

and distasteful duty in being asked to do work in such a way, and I am doing all I can to give them the plant and machinery that will enable them to undertake work in the way it should be carried out in this enlightened age. I have, of course, found it necessary to hold a balance between the use of machinery and the employment of men who are willing to work and cannot find work, and so far I have not found it necessary to diminish the number of men employed, but rather to keep them employed in a more useful way.

I could not, however, ask men to work industriously for the inadequate living-wage they were receiving when the present Government took control of public works.

I decided that this state of affairs should not continue, and at the earliest possible moment issued a properly planned programme of the Department's activities, together with instructions that in future public works were to be undertaken as standard works, and that we were to depart from the relief system which had been followed for years past.

The first objective having been obtained, I then concluded an agreement with the New Zealand Workers' Union covering all employees of the Department. Under this agreement the men have been given the inducement to work—reasonable hours, good conditions, and fair wages.

A five-day week of forty hours has been introduced on public works in New Zealand for the first time, and is proving entirely successful from the point of view both of the Department and of the men.

Living-conditions on the works have been improved by the provision of better camp accommodation, for which no charge is being made.

Wages have been substantially increased, and the men are now able to earn a decent living-wage. In November, 1935, the average wage of workers on public works was 12s. 6d. per day, whereas in June, 1936, the average was 17s. 9d. per day.

As far as possible the aim has been to secure uniformity of average wages in all districts, but climatic conditions and varying types of construction activity result in some differences in earnings.

I have stated elsewhere that I firmly believe in the co-operative contract system of working. This system has been in operation on public works for over forty years, and I am convinced that it encourages the men to give of their best, because they are paid by results and know that they will be paid for what they earn. I have instructed that this system is to be continued at prices allowing men of average ability working industriously to earn the daily rates of wages provided for in the agreement. The workmen are allowed to select their work-mates and to appoint their own headman.

From the 1st April, 1936, arrangements have been made for two pays per month instead of one pay per month, which was the practice hitherto. This concession is, I am sure, very much appreciated by the men and by their dependants.

In addition to providing the five-day week, improved camp accommodation, and increased wages mentioned above, provision has been made for workmen with two months' service to be paid for seven statutory holidays—viz., New Year's Day, Good Friday, Easter Monday, King's Birthday, Labour Day, Christmas Day, and Boxing Day. Workmen with twelve months' continuous service are entitled to two weeks' annual leave per annum, of which five days will be paid for where the continuous service is under two years, and ten days will be paid for where the continuous service with the Department is two years or over.

Recreation-halls and library facilities are being provided on the larger works, and arrangements have been made with the Y.M.C.A. authorities for pictures and other social amenities. The Government has agreed to meet any reasonable cost of the service in excess of the revenue received by the Y.M.C.A.

The agreement with the New Zealand Workers' Union provides for preference to unionists, and workmen are required to become financial members of the union within one month of commencing duty. Arrangements have been made for the Department to collect the union subscription where the men give the necessary legal authority.