1904.

NEW ZEALAND.

LABOUR BILLS COMMITTEE:

(REPORT OF THE) ON THE INDUSTRIAL CONCILIATION AND ARBITRATION AMENDMENT BILL; TOGETHER WITH MINUTES OF EVIDENCE AND APPENDIX.

(MR. ARNOLD, CHAIRMAN.)

Report brought up on 14th October, and ordered to be printed.

ORDER OF REFERENCE.

Extract from the Journals of the House of Representatives.

THURSDAY, THE 30TH DAY OF JUNE, 1904.

Ordered, "That Standing Order No. 218 be suspended, and that a Committee consisting of twenty-one members be appointed, to whom shall be referred the Industrial Conciliation and Arbitration Amendment Bill and certain other Bills more particularly referring to labour; five to be a quorum: the Committee to consist of Mr. Aitken, Mr. Alison, Mr. Arnold, Mr. Barber, Mr. Bedford, Mr. Bollard, Mr. Colvin, Mr. Davey, Mr. Ell, Mr. Fisher, Mr. Hardy, Mr. Kirkbride, Mr. Laurenson, Mr. Millar, Sir W. R. Russell, Mr. Sidey, Mr. Tanner, Mr. Taylor, Mr. Witheford, Mr. Wood, and the Mover."—(Rt. Hon. R. J. SEDDON.)

WEDNESDAY, THE 6TH DAY OF JULY, 1904.

Ordered, "That the Industrial Conciliation and Arbitration Amendment Bill be referred to the Labour Bills Committee."—(Rt. Hon. R. J. SEDDON.)

REPORT.

INDUSTRIAL CONCILIATION AND ARBITRATION AMENDMENT BILL.

THE Labour Bills Committee, to whom was referred the Industrial Conciliation and Arbitration Amendment Bill, having taken evidence and bestowed upon the various matters embodied in the said Bill a great deal of consideration, have now the honour to report: That, in view of the fact that the glut in the work of the Arbitration Court which existed at the time when the Bill was submitted to your Honourable House is now in process of satisfactory removal, and there is every reason to believe that in future the Court will be able to cope with the work, the Committee recommends that the Bill be not proceeded with this session.

14th October, 1904. J. F. ARNOLD, Chairman.

MINUTES OF EVIDENCE.

WEDNESDAY, 13TH JULY, 1904.

A deputation from the New Zealand Employers' Federation in attendance.

The Chairman: Well, gentlemen, the Labour Bills Committee have met for the purpose of taking evidence in connection with the Industrial Conciliation and Arbitration Amendment Bill, and we have invited you here, as representing the Employers' Association, to give us your views upon the matter. As you know, we can only meet this morning until half-past 10, because the House meets at that time, and we should like to get through with your evidence if we can. Of course, we do not limit you, although we desire to get through. I suppose you have your spokesman?

Mr. Field: Yes, Sir. It was suggested I should speak first on behalf of the deputation. I should like to explain that the deputation represents not simply the Wellington Association, but all the Employers' Associations of the colony. It is the Parliamentary Committee of the New Zealand Employers' Federation, which is a federation of all the associations formed in different parts of New Zealand.

The Chairman: Then, perhaps, you can tell us this: We have communicated, according to resolution, with the other Employers' Associations throughout the colony. I suppose they will not come here now that you represent all?

Mr. Field: No. The strong probability is that any representations they may have to make subsequent to this interview will be made to us. That has been the understanding, and was the practice last year. All communications from the associations go through the Parliamentary Committee of the Federation, and the Parliamentary Committee of the Federation is represented here this morning.

The Chairman: So that you really represent the whole colony?

Mr. Field: That is the position. We have considered the proposed amendment to the Arbitration Act, and our position in relation to it is that in our judgment the Bill is not required, and it is inadvisable to pass it. We oppose the whole provision. We understand the provision to be to the effect that all enforcement cases, if less than the sum of £50 be involved, shall be heard by the Stipendiary Magistrates as distinct from the Arbitration Court; but we believe that these enforcement cases should continue to be dealt with by the Arbitration Court, and we very strongly and unanimously object to the proposed transfer. One of our reasons for the objection we make is that the Stipendiary Magistrate's Court has already plenty of work to do. We believe that if the object of the Bill be to remove a glut from the Arbitration Court it will only be effected at the expense of lodging that same glut in the Stipendiary Magistrate's Court. The Stipendiary Magistrates have, we believe, quite enough on their hands now, and are quite crowded with business; and in order to meet the increased work there would have to be, in our judgment, an increased number of Magistrates. So that if the object of the Bill be to remove the glut, we say it will only be effected at the expense of placing it somewhere else, and will necessitate the creation of other offices. But the chief objection we have to the measure is that we think the Court which gives the award is the only fit authority to deal with it in its enforcement and administration. It is to be remembered that these awards are the outcome of a very considerable amount of evidence and information supplied to the Arbitration Court; that the awards deal with all that concerns the carrying-on of the industries of the colony; and by reason of the evidence which is supplied to the Arbitration Court being so plentiful, the Arbitration Court comes to be practically an expert in industrial matters; and in the matter of these awards there is necessitated a considerable balancing and adjusting in view of all the facts of a case brought before the Court. The Court is thus supplied with an immense amount of information, which we hold is of the utmost value in itself, and is absolutely necessary for the administration of the award. That information would not be in the possession of the Stipendiary Magistrates: important facts which were before the Court in the production of the award would not be before the Stipendiary Magistrates. We therefore think that the Arbitration Court is the only Court that is really competent to administer and enforce awards. That is one of our chief reasons for objection—that these are matters which do not properly come within the ken of these Stipendiary Magistrates; and without casting any reflection on the Stipendiary Magistrates of the colony, we do not believe that they are competent to deal with the questions involved in these Arbitration Court awards. The only Court we see that is competent is the Arbitration Court itself, which issues the award on all the evidence and facts supplied to it. Then we believe that if the enforcement of these awards were left to the Stipendiary Magistrates of the colony we should have considerable diversity in the interpretation of the awards and in the administration of the Act. That we think to be very undesirable. We believe that as far as possible the administration should be uniform and on general lines which apply throughout New Zealand, and we believe it would be a very serious misfortune if Stipendiary Magistrates were to be giving diverse decisions in different parts of the colony dealing with practically the same things. I do not know whether it is expected of the deputation that we should be prepared with a suggestion as to the way in which to meet the acknowledged difficulty.

The Chairman: Of course you know that there is and has been for some time a continuous block in the work?

Mr. Field: We feel that, too.

The Chairman: And it is to get over that difficulty that this amendment is brought down.

Mr. Field: Perhaps then, Sir, it will not be out of place if the deputation presents a suggestion, which we believe would be eminently workable and avoid the difficulties we see in the present measure, while it would compass the end aimed at. Our suggestion is that there should be two Arbitration Courts, one for each Island. The Judges would be able to work together on uniform lines. It would be very much easier to secure uniform decisions when the decisions rested practically in the hands of two men than it would be if they rested in the hands of a dozen men in different parts of the colony. We believe the only practicable way out of the difficulty is the creation of two Arbitration Courts—one for the North Island and one for the South Island. This would guarantee that the work would be done, that it would be done without the difficulties arising which we have pointed out, and that it would secure uniformity of procedure. Of course it is understood that the employers have not brought into existence the arbitration law. It is not our seeking, but it is there on the statute-book, and since it is there we make the suggestion as to the way in which the proceedings should be carried on for the advantage of all alike, the whole community through. As far as we can see, that is the only practicable solution of the difficulty. There is another matter which is closely related to the Bill we are now considering. The Bill deals with the question of administration, which, of course, includes the question of fines and matters of that sort, and we desire the permission of the Committee to make a statement in respect of a matter which is not definitely included in the Bill, but which is closely related to it. This is the suggestion we want to make: We want to ask that provision shall be made that all fines levied under the Act shall be paid into the consolidated revenue of the colony. We have no objection whatever to the parties who may bring a dispute getting all their out-of-pocket costs. If a union brings a case of enforcement of award, then we think it is perfectly right that the union should have all the costs recouped to it if it wins the case.

[At this stage the point was raised as to whether this evidence was sufficiently germane to the Bill. After some discussion the Chairman ruled that it was, and the witness proceeded.]

Mr. Field: Sir, I think there has been pointed out in the course of the discussion which has taken place a reason which I should have given before. It is that in our opinion the present system offers a positive inducement to cases being brought before the Arbitration Court, inasmuch as many cases of alleged breach of award are found to be not breaches of award, but the party bringing the alleged breach of award becomes a participator in the profit resulting from any charge being sustained. Well, we do not think that should obtain, and in a Bill now before the House, which you will have to deal with in Committee of the Whole presently—the Shops and Offices Bill—the principle we are now urging is contained and expressed, the principle being that in the administration of the Shops and Offices Bill it is provided distinctly that the fines are to go into the consolidated revenue of the colony, and that they shall not be the property of any person who is a party to an alleged breach of the Act. Now that, we believe, considerably strengthens our position in claiming that a similar provision should be made in the Arbitration Bill. If unions are able to get fines of £5, £10, or £20, in addition to money out of pocket, you can see that there is some little inducement and incitement to take advantage of any alleged breach which may be discovered. We think that that should not obtain. As a matter of fact and experience, it was alleged here in Wellington some two years ago that a certain union operating in the Wellington District had been enriched to the extent of nearly £700 by the fines which it had been the means of levying upon the employers of the district. Well, we think that £700 should have gone into the coffers of the colony to help to meet the expenses of carrying on the administration of the Act. We believe the principle is entirely sound that where fines are inflicted, the colony being charged with the administration of the Act, those fines should be the property of the colony and not the property of any particular party which may be before the Court. We quite believe that the union or the employers should be recouped the costs out of pocket, but that they should not be able to make a profit out of the transaction. That is our position. We believe that that is one reason why some cases have been brought before the Arbitration Court, and that this has led in some part to the glut which is now experienced in carrying on the operations of the Act. I do not know that there is anything more to add as far as I am concerned. Mr. Charles M. Luke will probably speak next.

CHARLES MANLEY LUKE examined. (No. 2.)

1. *The Chairman.*] Do you hold office in the association, Mr. Luke?—I am a member of the association and a member of the executive representing the colony. I had not intended being here this morning. I believe this honour was intended for a brother of mine; but he could not come, and therefore I am a sort of emergency man. That by way of prelude. I desire merely to emphasize what has dropped from the lips of Mr. Field—that the glut in the Arbitration Court of the colony is due very largely to ignorance on the part of very many of those who have come under the operations of the Act, and this glut will very soon, in my opinion, be diminished. I know of very many instances where persons have been cited before the Arbitration Court who had no knowledge at all that they had committed a breach of the Act. This was due in a measure to the fact that certain awards were made, and certain changes in those awards are being made continually, and it takes some time for knowledge to filter through and for the owners of industries in the colony, and for those who are in charge of those industries, to be seised of all the changed conditions in those awards. Therefore, I think that when the machinery is better grasped and the awards more thoroughly understood, and, let me say, when there are fewer changes in the awards, then I think there will be very many fewer cases in the Court. Probably, looking in advance, one Court for the whole Colony of New Zealand is scarcely adequate to the requirements of the colony. Therefore, the suggestion made by Mr. Field would probably meet the case—the appointment of two Courts, one for the South Island and one for the North,

As far as I am personally concerned, I think that would adequately meet the requirements of the colony. We feel, as those in charge of industries of some magnitude in the colony, that to set up Magistrates' Courts to deal with fines of this sort would be to cause us to suffer in so far as the Magistrates, whose hands are very full with the discharge of duties associated with a multiplicity of Acts and laws in New Zealand—that they may not be seised of the knowledge of the technical requirements of the various industries of this colony. The Judge of the Arbitration Court, with his assessors, is from the very nature of the thing better acquainted with the conditions, and would probably have for that reason a more or less trained technical mind to deal with the various disputes. I think that it is a capital suggestion. I believe that there is on the part of those who employ labour generally throughout the colony a strong desire to come into line with the various Acts upon the statute-book of this country, and that there is no desire to evade the conditions of those Acts. I have to plead guilty to a breach of one of the Acts some time ago on the part of our firm. It was done ignorantly. As a firm we were carrying on business under certain conditions of which we were quite seised. There was then a change in the award at the sitting of the Court in Christchurch. There was a bare outline of the decisions in the paper at the time, no printed copy being available, and we went on, as we thought they did not materially alter the conditions under which we had been carrying on that branch. We had been going on for some months when, to our amazement, we had notice by post one morning that we were to be cited before the Arbitration Court for breach of certain clauses in that award, and the result was that we were fined the sum of £5; and, by way of emphasizing what has been stated, I may say that the costs amounted, I think, to considerably more than the fine. If I should not be transgressing I should like to say how some of those amounts were made up. First of all there was a charge for the hire of a hall for a meeting at which the matter was discussed. I understand from the bill of costs that no decision was arrived at that night.

