

land. Now, apparently a demand is being made upon the workers in the secondary industries that they should produce more, in order that the farmers may be able to meet the heavy payments due to the holders and controllers of credit, who, after all, are not active factors. Does Mr. Bishop think that the workers can possibly relieve the farmers to an extent in proportion to the burden placed on them from the other side, and, if so, is it a fair proposition that they should be asked to do so?

Mr. Martin: Mr. Bishop, in the first paragraph on page 132, deals with the question of the low standard of production of the workers. I would like to ask him whether it is not a fact that there are numerous instances in which the employers have restricted their output by dribbling their commodities on to the market to keep up prices, because it was more profitable to them to do so, and whether it is not a fact that there have been instances where combinations of employers have paid other employers to keep their plants idle because the restriction of output would keep up the price of the article concerned, thereby securing a low standard of output as far as the employers are concerned. This system is probably a more culpable one than the restriction of output by the employee, as suggested in this paragraph.

Professor Tocker: On page 132 Mr. Bishop states, "Outside shipping, waterside work, and mining, it has been ascertained that over 70 per cent. of the workers are in receipt of more than minimum rates." As it stands the statement refers to all wage workers outside the occupations specified. I would like to ask Mr. Bishop if that statement is correct as it stands, and, if not correct, to what particular period does he refer, and what industries does it cover?

Mr. O'Byrne: Seeing that Mr. Bishop admits the employers pay more than the Court minimum wage in the ratio of 70 per cent., how can the minimum wage be responsible for the present depression?

Mr. Black: Mr. Bishop suggests the deletion of the compulsory clauses from the Arbitration Act. I wish to ask, is it not a fact that if the compulsory clauses were deleted, disputes would then be settled in favour of the stronger party at the time?

Mr. Bishop's Reply.

Mr. Bishop: I will do my best to reply to the numerous questions. I would have liked to have had a little time to consider some that are rather far-reaching, but I will do what I can in the short time at my disposal. The first question calls attention to an apparent omission in my statement as to the prime cost of conducting industry, and mentions that I did not refer to rents. Well, we do not deny, of course, that rent, and interest on capital, is a factor in the cost of industry, and we endeavoured to show what were the principal costs, and I do not think there is anything in the main which will detract from the value of the arguments throughout the whole of this paper. In reply to Mr. Robinson, who asked, how do I propose to increase the quantity of production without increasing wages—will I do it by intensifying production during the same working-hours, or by increasing the length of the working-day, or by improving the method of production, which is within the power of the employers only: It may be necessary to apply all those methods. The desire is to increase the quantity of production in the present working-hours, and this Conference is seeking the best method of bringing that about. It may even become necessary to increase the hours; but there is no suggestion of that kind. There is no criticism of the workers in my paper; there is no accusation that they are not producing efficiently; but the whole object of this Conference is to seek methods by which we can produce more, or at less cost, and so avoid interfering with the rate of wages. Mr. Robinson also said, "On page 128 Mr. Bishop says that the cause of unemployment is the height of money wages in the United States and many other countries. If that is so, how does he account for the unemployment in Germany, Austria, Jugo-Slavia, Hungary, and Czecho-Slovakia, where money wages are low?" My reply is that I think the questioner might have read that paragraph a little more carefully, and then he would have found that I had simply instanced the fact that there is unemployment—widespread unemployment—as a proof that the market cannot absorb the whole of the available labour to-day at the present money-rates of wages. Mr. Robinson also makes reference to my advocating the abolition of compulsory arbitration, and instances that I quoted with approval Lord Askwith on the failure of the voluntary system in England, and he asks how do I expect it to be successful here? Again, I do not think I have been quite understood. What I am recommending is not anything like the English system, which was discussed by Lord Askwith in reference to the British Conciliation Act. I am not alluding to anything of that kind here, which is a purely optional system in all the States. I am recommending that the present machinery for bringing together Conciliation Councils should be retained without any alteration whatever. I am only suggesting that the reference to the Court of Arbitration should be optional, not that the whole bringing-together of employers and workers should be optional. Mr. Bloodworth says "On page 131 you say that the results of the optional system in England should be an object-lesson to New Zealand." That matter has been already dealt with in my answer to the last question. Mr. Bloodworth also asks, "Are the employers represented by Mr. Bishop in favour of a standard minimum wage being fixed? If so, what steps do they recommend in that direction? If not, what will prevent reverting to sweating conditions in the event of an optional system of arbitration such as Mr. Bishop suggests being adopted?" My answer is, in the first place, the employers represented by me are not in favour of a standard minimum wage being fixed. That is the system which has been in operation in some of the Australian States for some years, and it has not been a success. The employers of New Zealand—those represented by me—are not in favour of the fixing of a standard minimum wage for this Dominion. As regards the prevention of sweating conditions, I think that public opinion is in itself almost a sufficient safeguard. And there will be the additional safeguard that the Arbitration Court will still be functioning, with the acquiescence of the parties in the majority of industries of the Dominion, and so far will there-