, and Mr. Turner in particular, credit the Chamber of Commerce paper with being a true statement of their opinions and their ideas with regard to the Dominion's difficulties at the present moment?

Mr. Tucker: Mr. Turner refers to the paper issued by the Chamber of Commerce when the Bill was before the House last session, and the statement on page 139, clause 4 (e), that the present system stifles initiative in industry. I should like to know in what way the system stifles iniatitive in industry. It is an important suggestion that any system is stifling initiative, especially in regard to industrial matters, and it deserves clearing up. On page 141, paragraph 16, he says, "What we want is the relaxation of a system which we believe limits production." I would like to ask him what form of relaxation he suggests could be made in the present arbitration system that would not in any way detrimentally affect the standard of comfort of the workers of this country.

Mr. Kennedy: On page 139 Mr. Turner quotes the Chamber of Commerce as recommending the abolition of preference to unionists. When recommending that, is the Chamber of Commerce agreeable to taking out all of the penalties on the workers now in the system?

Mr. Puttell: Would Mr. Turner be in favour of prosecuting companies found guilty of restricting output? This question has been asked before. We have on record the famous Golden Bay Cement Co.'s case, which was justified by the Supreme Court; and it seems to me that we ought to have a declaration by the Chamber of Commerce as to the justice or otherwise of it. I happen to be secretary for some workers in Auckland where half a dozen works that are manufacturing a certain