2. You see, you are now entering into the judgment of the Court?—No, I do not think so. If it is not relevant I will not proceed; but I am trying to show, if you will pardon me a moment, how the charges are made up and whether the inducement to multiply that sort of thing should not be removed. In my opinion, the best spirit of those in the various trade organizations is in the direction of the removal of this sort of thing.

3. I am quite with you as far as that goes, but I presume the bill of costs has to be passed by the Court of Arbitration as it has by the Supreme Court in a Supreme Court case?—I stand corrected if it is so, but I do not think that is the case.

4. I do not know whether it is wise that you should criticise a judgment which has been given by the Arbitration Court, and that is what you are doing now?—Pardon me, but I did not proceed to criticise the judgment of the Arbitration Court at all. What I am trying to throw light upon is how the fines and costs are built up. The judgment of the Court in our own case was, I think, perfectly in order. Though my firm committed a breach of the Act ignorantly, yet at the same time we bowed very willingly to what was the decision of the Court. It is not that that I am criticising. I am showing what one effect of the Act is upon those who are carrying on the industries of the colony. I thought the information might be of some service to you.

[Some discussion here took place as to whether evidence regarding bills of costs should be admitted, the point being decided in the affirmative, and the witness proceeded.]

5. *The Chairman.*] Will you proceed, please?—I was about to state what the cost in the case to which I referred came to. The fine was £5, and I think the costs amounted to between £3 and £4; and I was about to show how the costs were arrived at. In the first place there was the hire of the hall, and the matter evidently not being decided at that meeting, there was the hire of the hall again, and so on. I will not delay you with the further details. I do not believe that the best spirit to be found in unionism in this colony is in sympathy with that sort of thing at all, and I think the Legislature ought to see to it, as due to that section as well as to those who are carrying on the big industries of the colony, that these disabilities are removed. I believe that the multiplicity of Courts for the purpose of hearing disputes and adjudicating on them is not the means by which this seems likely to be arrived at. Therefore, I repeat that I believe the circumstances would be best met by having two Courts—one in the North Island and one in the South. I do not think I have anything further to add. I certainly would have been better prepared had I had a little longer notice that I myself was expected to attend here to-day and not my brother. We are very much interested—I am speaking now of that section of the community with which I come in touch—in the machinery of the various labour Acts on the statute-book being made to run as smoothly as possible; and I do not believe for one moment that any honest, legitimate employer in this colony is at all desirous to evade the provisions of the Act. As I said at the outset, I believe that what breaches have arisen have been due very largely to ignorance. To speak for myself, I am a very busy man and have not time to take every award made by the Arbitration Court, digest it, and be seised of its effects. The main points come to one's notice often through the medium of a newspaper, and in that connection I should like to say this: that in the case to which I referred just now, where a change had been made in the award at Christchurch, we had sent to the Department here for a copy of the award. I think it was some two or three weeks after. The award, however, was not printed, and we were told that we could take a pen-and-ink copy of it from the office. But is was a fairly long award, and we had not a clerk whom we could spare for the purpose at that time. The result was that the matter was allowed to slip by, and it was some time afterwards that we bought a copy of the award. It was after we had been cited, and then we found that we had committed a breach of the award and laid ourselves open to Court proceedings. Well, I say that facilities should be given to employers to get a copy of these awards very speedily. As soon as that was done and the machinery made to work more smoothly, I believe there would be very many fewer cases in the Court. That is my own opinion. I do not think I need detain you further. Those are the features I desired to speak about.

THOMAS BALLINGER examined. (No. 3.)

6. *The Chairman.*] What are you?—I am vice-president of the Employers' Association and a member of the vigilance committee. I should like to speak first as to the question raised about the costs. There were two cases taken in Wellington, one against myself, trading as "Thomas Ballinger and Co.," and the other against Mr. William Cable. We won our case, but all the costs we could get were the actual witnesses' expenses and what you might call our lawyer's fee of one guinea. £3 18s. was the amount that we got from the union. Mr. Cable, in his case, was fined £1, and the costs were £10, though I do not think there were as many witnesses in his case as in ours. We had to get a lot of witnesses to prove that we were not committing a breach of the award. The employers got £3 18s., while the union got £11.

7. Did you ask for more?—I could not get anything for myself for my attendance.

8. You asked for it?—I am not sure. I do not think so. Mr. Field was the gentleman I had to deal with.

The point we want to get at if we can is whether the bills of costs are passed by anybody?—I was going to explain that. In our case the bill of costs was passed by the Registrar, not by the Court The union objected to paying a day's wages for one of the witnesses who was there for only two hours, but they had to pay the day's wages. As I said, the total amount was £3 18s., as against £11. Mr. Field has dealt so fully with the Magistrate question that I do not think it is necessary for me to continue. I would like to say this, however, that of all the cases which have been brought forward there has not been a single one that I know of which has been brought by the employers. They have all been taken by the unions. If the men who work for an employer do not ask him for the money in the event of a mistake having been made, I do not think they ought to get it. The men ought to be fined as well as the employer for assisting in the breach. That is one of the greatest stumbling-blocks there are. If the men were fined who accepted lower money—it is generally a question of money—there would not be these cases before the Court. There was an instance at Ngahauranga, which occurred at the same time as my own case A firm of contractors came over from Sydney to work at the freezing-works. They asked the carpenters what the rate for overtime was, and they were told time and a quarter for the first two hours; but they never thought of asking the labourers what their rate of overtime was, and paid at the rate of time and a quarter, whereas the award was time and a half for labourers. The whole amount in dispute was 1s. 4d. The machinery of the Court was put into action to collect 1s. 4d. As it happened, on the day of the hearing the contractors were very much rushed. They had to get some estimates away to Sydney, and they did not attend the Court. A lawyer attended for them. They were fined £5, and the 1s. 4d. had to be paid to the man, I believe. Now, if that man had asked for the 1s. 4d., and had explained that the overtime rate was time and a half, I am certain the employers would have paid it. I say the man ought to be fined as well as the employer, because he is assisting in committing the breach. I have very good knowledge—I have been told by a member of the Court—that there are likely to be very many less cases, for the reason given by Mr. Field—viz., that the Labour Department taking these cases, the fines will go into the Government funds, and the unions will not have the incentive to bring these cases before the Court. The incentive all along has been to make money out of it. There are about a hundred and fifty cases in Wellington, I believe, waiting to be heard. Mr. Seddon said there were a hundred and fifty, meaning, I think, for all New Zealand, but I understand that is the number for Wellington alone. No notice is ever given to an employer that he is committing a breach. Take my own case: I had no notice whatever till I got a summons, and that was a long time after the chief witness had left my employment. In the old time if a man's wages were given to him on a Saturday and there was anything wrong, if he did not see the employer on the Saturday he would see him on the Monday and say, "You made a mistake in my money. I ought to have had 1s. 1d. an hour instead of 1s.," or whatever it might be, and the shortage would be recouped to him; but the system now is not to say anything—to wait till the job is finished. In Mr. Cable's case it was a carpenter working in his foundry. Mr. Cable asked him if he would like to build him a house over at the Bay, and the man said he would be delighted to do it. This man made up the wages-sheet himself, adding the other men's wages to it, and Mr. Cable signed the cheque. When the thing was all finished, this man claimed an extra shilling a day for working in the country. It was on the man's own wages-sheet, which he signed himself, that Mr. Cable was fined. I think that is all I have to say.

Mr. Field: I have to thank you, Mr. Chairman and gentlemen of the Committee, for the patient hearing you have given us. If I may be permitted, there are just one or two remarks that I should like to make before we retire. I would like to explain as briefly as possible the position respecting fines. The provision in the Act now is that the President of the Arbitration Court has discretion in the apportionment of the fine as well as in the amount of the account. He may give the fine to the union or he may withhold it from the union. He may give it to the Labour Department or to the union. We want to remove the discretion in respect to the apportionment of the fine, and to provide that all fines should be the property of the colony. I think that will make the position clear with regard to fines. Then as to our main contention, which is that the Arbitration Court, which issues the award, is the only competent authority to explain, administer, and enforce the award. I want to point out that the position we take up is not inimical to the interests of the workers. We have no reason to think that the workers would be opposed to our view in this matter. It is as much in their interests as it is in ours, as employers, to see that the machinery runs smoothly and that there is no injustice done. Nor do we think that in this case they would suffer any handicap or have any hardship imposed upon them by what we suggest—namely, that the Magistrate's Court should not be entitled to deal with these enforcement cases, but only the Arbitration Court—one Arbitration Court, if necessary, for the North Island and one for the South. We thank you very much for the patient hearing you have given us.

Mr. Tanner (to Mr. Ballinger): Did I understand you correctly to say that no claim whatever had been made on you for the deficient wage in the case which you mentioned till such time as you received notice of citation before the Arbitration Court?

Mr. Ballinger: None whatever. Not the slightest hint was given to me.

Mr. Tanner: Can you give us the date, please, Mr. Ballinger?

Mr. Ballinger: I do not know that I can from memory. It was at the last sitting of the Court here, was it not, Mr. Field?

Mr. Field: It would be from nine to twelve months ago. It occurred just about the time of the change of Judges.

Mr. Ballinger: Mr. Scott was sitting on the Bench in place of Mr. Brown. That is the best idea I can give of the time.

Mr. Field: It was one of the cases heard by the present Court.

Mr. Tanner: Was it before the last amendment of the Arbitration Act?

Mr. Field: The case was not heard before the last amendment, and I question whether the breach was committed before that.

Mr. Tanner: You have been speaking, Mr. Field, of the payment of the fine inflicted being made at the discretion of the Judge to the funds of the union or the Labour Department. Does that indicate that you are dissatisfied with and distrust the discretion which the Judge exercises?

Mr. Field: We think the principle is wrong.

Mr. Tanner: I am talking about the practice—never mind the principle for the moment.

Mr. Field: We believe the practice has been injurious, too. Experience has taught us that it has been injurious, and that is, as we believe, because it rests upon a false principle, the principle being that persons who are entitled to bring claims shall derive a profit out of the transaction.

Mr. Tanner: Your objection is that the Judge does not exercise ordinary discretion?

Mr. Field: We have noted an improvement in that respect recently, but we want to have the onus removed from the Judge.

