H.—16.

tion was in no respect due to private or voluntary action. It was official from the start, and it has never lost its official character. In the early days it was practically a council of twenty-four industrious experts to assist the Mayor and aldermen of Paris in taking cognizance of industrial establishments and trade contracts. From that time to this it has exercised functions to some extent corresponding with those which, in England, are exercised by factory inspectors. It was in the city of Lyons, the great seat of the silk manufacture, that the Conseil de Prud'hommes principally developed into an institution for settling disputes between employers and employed. In that capacity it has received a great development, the law having been amended from time to time to meet the needs of an ever-widening experience. The principal of these amendments, as well as an historical sketch of the institution itself, will be found in the Conciliation Appendix, digested from recent French publications, for which we are indebted to the courtesy of M. Verleye, the French Consul in Sydney. The Conseils de Prud'hommes have proved most effective, having settled thousands of disputes, and to their intervention France has been indebted for its escape from a host of labour troubles. At the same time it is proper to notice that the French Courts of Concilation have never had to deal with so perplexing a problem as the refusal of unionists to work with non-unionists. The difficulties that they have dealt with have been almost exclusively questions relating to wages and hours, and conditions of employment. The practice in Belgium is the same as in France.

XX. Germany.—In Germany, according to the industrial code, disputes may be settled by authorities specially constituted for that purpose in different districts, or by the communal authorities, with an appeal to the Courts of Justice. By local regulations also representative Arbitration Courts may be established. A new law (for a copy of which we are indebted to the courtesy of A. L. R. Pelldram, Esq., Consul-General in Sydney for the German Empire) was passed in July, 1890, which gives a further development to the formation of Industrial Courts. These Courts are empowered to exercise the functions both of conciliation and arbitration. They are constituted of employers and employed. From the decision of these Courts there is to be no appeal. They are composed of the President and at least one Vice-President, who are not to belong to the class of employers or of employed. These are assisted by at least four coadjutors, who are to be elected, and who are to represent the two classes. The existence of this Court does not interfere with private Conciliation Courts that may be established in the different trades.

XXI. Italy.—In Italy there is a law which provides for conciliation and arbitration in respect of all minor commercial disputes, and this law is available for many of the ordinary labour disputes. It is contained in the Code of Civil Procedure, a copy of which has been kindly furnished to us by Dr. Marano, Consular-Agent in Sydney for the Kingdom of Italy. Under this law there is in each commune an official conciliator, who possesses very much the status of a Stipendiary Magistrate. On being set in motion he summons the parties, who may be represented by attorneys. If either party fails to appear, nothing more is done except on the request of both parties. Any settlement arrived at is put in writing and signed by both parties, and, where any payment is agreed to, it can be enforced by ordinary process if under thirty francs. The Arbitration Court may consist of one or more persons, provided the number is not even. The decision of the Court is enforceable, subject in some cases to appeal.

XXII. Denmark, Norway, and Sweden.—A somewhat similar system prevails in Denmark, although, instead of a single conciliator in each township, there is a regular Conciliation Court, the constitution of which varies in different parts of the kingdom. In the capital the Court is composed of a Judge, a magistrate, and a citizen; in the larger towns the Court consists of two citizens elected by the people; in the provinces the sheriffs act as arbitrators, and in extensive outlying districts the sheriffs appoint deputies to act on their behalf. These tribunals take cognizance, as as does the conciliator in Italy, of all sorts of cases, and being inexpensive they are much resorted to by the Danes. Similar tribunals exist in Norway, which belonged to Denmark when these tribunals were first established. We are informed by Mr. E. G. Stenberg, attached to the Swedish Consulate in Sydney, that, while no special legislation exists in Sweden to deal with industrial conflicts, a custom exists by which the parties to an ordinary dispute can refer their differences to a private Board of Conciliation, constituted of equal representatives from either side, who elect others from outside the dispute to assist in arriving at a settlement. Neither party can compel the other to go before the Board, which is purely voluntary. The parties agree beforehand that they will abide by the decision of the Board. Mr. Stenberg has never heard of this Board being resorted to in labour disputes, but only for commercial differences; but he thinks that this may be owing to the fact that labour troubles are of quite recent occurrence in Sweden. He adds that a Royal Commission to inquire into the whole subject of labour disputes has been sitting in Sweden for two years, and last year presented a very voluminous and exhaustive report.

XXIII. United States.—In the United States there is no Federal law on the subject. The first systematic application of the principle of conciliation in America was in the cigar manufactory of Straiton and Storm, of New York city. Since 1879 all disputes in this establishment, which employs over 2,000 workmen, have been settled by a Board of Arbitration composed of persons connected with the establishment. Several attempts have been made in the mining and iron-manufacturing districts of the State of Pennsylvania to bring the principle of arbitration into operation there; but they have failed, because the disposition for a peaceful settlement was not strong enough. The "Wallace Act," however, passed in 1883 for the State of Pennsylvania, provides for carrying out the principle of voluntary arbitration, and it is the first American law of the kind. The Court is called into existence by the request of both parties on application to a Judge. Its constitution is representative, but it avails itself of the services of an umpire if required. The submission of all disputes is voluntary, and the awards have no legal or compulsory force. Two years afterwards, that is, in 1885, the Legislature of Ohio unanimously passed a Bill construed somewhat on the lines