notwithstanding the fact that Mr. Bishop has written in his paper that one of the results of the arbitration system has been the recognition of trade-unionism by the employers and a freer atmosphere for collective bargaining, yet within the last few days we have the exhibition of an employer's representative who writes in the newspapers about the "union bounders," to "throw them out" and to "call their bluff," and to advise unionists not to pay their dues into the trades-unions, stating further that when they get a demand for their union dues it is only one of the many branches of the Red Federation. The signer of those letters is at present sitting at the table opposite—Mr. Brechin—and I want to know how Mr. Bishop will deal with suggestions like that?

Mr. Purtell: Mr. Chairman, I would like to ask whether Mr. Bishop can give some substantial instances of the bankruptcy of employers who have been compelled to go out of business through the operation of the Court in regard to the minimum wage. I do not now refer to small builders employing only two or three men, but big firms from whose failure he draws the inference that things are deplorable.

Mr. Polson: Like Mr. Roberts, I am in some confusion as the result of hearing the very able paper which has just been read by Mr. Bishop. I agree more with his conclusions than with his diagnosis. On page 132, at the top of the page, he says, "The Arbitration Court does exercise a restraining influence upon the sheltered industries"; and on the same page he says, "The system does not prevent, though it may be an influence against, the making of agreements between employers and their employees contrary to public interest." I would like Mr. Bishop to reconcile those two statements, which appear to me to disagree. As a matter of fact, speaking as the representative of the primary industries, I believe that the latter statement is more correct than the former one. We in the primary industries are not able, of course, to pass anything on which comes along in the way of increased wages or increased tariffs, to assist in the development of the industry, and so to increase wages. I am, however, very generally in agreement with the conclusions which Mr. Bishop has come to. It seems to me at the first blush—and only at the first blush, because it is impossible to give a considered opinion about his proposals on the spur of the moment—it seems to me that Mr. Bishop has suggested something which will be of very great value to this Conference. He is proposing to emphasize conciliation and to remove compulsion from arbitration: as far as I can understand it, his idea is to cut out altogether the compulsory provisions of the Act. Well, gentlemen, I think that that is a valuable suggestion, and one which is eminently workable. I believe that it is one that should be very fully explored by this Conference, because I believe that it is along such lines as those, possibly with some alterations and amendments, as this Conference can suggest, that we may find some way out of the difficulty.

Mr. F. R. Cooke: Mr. Bishop, in submitting his paper, according to my interpretation of it, is trying to take away from the workers whatever privileges they have had, and to give the benefit to the employers. It seems so to me. On page 127 he says that "The expenditure of loan-money created an abnormal demand for commodities," and that "prices rose enormously in the absence of increased supply." Then he further states that there was no increase in commodities. I want to ask Mr. Bishop this question: If there were no increased supplies brought about by increased money, how does Mr. Bishop explain the wool, meat, and ships which were in the hands of the British and American Governments at the end of the war? If that money did not bring about increased supplies, how can Mr. Bishop explain those surplus supplies which were in the hands of those Governments, and which affected the prices for wool, meat, and ships after the end of the war?

Mr. Churchhouse: It appears to me that this paper is a history of the war period, of which we are all aware. We know that during the war period the financial barometer of the nation was thrown out of adjustment, and now we are trying to get back to financial stability as regards the productive value of our land. It appears to me, from all the papers which have been read, that labour is asked to make all the sacrifice, that we are asked to work for lower wages and accept unemployment—and all the ills that follow low wages and unemployment—without the same amount of sacrifice being made by the other side—the employers. What happened during the war? While the manhood of this country were away at the front, the farmers and their friends were sitting at home; they were supposed to be keeping the home fires burning. They were throwing the dice and gambling with their land, and that brought about the high prices and the high values.

Mr. Brechin: Where were their sons?

Mr. Churchhouse: We all know where our sons were. My question is, If there is to be sacrifice made in this country, should not that sacrifice be universal? Should not the capitalists be required to make sacrifices by the amount of mortgages being reduced, just as labour is being asked to accept lower wages and suffer unemployment? I want to ensure that the sacrifice shall be universal.

Mr. Herbert: On page 132 of his paper Mr. Bishop makes reference to the question of piecework. Can we take it that this is a non-committal opinion of the Employers' Federation on the question of the universal introduction of piecework into industries? The paragraph refers to piecework, but it does not make any definite statement as to whether the employers generally desire to adopt the system of piecework or not. I would like Mr. Bishop to make that clear.

Mr. McBrine: I would like to ask Mr. Bishop whether he believes that the workers can increase their production, without increase in wages, sufficiently to afford relief by reduction in prices to the farming community, which will compensate for the enormous increase in rent or interest with which their industry is burdened; and, if so, whether that is an equitable proposal? The cost of production is increased by the charges upon the land occupied by the farmer. Every one knows that within the period under review by Mr. Bishop there has been an enormous increase in charges for the use of the