Mr. Tanner: But you must distrust his discretion before you wish to remove from him the function of stipulating where the money shall go.

Mr. Field: I have given two reasons. In the first place we believe the principle to be unsound, and in the second place we believe the administration in experience to have been unsatisfactory.

Mr. Luke: If it will be information to the Committee, I might say that in our case we had no notice of any breach until we were cited to appear before the Court.

The Chairman: There is only one question I wish to ask you, Mr. Field. I notice that none of you have touched upon the subject of appeal.

Mr. Field: If our main contention be upheld that these cases should not be determined by a Magistrate, but by the Arbitration Court only, then, of course, there is no reason for our dealing with the appeal question; but if the provision be retained and the question of appeal be considered, we would ask that the appeal shall cover the facts as well as the law. The provision for appeal is only on the point of law. Well, in these matters of alleged breaches the facts are of very considerable importance, and we want the right of appeal on the whole case if there be any hearing at all before a Magistrate.

The Chairman: If that were granted would it lighten the work of the Arbitration Court?

Mr. Field: I am afraid not. I am afraid the probabilities are that it would not secure that end. But we want to lay the strongest possible emphasis on the protest that the Stipendiary Magistrate's Court, with all due deference to it, is not a proper authority to administer and enforce measures of this kind. It is not seised of the facts: it is not acquainted with the position which led to the issue of the award; and there are nice balances and adjustments required in respect of these industrial problems, and the Magistrate is not capable of always dealing with them satisfactorily.

The Chairman: Your strong point, then, is that the Arbitration Court, in consequence of its experience, practically becomes expert in labour difficulties?

Mr. Field: That is the position.

The Chairman: And is better able to carry out the whole of the functions than a Magistrate possibly could be?

Mr. Field: That is so. It is seised of the facts, not alone in regard to a particular dispute or a particular district, but in regard to industrial problems generally. It is familiar with the administration of other awards operating in other districts as well as the one under consideration.

FRIDAY, 22ND JULY, 1904.

A deputation representing labour bodies in attendance.

The Chairman: As you know, gentlemen, the Labour Bills Committee is taking evidence in connection with the Industrial Conciliation and Arbitration Amendment Bill, and we understand that you represent different organizations. I presume that Mr. Newton, of Christchurch, is here with the Wellington Trades and Labour Council representatives.

Mr. Newton: Not exactly, Mr. Chairman. I came here to represent the Canterbury Trades Council.

The Chairman: Then, perhaps, it would be well if Mr. Newton gave his evidence first, so as to be sure of getting away again.

WALTER NEWTON examined. (No. 4.)

1. *The Chairman.*] What is your name in full?—Walter Newton.

2. You represent the Christchurch Trades and Labour Council?—Yes; I am the secretary of the Canterbury Trades and Labour Council.

3. You have been sent here to give evidence on their behalf?—They deputed me to do that.

4. Will you make a statement, Mr. Newton?—Yes. I want, first of all, Mr. Chairman, to ask whether I am to be confined simply to the clauses that appear in the proposed amendment to the Act. My Council understood they would have power to suggest other amendments than the one which appears in the Bill.

[Some discussion here took place as to whether the evidence should be confined to the proposals in the Bill, it being ultimately agreed to hear suggestions bearing on matters not dealt with in the Bill, so long as they came within the order of reference.]

5. *The Chairman.*] Will you proceed, please?—Dealing first of all with the amendment as suggested in the Bill, I may say that my Council, and, I think, all the other Councils, although, of course, I am only speaking for Canterbury, have been in favour of the proposal for some years past. The position in the past has been that cases have been referred to the Court, and two years have elapsed before they have been heard. It must be apparent to every one that it is impossible to administer an Act under conditions of that character. The Tailors' Union in Christchurch referred a case to the Arbitration Court in February last year, and it was heard last month, a delay of nearly eighteen months having taken place. We are of opinion that if the provision contained in the Bill is passed it will obviate anything of that character, and the cases will be heard more promptly. Instances have occurred where cases have had to be dropped owing to the want of the witnesses when the cases have been called on. One clause here provides that all proceedings for enforcing an award shall, where the maximum penalty for the breach does not exceed £50, be heard by a Magistrate. My Council is of the opinion that if this is retained the amendment will be absolutely useless, because in every instance the awards of the Arbitration Court provide for a maximum penalty of £100 and over; so that if the £50 is retained in the clause any case would be prohibited from being taken to the Magistrate's Court. We are strongly of that opinion—that it will be useless to pass the amendment in its present shape. Then, we object to another provision—that an appeal from the decision of the Magistrate may be made to the Arbitration Court. We consider that the decision of a Magistrate should be final on these points. The Trades Councils Conference at its last sitting in Christchurch opposed that amendment, and the Council of New Zealand are opposed to any appeal being made from the decision of the Magistrate after it has been given.

6. *Sir W. Russell.*] On points of law?—On any points. We think the decision of the Magistrate should be final. I may say with regard to the enforcement of awards, that the way awards are enforced even by the Arbitration Court is almost farcical. Cases have been waiting two years. Employers have been committing breaches of awards and obtaining advantages to the tune of hundreds of pounds almost, and, in the end, when the case is heard, they are fined a paltry £2 or £3. In Christchurch last month an employer was fined £2 and costs. He is boasting now that if he had been fined £50 it would have paid him, and he is going to carry on the same old game again. I do not know whether the Committee could suggest any alteration in the law to meet a case of that kind, but it is needed so far as the enforcement of this Act is concerned. Then there is a provision with regard to agreements. Industrial agreements have been a delusion and a snare up to the present time. We have been under the impression that these agreements were good, but we find now that any industrial agreement after it has been made has not all the force of an award. It is only enforceable upon the parties to that particular agreement, and it is not the case with an agreement as it is with an award, that any party subsequently entering that industry is bound by the award. We have suggested an amendment to clauses 25 and 27 of the Act, providing that an industrial agreement should be filed in the office of the Clerk of Awards for six weeks, and that if any one objects to it within that period the case should be referred to the Arbitration Court, but that if no objections are received then it should have the same force as an award, and apply to all those engaged in the particular industry affected within the industrial district in which it is filed. The position with regard to an agreement is that the whole of a trade may enter into an agreement, and a new employer start business, and he may then have six months perhaps in which to play any trick he likes with regard to the trade, and there is no remedy for it. We suggest that an agreement should have as much force as an award in such a case, and provision should be made so that it should be applicable to employers starting in business subsequent to an agreement being entered into. We have also a complaint to make with regard to awards not being made promptly. Cases have been heard by the Court, and several months have elapsed before an award has been given. We would suggest that awards should be given within thirty days of hearing the case. We think that thirty days should be sufficient time for the Court to draw up its award. The Canterbury Council also have a clause to suggest—that inspectors should be appointed whose special duty should be to see that all awards in the building trade and kindred trades are strictly adhered to. It will be known to members of the Committee that the workers in factories are under the supervision of the Factory Inspectors, who have also been appointed Inspectors of Awards. They have opportunities for seeing whether the awards are being kept to in those factories, but it is not so in the case of outside workers, such as brickyard workers. Builders may be engaged in putting up offices or other places and are not under the same supervision as those working in factories, and it is more difficult to see whether the awards are being kept in their case. We think, in view of the trouble there is in enforcing the awards in those particular trades, that inspectors should be appointed for those trades.

7. *Mr. Davey.*] You mean that the Inspector cannot go perhaps miles out of the city to look into the state of affairs at a big building, we will say?—He has not the same facilities for doing it. In factories returns are made out showing the wages paid, particulars of the industry, and the work done in that particular factory; but with the outside workers that is not so. There is not the same opportunity in their case of seeing how the work is being carried out.

8. *Mr. Ell.*] The Inspector's time is so fully occupied in inspecting factories that he has not time to devote to the work you refer to?—He certainly has not time at present to attend to outside cases—the building and kindred industries, such as brickmaking, plumbing, painting, carpentering, and joining. Those are the amendments, gentlemen, that I am instructed to suggest to you.

WILLIAM THOMAS YOUNG examined. (No. 5.)

9. *The Chairman.*] Whom do you represent?—I represent the Wellington Trades and Labour Council and the Australasian Federated Seamen's Union.

10. Do you hold any position on these bodies?—I am the President of the Wellington Trades and Labour Council and the Secretary of the Federated Seamen's Union.

11. Will you make a statement, Mr. Young?—I may say, in the first place, Mr. Chairman, that the evidence given to-day by these witnesses from the Trades and Labour Council is practically representative of the opinion of the whole of organized labour in the colony. With respect to this Bill, I may say that we have gone somewhat closely into it and considered it, and have come to the conclusion that if the provision in it regarding the "maximum penalty" were passed into law the working of the measure would be inoperative, inasmuch as there is no instance that we are aware of where the maximum penalty does not exceed £50. In all cases the penalty laid down by the Court for any breach is £100 or over. Therefore we suggest that "£50" should be struck out and "£100" inserted in lieu of it, or it might be left out altogether; probably that would be the better idea. In regard to the appeal allowed, to the Arbitration Court from the Magistrate's decision, I may say we are opposed to that, for many reasons. The matter was fully discussed at the last conference held in Christchurch, and we carried a resolution against it. We think the Magistrate's decision should be final in cases of this kind, and that there should be absolutely no appeal, because if you allow an appeal in one instance there is no telling where the matter is going to end, and it may be the means of putting our side and the other side to a great deal of expense in connection with any particular appeal, even though it may be on points of law. There is no telling what might possibly be construed as being a point of law. We think it would be safer for all concerned to say in plain language that the Magistrate's decision shall be final. We do not desire any appeal whatever. We are quite willing and prepared to accept the decision of the Magistrate. There are one or two matters I should like to deal with that are outside of the Bill—in respect of clause 98 of the Act. In subsection (1), after the word "members" in the third line, we suggest that the words "present at the meeting" should be inserted. At the present time after you have passed your resolution referring any case to the court for settlement in conformity with that section, you have to take a ballot of your members; you have to send ballot-papers out to all the members in respect to the question in order that they may record their votes. We ask that the Act be altered so that if a ballot is to be taken that ballot shall be confined to the members who are present at the meeting; of course, it being clearly understood that every member of the union receives notice that the special meeting is to be held, and by that notice gets ample opportunity of attending if he so desires.

