

The following is a summary of the situation —

*On January 18, 1950*, the watersiders requested that the Industry Authority be re-established and promised to abide by its decisions.

*On June 2, 1950*, the Authority was re-established as requested, and the watersiders now refuse to accept its decisions and ask for its abolition. They have withdrawn their own representation on the Waterfront Authority, which has the effect of making the Authority inoperative.

*On August 3, 1950*, the watersiders accepted the Government's offer to set up a Royal Commission and promised uninterrupted work on all wharves throughout New Zealand pending the completion of the Royal Commission's findings. To-day there is a general hold-up on the wharves throughout New Zealand.

The Hon. Mr. Sullivan and I have on behalf of the Government, made it clear that we will do anything that will ensure harmony in the industry, but we have been firm and insistent that it is fundamental and basic in the Government's policy that the rule of law must prevail and that observance of the law and compliance with the decisions of lawfully constituted industrial authorities must be observed.

In the opinion of the Government the present hold-up is part and parcel of the "cold war" being waged throughout the world and must be treated on that basis.

The people of New Zealand have a right to look to its constitutionally elected Government to ensure the observance of law and order and the peaceful carrying on of the wharves and the supply to the people of the necessities of life.

The Government is determined to discharge that obligation fearlessly and firmly.

This morning I invited representatives of the strikers to discuss the present position with the Minister of Labour and myself.

At that meeting I informed those present that the Government takes the most serious view of the situation and had decided that unless normal work is resumed on all waterfronts to-morrow morning the Government will, to-morrow, under the provisions of the Public Safety Conservation Act, declare a state of emergency to exist.

At 2.30 p.m. to-morrow the Government will introduce a resolution into the House asking Parliament to endorse its action. At the same time detailed information of the various powers the Government will take to deal with the situation will be laid before Parliament.

The Government is determined that the full force of the State, and all the resources at its disposal, will be brought to bear in dealing with the situation.

I wish most earnestly to appeal to all people to exercise calm in this grave crisis, and I appeal with equal earnestness to the watersiders and any others who may support them to most carefully consider the disastrous consequences of their action and the effect it will have on hundreds of thousands of innocent working people who are bound to suffer heavily unless the present trouble is settled and normal work resumed.

The Government and the leaders of the workers affected have had many conferences. There has been no conflict between the Government and the workers, who must realize that no self-respecting Government can allow this country to be paralysed.

I sincerely hope that the course of action I have indicated will not be necessary and that commonsense will yet prevail.

*Approximate Cost of Paper.*—Preparation, not given    printing (1,000 copies), £6 10s.

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By Authority: R. E. OWEN, Government Printer, Wellington.—1950.

*Price 3d.*]