12. *Mr. Laurenson.*] Do you not think that the clause meets that already? It reads, "In the case of an industrial union, by resolution passed at a special meeting of the union and confirmed by a subsequent ballot of the members." Does that not mean the members present at the meeting?—No; it has been held otherwise. It has been construed to mean a poll of the whole of the members of the union. Then, following up that proposed amendment, we suggest that section 99 of the Act should be repealed. We suggest that the clause be struck out in conformity with the proposed alteration to clause 98. Clause 99 reads, "Each such special meeting shall be duly constituted, convened, and held in manner provided by the rules, save that notice of the proposal to be submitted to the meeting shall be posted to all the members, and that the proposal shall be deemed to be carried if, but not unless, a majority of all the members of the industrial union or of the governing body of the industrial association vote in favour of it. (2.) A certificate under the hand of the chairman of any such special meeting shall, until the contrary is shown, be sufficient evidence as to the due constitution and holding of the meeting, the nature of the proposal submitted, and the result of the voting." We also suggest that the Act should be altered so as to provide that the President of the Court shall attend solely to Arbitration Court business when there is any such business to be transacted. There is really some necessity for this provision. At the present time the whole of the arbitration business is hung up. There are altogether, I dare say, taking the whole of the cases in the colony, between four hundred and five hundred at the present time waiting to be heard by the Court; and notwithstanding that state of affairs we find that the President of the Court is taken away from arbitration business for a considerable time during the year to attend to Appeal Court business and other duties in connection with the Supreme Court. We say that is not just, nor is it right in any sense to both sides concerned in these issues. Where a case is required to be heard the President should give his first attention to it. There is a case in point concerning my own union. We have had a breach of award filed for something like ten months now. I do not know when we are going to get heard—we may never get it heard. But in any case the witnesses whom we require to prove the breach are not here—one is in London and the other is in San Francisco. What is going to be the position of the union when we go before the Court? We have absolutely no evidence to prove the breach. And that is simply one instance out of hundreds affecting all the unions. Breaches are hung up for months and years at a time. There are some breaches that have been filed for over two years. The evidence in connection with these cases is not now obtainable in the colony, and when they come before the Court the unions will not be able to substantiate their case owing to the want of evidence. Outside of breaches, there are disputes which have been hung up for a very considerable time, and we say that Parliament would be doing a good thing if it were to legislate providing that the President should give his first attention to Arbitration Court business so long as there is any such business to be transacted. There is another point which might be

mentioned in connection with that. We think that altogether too much time is spent by the Court in travelling from one centre to another. We think that when the Court arrives at any particular district it should clear the sheet at that district. Then it should travel to another centre and clear the sheet there. I believe that if that were done, instead of the Court wasting so much time in travelling from one centre to another, it would greatly tend towards overcoming these delays. We would also like to impress upon the Committee the necessity of altering the Act so as to provide that awards shall be given within thirty days of the termination of the hearing of a dispute. At the present time there is no provision in our law specifying when an award shall be delivered; in fact, we have cases on record where the hearing of a dispute has terminated and it has been over two years before the award has been delivered. One instance that I can quote is, I believe, the case of the Wellington bookbinders. The bookbinders were over two years after the termination of the hearing of their dispute before they got their award. If the Committee does not see its way to lay it down that the time shall be a month, then I say it should lay down a specified time of not longer than two months. I do not know that there is anything more I desire to say, Mr. Chairman. I understand there are some other gentlemen present who wish to give evidence, and they will deal with any points that I have not dealt with.

William T. Young re-examined: There is one point I overlooked, Mr. Chairman—dealing with section 21 of the present Act. This section provides, "Any council or other body, however designated, representing not less than two industrial unions of the one industry of either employers or workers may be registered as an industrial association of employers or workers under this Act." We suggest that the Act be so amended as to provide that "Any council or other body, however designated, representing not less than two industrial unions of different industries or two industrial unions of one industry of either employers or workers may be registered as an industrial association of employers or workers." I may say that at the present time the trades and labour councils of the colony are prohibited under section 21 from registering under the Act. The Wellington Council was originally registered under the Act of 1894, but in 1900 it made application to alter its title, and in order to do this had to cancel its registration under the Act of 1894. Within the six weeks which are required to cancel the registration the new Act of 1900 came into force. Consequently the application to register the council under the Act of 1900 was refused by the Registrar in terms of section 21. Not only that, but since the application was refused to register under the Act of 1900, the Trades and Labour Council made application to register under the Trades-union Act. This also was refused, the Council being told that the Trades-union Act was superseded by the Arbitration Act. So you will see that so far as the councils are concerned they have practically no legal standing at all. The Act provides that an industrial association shall consist of unions of the one industry. That is the law at the present time, and we ask the Committee to take that matter into consideration and to make some recommendation as we suggest, so that an industrial association shall consist of industrial unions of different industries or of industrial unions of the same industry. If that is done there will be ample power given for the councils of the colony to be registered under this law. At the present time there is no provision to register the councils of the colony.

WILLIAM HENRY HAMPTON examined. (No. 6.)

13. *The Chairman.*] What are you?—A carpenter.

14. Are you a member of the Wellington Trades and Labour Council?—Yes, and a member of the Carpenters' Union.

15. Will you proceed, please?—I must be brief. I cannot bring in much new matter in connection with this subject. I can heartily indorse the evidence given by the previous witnesses; and in connection with the appointment of Assessors to sit with the Magistrate, I should like to lay before you an additional reason why the request should be given effect to. At the present time, when the Court has to hear and decide a case of breach of award, the Judge himself under the Act is not deemed competent to deal with it unless one or two representatives are sitting alongside of him, this notwithstanding the fact that the Judge of the Court is continually hearing evidence regarding the technicalities of the different trades affected. We consider that if the Judge is not fully qualified to adjudicate on breaches of award without Assessors sitting with him, it is a serious matter to place that power in the hands of a Magistrate, who knows absolutely nothing, you may say, of the technicalities of the award and the technicalities of any trade that may be before him. One other matter which I would like to lay before the Committee is the question of incompetents which was brought before you by Mr. Denew. At the present time, when some employers find that the permit clause is being kept a firm hand on by the union or by the Chairman of the Conciliation Board, they go outside that altogether by indenturing these incompetents as apprentices, notwithstanding the fact that the men may be twenty-seven, thirty, or forty years of age; he may be over eighty years of age, but the employer is still able to indenture him as an apprentice to the trade. The change we would like to see effected by the Bill would be the striking-out from the main Act the provision which restricts the Court from fixing an age-limit for the termination of the apprenticeship. We have it on, I suppose, the highest legal authority in Wellington that these permits can only be granted to men who have once been able to earn the minimum wage but who are now incapacitated through age, accident, or sickness. This, however, has been over-ridden by Mr. James, at Masterton, in connection with the carpentering trade. He gave a decision in accordance with that interpretation of the award in the first case, but afterwards he had a rehearing and decided differently. But, apart from the question of permits, we find that employers are indenturing men as old as twenty-seven, and in one case in this city the man was over thirty.

16. *Mr. Davey.*] To what trade?—Carpentering. We find that this sort of thing will have the effect of knocking the bottom out of every award in existence, providing the employers go on those

lines to any great extent. As to what is going to be done with the incompetents if they are prevented from going to a trade, my consideration is, what is going to become of the men who have spent years in making themselves efficient, and who have been put to the expense of getting a large kit of tools in order to do good work? What is to become of them if they have to go outside the trade, and incompetents and amateur tradesmen are allowed to fill their places? That, I think, should be the main consideration of the Legislature in making amendments to the Act. I think that is practically the whole of the ground which we were sent here to give evidence on.

ANDREW COLLINS examined. (No. 7.)

17. *The Chairman.*] What are you?—I am a baker by trade. I am a member of the Wellington Trades Council, Secretary to the Bakers' Union, and also to the Timber-workers' Union. I might state that I entirely concur in the statements made by Mr. Young, our President, relating to the time it takes to get a case of breach of award heard before the Court. There are two cases connected with timber-workers which were filed last February twelve months. When those two cases come before the Court, if they ever do, it will be a matter of impossibility to prove them. We look upon it that in those two cases the employers have made a very nice thing from a monetary point of view by committing those breaches, and we have no possible hope of getting back on them. There is one matter I wish to bring before the Committee, and it is this: I hope they will recommend to the House that in making these amendments to the Act they should be clear and distinct, so that there should be only one construction put on them—the construction which is intended by the Legislature. My reason for saying that is, that ever since the Act has been in force—since 1894—it has been the custom that where a union in citing employers to appear before the Conciliation Board or the Arbitration Court, as the case may be, had missed out one or two employers, it could take steps to attach them by giving them certain notice. It seems to me, gentlemen, that different Judges of the Arbitration Court put different constructions on the clauses in this Act, and they cause the unions, and also the employers, a lot of bother and expense. Judge Chapman, in Auckland, lately stated that he thought (and that practically means that it is his ruling, from which there is no appeal, nor do we wish there should be) it was not the intention of the Legislature that the union should have power to attach an employer and bring him before the Court. He has distinctly laid it down that the unions have practically to start *de novo* in such a case—that is to say, that the union has to take a ballot, file a case before the Conciliation Board, and then send it on to the Court if it feels inclined. That looks very simple on the face of it, but what does it mean to the union? Take, for instance, two unions that I am connected with: The secretary omits perhaps some gentleman, say, in Martinborough, who was in business prior to the award being made. The union wishes to attach him. Now we have to start *de novo* for that one gentleman, and go to a lot of expense to bring him into line with the other employers. A week or two afterwards we find that there is another employer at, say, Feilding, who is not under the award, and we have to go over all the same ground again, and put up with the expense and trouble and annoyance. And, too, it is very unfair from the employers' point of view, for this reason, that that gentleman is practically competing with the other employers and is not paying the men the wages laid down in the award, nor is he recognising the hours and other conditions. It means that he is unfairly competing with the employers who are bound by law to conform with that particular award until he is subsequently joined to the award. The union thinks that the time has come when something definite should be done relating to these matters. Judge Chapman might, from some cause or other, leave the presidency of the Arbitration Court, and we might get another Judge who would put a totally different construction on the law altogether. We had carried on under the Act since 1894 until the time Judge Chapman gave that decision in Auckland. I do not know that I have anything else to add, but what I should like to see would be these Acts made more clear and distinct, so that any one holding a judicial position and having to administer the Act should not put his own construction on it, so as to cause trouble to the unions and the employers, as this particular decision has done.

ROBERT C. DENEW examined. (No. 8.)

18. *The Chairman.*] What are you?—I am a painter by trade. I am Vice-President of the Trades Council and a member of the Painters' Union, Wellington.

19. The deputation really is the executive of the Trades and Labour Council of New Zealand?—The Wellington Council is this year the Executive Council of the Trades and Labour Councils of the colony.

20. We shall be glad to hear what you have to say?—The point which we specially wish to impress upon the Committee is in connection with breaches of award. It is the necessity for a much more efficient and prompt hearing of the cases which are before the Court at the present time. We feel that if the Act is to be anything like a workable Act and to give satisfaction to all parties it is absolutely necessary that some more efficient and prompt method be devised to have these disputes settled for the satisfaction of all concerned and in the interests of the peaceful carrying-on of all kinds of industry. While these cases are unsettled a great amount of doubt exists on both sides, and both sides are perhaps put to inconvenience and loss through the delays which occur at the present time in the hearing of cases of breach of award. The labour bodies, I think, unanimously approve of the main principle of this amending Bill—that Magistrates should have power to hear cases of breach of award—for the reasons which have already been stated by Mr. Young. The main reason so far as we are concerned is the difficulty of having our witnesses handy if there is any long delay before the case comes on. As the Committee will understand, the locality in which they may be working is very uncertain. They may be here to-day and gone to-morrow. There are no means at present devised of having their evidence on record so that it may be available to the Court or the Magistrate, as is suggested here, at the time

the case is heard. So that it is absolutely necessary, from our point of view, that these cases should be heard promptly. Every union has had cases on its hands which have had to wait for months—in some cases over a year—to be heard. Many cases are still pending which have been on their hands for several months. The painters have a case on hand in Masterton which has been waiting for the past four or five months, and we know that some of the witnesses upon whose evidence we have been relying have left the district, and we do not know exactly where to find them. All of these difficulties, I think, could be met by the Magistrate being given power to hear the cases; but we strongly oppose any appeal from the Magistrate's decision, and we are quite prepared on our part to take any risk we may run by accepting his decision as final. Of course, such a stipulation cuts both ways, and either party may lose or have to run the risk of being compelled to abide by the decision which they think is not fair and just to them and which they would like to appeal from. We suggest, in order to give perhaps greater satisfaction to the parties concerned, and in order that the decision of the Magistrate may be a fit one, that a representative from each of the parties involved should be appointed to sit with the Magistrate; that is to say, a representative of an employer in the trade involved in the case and a representative of the union. That would greatly facilitate the case being properly adjudicated upon. I do not need to repeat or confirm the evidence that has been given in connection with points of law and so on, but I wish particularly to impress on the Committee the necessity of promptness in deciding on these cases. Another matter which is troubling us very much in connection with the working of the Arbitration and Conciliation Act is the question of permits. At the present time the bottom of the Act is being practically knocked out of it by the granting of permits to what are called incompetent workers. We find it absolutely necessary, if the minimum wage stipulated in an award is to be anything like a fixture and binding on the parties, that what an incompetent worker is must be clearly defined in the Act: and we wish it defined in this sense, that an incompetent worker is one who has been an efficient worker in the trade, but who, through accident or other incapacity, or through age, is not at the time at which he applies for the permit, or during the time for which the permit is to hold force, capable of earning the minimum wage stipulated in an award. At the present time all over the country where cases of breach of award have been brought before the Court and where disputes have been heard the Court has been very much inclined to allow any one who is not a competent worker, or who wishes to say he is not a competent worker, to make an agreement with his employer to work for a less wage, whether he has worked at the trade before or not. Members of the Committee will see that by allowing such an agreement to be made any one who chooses to say that he is not a competent in the trade in which he wishes to work can, by getting a permit, take the work away from others who have given their time to learn the trade and are competent in it. It means that if these men can come in with certain kinds of work, which they may be able to do in a certain fashion, they are keeping the competent men out of the trade. The result will ultimately be that if a competent worker is to have any chance whatever of getting work at his trade he will have to class himself as incompetent, and accept a lower wage than that stipulated in the award.

WILLIAM LAUGHTON JONES. (No. 9.)

21. *The Chairman.*] Whom do you represent?—I represent the Federated Seamen's Union of New Zealand and the Federated Cooks and Stewards of New Zealand.

22. Will you proceed, please?—I fully indorse what has already been laid down by the gentlemen who have spoken before me, particularly in regard to giving the power to Magistrates to adjudicate on cases of breach of award. This is absolutely necessary, especially so, if I might be permitted to say so, in the case of seamen—a floating community—than shore trades, and in this way: Our men get adrift; they change from one ship to another at twenty-four hours' notice, and it has become quite the thing with steamship owners to get men shifted from one ship to another when a breach of award occurs. The owners have had considerable experience since 1895, and we find, also, from our experience, that it suits shipowners to, and they do, shift men from one ship to another in order that we cannot get these men as witnesses when we require them. We had a case in point some three years ago, when we instituted proceedings for enforcement against a certain shipowner in the Wellington district—what I am speaking of now is the length of time that elapses in getting some cases before the Court. In this case when the Court eventually reached the breach of award the facts were admitted by the shipowner, and the Judge turned round and asked me if I thought it would not be desirable for the union to withdraw the case, seeing that the shipowner had admitted all the facts, and seeing also that such an enormous lapse of time had occurred from the time the breach was committed up to the time it was dealt with by the Court. That came from the Judge. I could not quite see it myself; but at all events the case was withdrawn, seeing that the shipowner had admitted the full facts. But we did not agree with the suggestion of the Judge that owing to the length of time that had elapsed it was advisable for us to withdraw the case. I think that if the proposal to give the Magistrates this power is passed by the House it will tend in a very great measure to relieve the congested state of the Arbitration Court at the present time. I might say that three years ago I suggested this, and I believe I brought it before this Committee on a previous occasion. At any rate, I suggested it at a congress of trades-unionists held in Wellington some two or three years back. There was a further suggestion which I made through the columns of the Press as a substitute for the Magistrates. That was that when Judge Chapman was appointed I suggested that another Judge of the Supreme Court should take all matters in the nature of breaches of award and claims for compensation under the Workers' Compensation for Accidents Act. These should be relegated to a Judge of the Supreme Court, and thus leave all matters in the nature of disputes proper to the Arbitration Court to deal with. That was a suggestion of mine, and I still think it a very good one. The most important point that I wish to bring before the Committee on this occasion is in connection with a recent matter that came before the Arbitration Court in regard to the Cooks and Stewards'

Union. It came about over a question raised by the Huddart Parker Company as to the jurisdiction of the Court over their vessels. This matter is very important, and it means that the whole of the floating unions of New Zealand—all the maritime unions—will have to watch affairs very closely, seeing that shipowners have raised such a point. The point is this: In the first place, Huddart, Parker, and Co. questioned the right of the Court to bring them under an award, seeing that their vessels are registered and owned outside of New Zealand, and that their crews are shipped and paid off outside of New Zealand; and notwithstanding the fact that they trade on the coast of New Zealand, they consider the Arbitration Court has no right whatever to bring them under any award that may be made in the colony. When the question was raised the Judge said he would hear legal argument, and I believe all the maritime unions in New Zealand were represented by counsel at that time. The Judge promised to give his decision, but the decision has not yet come along. In the meantime, when the award was given he said that the Huddart-Parker Company were included for the time being. The award was made in April last, and came into force on the 1st June. The Huddart-Parker Company refused in a way, as we thought, to abide by the award, with the result that we drew their attention to the fact that the award was being broken by them. They replied to us as follows, if I might be permitted to read a portion of their letter: "Wellington, 9th July, 1904.—The Secretary, Federated Cooks and Stewards' Union, 12, Grey Street.—DEAR SIR,—In reply to yours of the 8th July in reference to the s.s. 'Zealandia,' we may state that we yesterday paid to those members of the providoring department who are entitled to any additional payment under the New Zealand award the extra amount due to them for the month of June. As you are aware, we are still waiting for an answer to the question we raised as to the extent of the jurisdiction of the Arbitration Court over our boats. In the meantime we are not paying more than we consider we are obliged to under a strict interpretation of the award—that is to say, we are only paying award wages while our boats are in the Wellington district." The question of territorial jurisdiction was raised by this company, and it appears to me that it is a question which this Committee will have to consider when making any amendments to the Arbitration Act. If this territorial question is to keep cropping up it simply means that any local shipowner may refuse to abide by the award directly he is outside the three-mile limit, so that even a vessel running across to Picton can refuse to abide by the award until such time as she is back again inside the three-mile territorial limit. That is what it means. What the union suggests in connection with this matter is this: Section 86 of the Act provides that the award shall be framed in such manner as shall best express the decision of the Court, and paragraph (*c*) of that section provides that the award shall specify the industrial district to which the award relates, being in every case the industrial district in which the proceedings were commenced. I might say that this is the point on which Huddart, Parker, and Co. are now touching.

23. *Mr. Laurenson.*] Do you suggest an amendment?—Yes. The amendment I suggest is that where vessels trade to any district year in and year out the award shall bind a regular trader to any industrial district whilst the award is in force. The Huddart-Parker vessels trade in the district, and the company are simply paying for the time the vessel is lying in Napier and in Wellington—that is, one day in Napier coming down and one day in Wellington, then one day in Wellington going back and one day in Napier. That is one of the main points I wish to place before the Committee. It is necessary that something of the kind suggested should be done, because I can see trouble looming up in the near future unless something of the sort is done to provide against the practice. The Huddart-Parker Company have set the lead and any other employer may follow, so that as far as the seafaring community is concerned an award will only obtain during the time the vessel is lying in the district where the award originated. There is a matter bearing on this same question that to my mind requires some provision being made by the Committee when they send their recommendations to the House. It is this: Section 21 of the Industrial Conciliation and Arbitration Act, "Industrial Associations," reads as follows: "Any council or other body, however designated, representing not less than two industrial unions of the one industry of either employers or workers may be registered as an industrial association of employers or workers under this Act." I might state that the case which I am now bringing before the Committee was not that of a local union. The Cooks and Stewards' Union is a registered association consisting of unions in each of the industrial districts of New Zealand; and in addition to section 21 and the registration under that section, section 98 provides that in the case of an industrial association submitting any reference to the Court it shall be done by resolution passed at a special meeting of the members of the governing body of the association, and confirmed at special meetings of a majority of the unions represented by the association. This was done in the cooks and stewards' case. That, gentlemen, has always been understood by us to mean that when our branches in Auckland, Dunedin, and Wellington have passed the necessary resolutions as laid down in the section of the Act to which I have referred, and have submitted the case to the Court, seeing that we produce evidence from each of these districts we have been under the impression that we have complied with the Act as to the procedure; yet the Court under section 86 limits the award to the district in which the case is heard, precisely as in the case of a union that is purely local. This we consider is a hardship. It either means that the federation is no good so far as the Court is concerned, or else that we have got to confine ourselves simply to a local award and go to each and every district where we have other unions to get a similar award. If that is to be the case it means that subsection (2) of section 98 and section 21 of the Act are of no earthly use to unions federated under the Act. That is what the Huddart-Parker Company are working on in the present case. They are treating an association award as a local award, and we would suggest that something be done in order to obviate this, because it was never contemplated by the Legislature that although an award was to be confined to the district where the case was first heard the industrial district was to be carried around on a ship's deck. In the case of the floating community the members of the union are continually going away from the district in their vessels. It is only natural that they should. Therefore, if the award is not to be made applicable to them during the time they are out of the district, it means

that something serious is going to crop up, and that the Act so far as it applies to the seafaring community is going to be inoperative. Although we have had awards now dating from 1896, this is the first instance on record in which this matter has cropped up, and I feel quite certain from what has already transpired and from correspondence which I have received that it is not going to be the last. It means that the Arbitration Court, so far as its operation and powers regarding seamen are concerned, is going to be completely upset. We would suggest that paragraph (*c*) of section 86 be amended to read: "The industrial district to which the award relates, being in the case of an industrial union the industrial district in which the proceedings were commenced, and in the case of an industrial association each and every industrial district represented by the association." That would cover it completely, and it would not in any way be overstepping the idea of the Legislature so far as the present Act is concerned. It would only make the matter more clear. Then an industrial association would have all the powers that the Legislature originally intended to confer on it. If that is not done, it simply means that the term "industrial association" is practically a dead-letter and a misnomer. Of course, the case in question has to come on yet, and if this interpretation is to be upheld we mean to test it further. It will go to the Supreme Court, no doubt. At the same time, I consider that the Committee would be doing well if they did not wait for these Supreme Court matters to crop up, but made provision for meeting this sort of contingency before any further harm is done. I think that is about all I have to say, Mr. Chairman and gentlemen.

24. *Mr. Laurenson.*] I would like to ask Mr. Jones a question. He said, I understood, that there was a probability of the Huddart-Parker Company paying their employees lower wages than were customary on the coasts of New Zealand. Is that so?—Yes.

25. I cannot lay my hands on it at the moment, but I know there is an Act in force which compels any vessel trading on the coast of New Zealand to pay the current rate of wages?—That is provided in the 1896 Shipping Act.

26. Then, are not the wages all over New Zealand the same?—No; not in the providoring department. The onus of taking action for recovery of current rate is thrown on the individual members of the crew. If the Marine Department were to enforce the Act instead of throwing the onus on the individual members of the crew it would be all right; but if a man wishes to obtain the current rate of wages he has to sue in the Magistrate's Court in the ordinary way.

27. In Lyttelton—I am speaking now only of what I know locally—they make the captain sign a declaration to the effect that he is paying his men—and it has to be indorsed on the articles that he is to pay them—the current rate of wages, which are stated there, while his vessel is on the coast of New Zealand, and when the men are discharged, say, in London, he has to pay the men the wages they signed on for, *plus* the extra amount they ought to have got while trading on the coast of New Zealand?—I believe that has been so; but we have had cases where individual members of the crew have had to sue.

28. If we amended the Shipping Act so as to compel any vessel trading on the coast of New Zealand to pay current wages, would not that meet your objection?—Yes; it would in that respect. I think the Coastwise Trade Bill fully provides for that now. If a vessel takes cargo up at one port in New Zealand and carries it to another port on the coast she is trading. I believe that is the definition of "trading" laid down in law. If a vessel brings original cargo from any foreign port, or even from Australia, to New Zealand, discharges it at, say, Wellington, and goes to Kaipara to take in a load of timber, and then goes back to Australia or a foreign country, that is not trading; but if she takes in cargo at, say, Auckland and carries it to Wellington and discharges it there, that is trading. It is only under those circumstances that the law would apply. But in Huddart-Parker's case the company are trading on the coast continually, although the plea set up by them was that they are visitors to New Zealand. The visit is a continuous one. They trade side by side with the Union Company. Their steamers' first port of call is Auckland; then they call at Gisborne, Napier, Wellington, Lyttelton, Dunedin, and then go on to the Bluff and to Melbourne. They have also a direct Sydney steamer, precisely the same as the Union Company. I might say they are paying the sailors and firemen the same rate of wages, but the cooks and stewards are not receiving the New Zealand rate. The point I have mentioned is the one which was raised by them recently before the Judge of the Arbitration Court, and, so far as I can learn, the matter will go to the Supreme Court. We are now suing Huddart-Parker for a breach of award. We are about to file an enforcement case against them for breach of award for not paying the proper wages. I believe that in the event of the Judge of the Arbitration Court ruling that they are bound by the award, they are still going to refuse to pay, which means that the Court's jurisdiction will be questioned in the Supreme Court by their applying—as I believe they will—for a writ of prohibition to prohibit the Arbitration Court exercising its functions on the Huddart-Parker Company, on the ground that their vessels are not registered in New Zealand. But they are traders here all the same. If my suggestion with regard to industrial districts was considered by the Committee, and provision made as I have suggested, it would to a very large extent cover this trouble which is now cropping up.

WILLIAM THOMAS YOUNG re-examined.

29. *Mr. Laurenson.*] I want to ask Mr. Young a question. Why are you so anxious, Mr. Young, that cases should be decided by the Magistrate and that there should be no appeal from his decisions? Briefly put, what is the chief reason?—In the first place, the matter of expense; and if you allow appeals in one instance, there is really no telling where the thing is going to end.

30. Summed up, the only thing that makes you anxious for the Magistrates to be given power to deal with cases and provision made that there shall be no appeal from their decisions is the saving of expense?—Not only the saving of expense: there is the matter of inconvenience. Supposing an appeal is allowed from the Magistrate's decision to the Court; by the time you get a hearing before the Court your witnesses might be in another part of the world. We are thoroughly satisfied to accept the Magistrate's decision as final.

31. *Mr. Sidey.*] Probably Mr. Young will be able to speak for the others who have not touched upon a suggestion that was made by two of those who have given evidence—namely, that Assessors should sit with the Magistrate, one, I understand, a representative of the employers and the other a representative of the employees. I want to know whether the deputation are unanimous regarding that suggestion?—Yes. That was a point I overlooked in giving evidence, but it has been mentioned. We are unanimous on the point.

32. *Mr. Davey.*] All over the colony?—Yes, in favour of Assessors.

33. *Mr. Sidey.*] You think that the Magistrate by himself would not be competent to recognise thoroughly all the considerations that would require to be taken into account?—That is the view we take of it.

34. A suggestion has been made that, seeing that Magistrates are not by themselves competent—as is apparently admitted—instead of having one Arbitration Court for the colony there should be two, one for the North Island and one for the South. The chief reason why a change in the law is proposed to be made is on account of the pressure of business in the Arbitration Court and the delays that have taken place; and it has been suggested that the difficulty might be overcome in a more satisfactory manner by having one Arbitration Court for the North Island and one for the South. What is your opinion on that?—Of course, if you create two Arbitration Courts you immediately double the expenditure. I believe there will be no necessity whatever for two Courts if you hand over breaches of award, as suggested, and leave the Court simply to determine disputes and compensation cases. At the present time, there are here in Wellington, I think, over a hundred breaches waiting to be heard. So far as I am personally concerned, I do not favour the suggestion to create another Court. I think the whole difficulty will be overcome if you give the Magistrates power to determine breaches, and leave the Court simply to deal with disputes and compensation cases.

35. Do you think there is any objection to the other suggestion except on the ground of expense?—Only that the awards delivered by the South Island Court may differ very materially from those delivered in the North Island, and this might, as a matter of fact, create a lot of undue competition as between the two Islands. We want to keep as near as we possibly can to something of a universal nature throughout the colony in regard to the conditions in any particular trade.

36. Another suggestion has been made—namely, that larger powers than they at present have might be given to the Conciliation Boards, thus leaving one Arbitration Court to deal with more important matters, and that appeals might be had from the Board to the Court. This would provide against what you suggest as to differences in the judgments of two Courts?—That is a point that occurred to me, although I did not mention it in giving evidence. Personally, I am inclined to favour that. I think that the constitution of the Conciliation Boards could be altered slightly so as to provide that the Chairman should be a legal man, and that the matter of hearing breaches could be determined by the Board. That is simply a personal view of mine.

37. You cannot speak on behalf of the Council?—No. We decided in favour of something else; in fact, that particular matter has never been discussed by the Council.

WILLIAM LAUGHTON JONES re-examined.

38. *Mr. Sidey.*] I would like to be quite clear as to a statement made by Mr. Jones with regard to the manner in which Huddart, Parker, and Co. were proposing to evade the award of the Arbitration Court. Do I understand that they have a certain scale of pay for their employees while the vessels are on the coast of New Zealand, and that the moment they leave it and go across to Australia they alter the rate of wages? Is that what they do?—They are not even going that far. As soon as ever the vessel leaves Wellington down comes the rate of pay.

39. Leave Wellington for what destination?—Either Dunedin or Auckland. According to the text of their letter they are simply paying the award wages during the time the vessel is in the Wellington District.

40. Just while she is in port?—That is what it amounts to. As I said, the Legislature never contemplated the shifting-about of an industrial district, and I submit that an award when made ought to obtain with regard to those vessels plying in and out of the industrial district, the same as has always been the case.

WILLIAM THOMAS YOUNG re-examined.

41. *Sir W. R. Russell.*] You told us, Mr. Young, that there were about four hundred cases which had accumulated now awaiting hearing by the Court?—That is a rough estimate.

42. Do you know how many there were this time last year?—No; I cannot say. I do not think there were so many, but I am not certain about it.

43. You think the work is still falling into arrear?—Yes; I believe that is correct.

44. We were told last year, I think, that there were eight hundred cases, but my memory may be defective. You could not give us any definite information?—No.

45. *The Chairman.*] There is one matter which has not been touched on at all, I think through an oversight. When you have a case of breach of award before the Court, Mr. Young, and win it, do you charge expenses?—Yes, Mr. Chairman. So far as my union is concerned, in the last case of breach that we had against Turnbull and Co. the Court awarded us costs, and we made them out according to the actual expenditure incurred by the union in connection with the breach.

46. What did you charge for?—We charged in the first place the cost of printing the notices to members; then we charged for the postage-stamps, the envelopes, the filing-fee (3s.), and such-like incidental expenses surrounding the breach, the convening of the special meeting, and so forth.

47. Travelling-expenses?—No.

48. Lost time?—No.

49. *Mr. Tanner.*] Rent of hall for the special meeting?—No. The only charge made in connection with the meeting was simply that in convening the meeting of the Executive Council. We moved as an industrial association, and as such the council has to pass the resolution, which is afterwards confirmed by the unions constituting the association.

50. *The Chairman.*] Is it customary to charge for hall-rent and lost time?—Yes, with other unions. In the case of my unions we have a permanent office, and are exceptional in that respect. All the other unions have to engage rooms in which to hold their meetings.

51. When you make out the bill of costs, who is it taxed by?—By the Clerk of Awards.

52. Does he occupy any other position than that of Clerk of Awards?—He is Deputy Registrar of the Supreme Court.

53. He is a Supreme Court officer?—Yes. I would like to explain with regard to lost time that I was simply dealing with my own case when I said that we did not charge. I am a paid officer of the union, and it would not be right for me to charge for lost time; but I understand that it is not so with other unions. Their officers are employed at their various occupations, and if they are taken away from their work they lose a certain amount of time, and that is charged for when sending in a bill of costs.

54. Do I understand that in the first instance you get no costs unless they are ordered by the Court?—We do not get costs unless they are ordered by the Court. There must be an order by the Court to that effect, otherwise the union gets no costs.

55. Do you see any reason why fines—or a portion of them, at any rate—instead of going into the treasury of the unions, should not be handed to the Government and go towards paying the expense to which the country is put to keep the Arbitration Court going?—That is a point I have not given much consideration to; but I think it is only right and proper that if one party to an award commits a breach of that award and is fined for committing that breach, that fine should go to the party that is standing to the award—the injured person.

56. *Sir W. R. Russell.*] To the union, you mean; not the person?—Yes.

57. *Mr. Tanner.*] Does not that have this tendency: that the Judge, knowing that the fine will go into the coffers of the union, purposely keeps the fine down to a minimum, which has given rise to the complaint that the fines and penalties are in no sense adequate to the offence and the pecuniary gain to the employer by committing the breach?—It may be so, although I have not heard that argued to any extent.

58. Have you heard of any case in which the costs have considerably exceeded the amount of the fine?—Oh, yes; very often.

59. And your explanation would be that the fine was utterly insufficient?—Yes. The fine was certainly insufficient in the case that I quoted concerning my own union. The fine was only £1. It reminded me very much of the master of the "Rotoiti," who carried a hundred passengers more than the number allowed by the certificate. He was brought before the Magistrate and fined £10 and costs; but the Union Company had made about £60 net profit out of the transaction.

60. *Mr. Sidey.*] It has been suggested that by having the fines go to the unions the latter were really encouraged to bring cases in order to get the fines, and that they multiplied cases in that way?—I do not think there is any ground for that contention at all. So far as my experience of unions goes I can say this, without any hesitation and bias, that that is not true. The unions do not want to go to Court if they can possibly avoid it. We are usually peace-abiding citizens. We do not want to go to Court if we can get out of it.

61. *Mr. Tanner.*] If you were keen in looking up breaches of award, I assume you could get a good many more cases?—Yes, any amount, if we thought there was any chance of getting them heard within a reasonable time.

FRIDAY, 29TH JULY, 1904.

EDWARD TREGEAR, Secretary for Labour, examined. (No. 10.)

1. *The Chairman.*] Our business this morning, gentlemen, to to hear Mr. Tregear upon the Bill before us. Will you proceed, please, Mr. Tregear?—I may say, Sir, that this Bill is the outcome of many requests that have been made from different parts of New Zealand for expediting the work of the Arbitration Court. I have not had an opportunity of hearing what evidence other persons have given in regard to this Bill, but I may say that it represents only an effort in some direction or another to expedite the work of the Court. I may tell you that, so far as I can understand, the Government does not regard this Bill with any passionate desire to see it passed, but more with the wish that the sense of Parliament should be obtained on the question, because the Court itself, I may inform you, is rather opposed to this Bill, on the ground that the Court would not like its awards to be interpreted by many different Magistrates all over the colony. On the other hand, cases of breach of award take up so much of the Court's business that it is almost necessary that some of the cases should be settled in the lower Court if they can be so settled. Last year there were some twenty-five industrial disputes before the Arbitration Court, and there were 123 cases of breach of award. So that a very large part of the time of the Court is taken up in hearing cases of breach. At the same time, it is, I know, the feeling of the members of the Arbitration Court that to have their awards interpreted by different Magistrates in different places is hardly a satisfactory method of doing business. At the same time, as I said before, the Government are exceedingly anxious to find some way of easing off the pressure on the Court. There are now over one hundred and fifty cases waiting to be heard, all or nearly all of which are cases of breach of award, and consequently if some means of relieving the Arbitration Court from hearing cases of breach of award could be arrived at, it would be a way of avoiding all this endless delay from which it seems at present almost impossible to get away. The delay is most serious to workers, because not only does a wrong continue if a breach is being committed—continue for

many months while they wait—but their witnesses disappear and perhaps leave the industrial district, so that when at last the case of breach of award is called on the witnesses who could give evidence cannot be found. After having stated that in regard to the general principle of the Bill, I have only one remark to make about the wording of the measure, and that is that I do not agree with the wording in clause 2, "where the maximum penalty for the breach complained of does not exceed fifty pounds." I think it should be "the maximum claim," because until the penalty is pronounced one does not know what the penalty is going to be, consequently you would not know whether it was to be a case for the lower Court or for the higher. There is, I believe, some reason for "penalty" being put in, but I would ask you to refer to Mr. Jolliffe for that. I remember that the word had to be put in, but I do not like it. Say a claim is made that certain wages have not been paid: I should think the amount of the wages should be put in as the claim; but I cannot see how the other point can be got over—namely, that you would not know which Court to apply to until you knew what the penalty was going to be. Having spoken to the short Bill proposed, I have now an important suggested addition to make to it. The Government is giving notice by Supplementary Order Paper to bring forward a lot of new clauses. These clauses are proposed upon the suggestion of the President of the Arbitration Court as to the proper wording of the Act. Unfortunately, we have not been able to get them printed until the last moment. I asked the Chairman if he would kindly allow them to be brought forward, and he considered it the proper thing that they should be brought forward now and not in Committee of the Whole, because then the Labour Bills Committee would very properly complain that perhaps the most important part of the Bill had not been laid before them at all. So I have very respectfully to lay these proposed additions before you, Sir, for the Committee, if you will allow them to be distributed. [Papers produced and distributed amongst members.] I may say at once that these proposed amendments are of such importance that they affect the very nature and substance of the Arbitration Act—indeed, some of them are most important questions of policy. They have arisen from the fact that Mr. Justice Chapman has considered that many of the sections of the Arbitration Act, as it is being worked at present, will not hold water, and he has given a ruling in Auckland which traverses what we understood to be the very nature of the Arbitration Act. If the members of the Committee will kindly turn to section 86 of the Act of 1900—the principal Act—and to subsection (3) they will find these words: "The award, by force of this Act, shall extend to and bind as subsequent party thereto every industrial union, industrial association, or employer who, not being original party thereto, is at any time whilst the award is in force connected with or engaged in the industry to which the award applies within the industrial district to which the award relates." There was some doubt at first as to what the real meaning of this section was, and some of the most prominent lawyers in New Zealand gave their opinions on it. The consensus of opinion generally was that the effect of an award was to bind all persons—all employers and workers—within an industrial district by the automatic force of that award. I, as Registrar, have considered that that was the meaning of the section, and have worked it in such a way. Mr. Justice Cooper, in an award given in the Auckland tailoresses' case, affirmed that that was the meaning of the section. He said that the difference between an industrial agreement and an award was this, that an industrial agreement was a contract between parties and that only the persons who signed such a contract were bound by the contract, but that an award was a decree binding on all parties in the industry within the industrial district. Mr. Justice Chapman did not take that view of the case, and I believe he consulted one of his brother Judges on the question, with the result that he considered that under an award only those persons who are mentioned in it are bound. He says in explanation that he cannot conceive it to have been the intention of Parliament that persons who knew nothing about an award should be bound by its terms. He considers that it would be an unfair thing if that should happen. On the other hand, it may be said that it could not be considered to be the intention of Parliament that an award should be made under which one person who was named should be included while another person who, through ignorance or corruption or mischance, had been left out, or whose name might have been wrongly spelt in the award, or anything like that, should be able for years to go on and pay less wages than his competing neighbour. However, Mr. Justice Chapman, taking his view of the matter, has so ruled in Auckland, and a case that we had been looking forward to for some time was dismissed, on the ground that no breach of award could have been committed because the person cited had not been named in the award—was not one of the original parties. Therefore, there is really an important question to be decided by the House in this connection—namely, the reformation of this section. You will understand, of course, that Judge Chapman having ruled, and there being no appeal, his ruling stands good, and at present no person is subject to an award unless he has been cited in the case. It will, of course, be for the House to say whether they desire to affirm that this was their intention in passing the original Act, or whether they consider that persons other than those who have notice should be bound.

2. *Mr. Taylor.*] But you can join persons to an award by citing them after it has been made?—There seems to be some flaw there. Everything seems to be wrong. It has often been done before. Judge Chapman says that a great deal that we have been doing has been done because it has not been questioned. However, if Judges of the Supreme Court do not know how to interpret this Act—and several of them have been President of the Arbitration Court, including Judges Williams, Edwards, Martin, Cooper, and Chapman—of course Government officers can hardly be expected to know. I have spoken in this way because almost every section of these proposed amendments depends upon what subsection (3) of section 86 does or does not mean. There is another point in regard to this. If the House affirms the contention that every man must be cited within an industrial district, there is no need for anything further; but if it decides that an award shall extend over the whole industrial district and that everyone within its limits shall be bound by that award, then there ought to be a further advertisement or further notice given than there is at present. It is as unfair for one side as for the other. Recently in

Court an employer pleaded that he was unaware of a certain clause in the award, and the Court held that it most probably was true that he was so unaware of the clause in the award. He did not know that such an award was in existence in his industrial district. Therefore some further way of advertising that a certain case is going to be tried should be found, and the first of these proposed new clauses is to that effect—namely, "Not less than fourteen days' notice of the sitting of the Court for the hearing of industrial disputes shall be published by the clerk in such newspapers circulating in the industrial district as the President directs." I may point out that this is as fair for workers as for employers. It would be perfectly easy under the present system for seven men to form a workers' union—say seven dredgemen at Alexandra South. They could get together, have a case brought, and only their evidence heard. These could have the conditions and wages in their trade fixed, whilst hundreds of other dredgemen in the district might never even know that such a case was being heard. Consequently I think the Committee will approve of the idea that there should be a wide advertisement of industrial cases, such, for instance, as this: that if the Court is going to sit in Auckland, fourteen days' notice should be given in the papers that cases will be heard in connection with the timber-workers' industry, the bootmakers' industry, the tailoresses, or whatever others there may be, so that employers and workers in those trades should be ready to give evidence before the Court on matters affecting their industry. I think that is a necessary provision, always supposing that each individual in a district has not to be cited by name. And I would ask you to remember how difficult it is in a district where an industry is scattered perhaps through many towns and many villages for anybody who is laying the information to get particulars so accurately that even the spelling of every name and the Christian name of every person employing labour in that district shall be correctly given in the information. Now we come to another important question. If members will consult the principal Act of 1900 they will find that clause 87, subsection (3) enacts, "The award, by force of this Act, shall also extend to and bind every worker who, not being a member of any industrial union on which the award is binding, is at any time whilst it is in force employed by any employer on whom the award is binding; and if any such worker commits any breach of the award he shall be liable to a penalty not exceeding ten pounds, to be recovered in like manner as if he were a party to the award." The intention of that was to bring the non-unionist also under the award, but it has had a curious effect. It has brought the non-unionist under the award, and has left the unionist out; and I am advised that there is nothing in the Act which brings the unionist under this award. I may explain that the policy of the Act at the start was to help the organization of labour, and not to make the separate units liable, but the union itself. It was thought that the union would have such control over its men that it should be one of the parties and would control its members. Now that has not only been found not to be exactly the case, but to be an exceeding hardship, it seems, upon the union itself. I will tell the reason why. The union comes to me, we will say, as to an inspector of awards, and tells me that a breach of award is being committed in a certain case in regard to its members. I investigate that and bring a case forward, and it is proved that the employer has been paying less wages than he should have paid. Now, if justice were done, I should also bring a case against the worker for having accepted less wages, because he has broken the award just as much as the employer has; and though there may be circumstances pressing on a worker to make him break the award which may not be pressing on the employer, still in the eye of the law he is doing wrong. Well, then, if a union is liable for the acts of its members, it, after going to the trouble of finding out that the law is being broken, is then also a guilty party and liable to a fine. If a union found that every time a person was fined it also had to pay a fine, that would be a very discouraging thing indeed to the union, and the Arbitration Act, instead of helping the unions, would be discouraging them, because it would mean that every good worker who himself obeys the law would have to pay part of the fines of the bad worker who kept on accepting less wages than he ought to get and so broke the award. There are three ways out of it. One is to make the union still liable for the acts of its members, but to give it greater powers. A union can now sue for a fine imposed for a breach of its rules; but the question is whether a union, after having had to pay a fine for a breach of an award committed by one of its members, should not be able to sue that member for this money. The objection is that the member might be a man of straw, and the union might have been put to heavy expense in connection with the case and might not be able to get the amount back again. Another way is to make the individual worker liable for having committed a breach of award just the same as if he were a non-unionist worker; and that traverses the primary intention of the Act, so that there is a very large question involved. A man might join a union and then accept a lower wage than that specified in the award on purpose to let the union in for a fine. I think myself that it would be fairer that the individual member should pay the fine imposed for having committed a breach and that the union should not. On that account the section marked B, (1), has been drawn—namely, "The award shall by force of this Act (but subject to the provisions of section thirteen of 'The Industrial Conciliation and Arbitration Amendment Act, 1901,') extend to and bind every trade-union, industrial union, industrial association, employer, and worker who, when the award is made or at any time whilst the award is in force, is connected with or engaged in the industry to which the award applies within the industrial district or other area to which it relates." Then everybody would be on the same ground; all persons would be under the award—unionist, non-unionist, and union, and so on. Section E provides as follows: "In any industrial dispute relating to an industry connected with the service of the sea, or with the carriage of passengers or goods between two or more industrial districts, the Court may, after hearing evidence in such places as it thinks fit, make a colonial award."

3. Why is that so limited?—Because the question of colonial awards is such a highly debatable question. In the House itself there are several interests represented which object very strongly to a colonial award.

4. Take, for example, the woollen industry: why should that not come under the clause?—I do not know which industries should not, but the Judge represented that this shipping industry certainly should. Of course, the Committee or the House may do what they please, but the shipping industry should come under a colonial award (if the Court so decides), on this ground: a sailor, we will say, starts at Auckland, where he is under one award, and he goes to Wellington where he is under another award, then to Lyttelton where he is under still another, and so on. That seems absolutely ridiculous, and certainly as far as the shipping industry is concerned the right to make a colonial award should be given to the Court.

5. *Mr. Davey.*] Can that be made to apply to companies registered in Australia, say, the Huddart-Parker Company?—I would not like to give an opinion upon that. I am not versed in the shipping law. Clause F reads, "The President may, at any time before making an award, refer any question of law that may arise in any proceedings before the Court or before any Board to the Supreme Court for decision. (2.) The question shall be referred in the form of a special case to be settled by the President." That does not mean that there might be an appeal from the Arbitration Court to the Supreme Court or to the Court of Appeal, but only when the Court itself is puzzled over a question of law. Now, I want to refer to that very section 86 that I spoke of in regard to which one Judge went one way and one another. Both of them were Presidents of the Court, and a cross-ruling was given. Had the Judge been able to refer the question to the Court of Appeal he could, at all events, have got the opinion of the other Judges as to what the section meant as a question of law—did it mean to apply to all the persons in the district, or only to those who were cited as in business when the award was made? The Judge says that it would be a very great help to the Court if it were able to refer a case to the Court of Appeal in order to decide what the meaning of certain words is. I think the other sections in the proposed addition are very little more than small machinery clauses. In the last one, subsection (*d*) of section F "suspension" is put in as well as "dismissal." It was found in one case that the men were not dismissed but only suspended, so the word "suspension" has been added.

6. *Mr. Taylor.*] That was in the Auckland case?—Yes. It is an important clause, but it is plain on the face of it, and I need not take up your time by explaining it.

7. *Mr. Aitken.*] I was somewhat amazed when Mr. Tregear explained that an employer in a district should be held liable when the only notice given had been by advertisement. Now, I am an employer of labour, and as a matter of fact I never look at an advertisement in the paper. So I think there is a defect there?—I can only say in regard to that that we had always held, until Judge Chapman's last ruling, that the employers were liable within the district even without any advertisement having been inserted in a newspaper. I may say that in New Plymouth, to mention one case, every little carpenter's shop is under the timber-workers' award, while in Hawera, in the same district, there are two large shops which are not under the award on account of the employers not having been cited. The result is that there is most unfair competition.

8. *Mr. Jolliffe* (Law Draughtsman).] May I say, Mr. Chairman, that throughout the whole of our legislation an advertisement in a prescribed form is taken as binding on the public. Even advertisements in the *Gazette*, a publication which very few people see, are binding in larger interests than could arise under this proposal.

9. *Mr. Sidey.*] With reference to the Bill before the Committee, I would like to ask you, Mr. Tregear, what proportion of cases would be dealt with by the Magistrate under clause 2, where the maximum penalty for the breach does not exceed £50?—Almost every one.

10. You suggest that the amount of the claim might determine which Court should hear the case?—Yes.

11. Does it not appear to you objectionable to simply state that the amount of the claim shall determine which Court shall decide the case? Then, a person might himself, simply by increasing or decreasing the amount of his claim, have control over which Court should determine the case?—I should think that if he made his claim ridiculously large so that he could not sustain it, he would meet with a very strong expression of disapproval from the Arbitration Court. I do not see what benefit he would obtain by angering the Court.

12. What would you suggest as a limit to the amount of the claim?—I suggest £50.

13. Might not there be very many cases where a man might have a legitimate claim for £25 which might easily be increased to £50?—Then, I suppose, if it was as big as that it should go before the Arbitration Court. What is being attempted to be brought about by this Bill is that the Arbitration Court should not be pestered with the pettiest and smallest cases. If a man has a claim for back wages amounting to £50 it is an important thing. If he has a back claim for 30s., I do not see why the case should not be settled in the lower Court.

14. Do you not think it an objection that a Magistrate should have power to deal with awards which are made by another Court?—I represented strongly that that is the opinion of the Arbitration Court; they do not want their awards interpreted by the Stipendiary Magistrates.

15. Some of the labour representatives who gave evidence here stated that what they would desire would be that there should be two representatives—one representing the employers and one themselves—sitting with the Magistrate. Do you think that would be desirable?—What power is it suggested they should have? Would they be there just to advise the Magistrate, or would they have any voting-power.

16. *The Chairman.*] The suggestion was made that they should hold the same position as the two representatives of the employers and the workers on the Arbitration Court?—Honestly, I do not think it is necessary. In a small case, if a Stipendiary Magistrate could not give his decision as to whether such-and-such a sum of money was or was not owing under an award, I do not see the use of a Stipendiary Magistrate.

17. *Mr. Sidey.*] You do not favour the suggestion made by the labour representatives?—I think it would be expensive, and I do not think it would be worth it. But this is absolutely new

to me; I have not heard the proposal mooted before, and I should like to be able to reserve my opinion. I have not given the suggestion consideration.

18. Are we to understand that you are opposed to the Bill?—No; most decidedly not.

19. I understood from you that you did not consider the Magistrate was the proper person to enforce an award which was made by another Court?—I represented that that was the opinion of the Court.

20. It was not your own opinion?—I hardly like giving an opinion on a question of policy like that.

21. I thought you were here to advise us?—It is a Government Bill, and is the only effort that it seems to be possible to make to try to get over the congestion of the Court with cases of breaches of award, and it was hoped that in some way these cases of breach could be heard by a lower Court. As I said, I am in favour of it, but I have brought forward what the Court has stated—that it does not like having its awards interpreted by other people. As this is a Government Bill I am in favour of it, yes, but I am not very much impressed.

22. There was a suggestion made by the employers that there should be two Courts, one for the North Island and one for the South. What do you think of that?—It would necessitate having another Judge of the Supreme Court, because all the value of the Court is in the dignity and weight which having a Supreme Court Judge as President gives to the Court. There is no appeal, and in such a case one has to be careful. The difficulty largely arises now from the President having to sit on the Court of Appeal twice a year. Some weeks are wasted, as far as the Arbitration Court is concerned, by the Judge having to absent himself; but, at the same time, it must be remembered that nothing could really give him the status of a Supreme Court Judge except actually being a Supreme Court Judge and taking his turn with the other Judges, especially in sitting on the Court of Appeal. As long as he is a Supreme Court Judge he is not under the control of the Government, but under the control and direction of the Chief Justice, and if the Chief Justice says that he is to go to the Court of Appeal he must do so.

23. *Mr. Aitken.*] Would that be any real objection?—It would necessitate the appointment of another Supreme Court Judge.

24. You do not look upon that as a real objection?—No. Another objection is that same question of cross-rulings.

25. *Mr. Sidey.*] A further suggestion has been made to enlarge the powers of the Conciliation Boards so that they would be an inferior Court, and allow the Arbitration Court to be the Appeal Court to determine the larger claims?—I am rather in favour of that. I regret the Conciliation Boards being practically abolished as they were by section 21 of the amending Act.

26. *Mr. Hardy.*] Notwithstanding the "plums"?—Yes, notwithstanding the "plums." I know that some of the Boards did not do their work well, that in some places they were hardly a success; but, taking them as a general rule, they did exceedingly good work in clearing away the unnecessary evidence from a case.

27. *Mr. Sidey.*] It has been suggested that the fact of fines going to the unions in cases of breach of award has been an inducement to the bringing of cases, and that the fines should be paid into the consolidated revenue for the purpose of helping to defray the expense of the administration of the Act. What is your opinion about that?—I think that practically that will be the case in any way without another amendment. The President of the Court has expressed his opinion very strongly against any of the unions bringing cases. After your passing last year an amendment under which inspectors of factories were made inspectors of awards the Department of Labour has been bringing all cases, and in this event the money will be paid into the Consolidated Fund. I say myself that it is quite wrong for any union or any private person to benefit by another breaking the law.

28. *Mr. Colvin.*] Are you aware that a great many of the principal unions have applied for other amendments in the main Act?—No; I am not aware that they have. If they have they have not done it through me, because then I could have got the suggested amendments printed and brought before you.

29. What would be the effect of striking out all the words after the word "union" in the second line of subsection (1) of clause 98 of the principal Act? This is what the secretary of a union has written to me: "We would also urge on you the necessity of endeavouring to have the principal Act amended by striking out all the words after the word 'union' in the second line of subsection (1) of section 98, and by the repeal of section 99 of the principal Act." I would like to know if you would be in favour of that amendment?—I am not in favour of it.

30. *Mr. Davey.*] I understood you to say that the Government were not particularly anxious to pass this amending Bill empowering the Magistrates to deal with cases of breach of award?—I will not say that. Perhaps I expressed myself badly. I meant to say that if a suggestion were made for a better form of meeting the difficulty I believe the Government would not be wedded to that particular principle of the Stipendiary Magistrates dealing with breaches of award. If the Government bring down a Bill, they wish it to be passed; but my opinion is that if any person could suggest a better way out of the difficulty the Government would be ready to adopt that suggestion themselves. It is rather difficult for a Civil servant to know how to say these things.

31. Are you aware that the representatives of the labour unions when giving evidence here suggested that subsection (3) of clause 2 of the Bill be struck out and the following subsection altered accordingly, and that all parties should abide by the decision of the Magistrate, there being no appeal whatever?—No; I am not aware that they intended doing any such thing.

32. *Mr. Wood.*] With regard to the last clause of the proposed addition to the Bill, in respect to suspension, do you advocate that?—I would like to further consider the matter before I said that I advocated it, because Mr. Taylor has suggested in the course of discussion just now that there is a meaning in it which I had not considered. The word "suspension" has been inserted merely in order to prevent advantage being taken of a word. An employer might suspend his

workmen instead of dismissing them. It is practically the same thing as dismissing a man, because he need not be put on again. If the clause as worded would interfere with the business of an employer in any inimical way I should prefer to see it worded otherwise. If in the opinion of the Committee the clause as worded would have that effect I am not in favour of it.

33. *Mr. Taylor.*] Subsection (1) of clause 2 of the Bill provides, "Notwithstanding anything in the principal Act, all proceedings for enforcing any award (whether made before or after the commencement of this Act) shall, where the maximum penalty for the breach complained of does not exceed fifty pounds, be heard and determined by a Magistrate." Do you not think it is a mistake to make it compulsory that the cases where the penalty does not exceed £50 shall be heard before a Magistrate? Supposing it is an involved question, why should not a party have the right to insist upon the Court that made the award hearing the case of breach?—Practically there is a difficulty. Just the same as giving to either party to a dispute the privilege of going to the Arbitration Court direct had the practical effect of superseding the Conciliation Boards, so you would find that in this case you would practically supersede the Magistrate, because anybody who was interested in continuing a wrong or the breach itself would certainly object to the Stipendiary Magistrate's Court dealing with the case, for the Stipendiary Magistrate could settle it at once, whilst if the case were taken to the Arbitration Court it might have to wait eight or nine months, and in the meantime the employer would derive benefit.

34. Do you say that the Arbitration Court is more likely to get congested with work than a Magistrate's Court, having regard to the fact that the Magistrates are very hardworked now?—I think it is. I do not know of any Magistrate's Court that is months behind in its work as the Arbitration Court is.

35. *Mr. Davey.*] It has five hundred cases before it?—There are one hundred and fifty cases waiting now to be dealt with.

36. *Mr. Aitken.*] Do you mean in the whole colony?—Yes, in the whole colony. Who said there were five hundred?

37. *Mr. Davey.*] A representative of the Trades and Labour Council told us that there were between four and five hundred cases awaiting decision now?—He exaggerated.

38. *Mr. Taylor.*] Do you not think it would be a wise thing to say "may" instead of "shall" in clause 2 of the Bill, and so give parties the option of taking a case before the Magistrate's Court or the Arbitration Court?—I am afraid it would make it totally inoperative.

39. You said that there were twenty-five disputes before the Court last year and 123 cases of breach of award. Is that not a much smaller volume of business than there was in the previous year?—There were more industrial disputes the previous year and very many fewer cases of breach.

40. Industrial disputes take a much longer time to adjust, do they not?—Yes, as a rule.

41. Days longer?—Yes; sometimes a very long time.

42. As a matter of fact, is not the original business of the Arbitration Court—that is, the hearing of disputes—getting less year by year?—Yes, it is.

43. Because the conditions of labour for all the principal industries have now been fixed?—That is true.

44. As a matter of fact, will not the Arbitration Court have more time at its disposal now for dealing with cases for breach of award than it has had in past years?—I should hope so.

45. Under those circumstances would it not be wise to leave it optional with the parties concerned as to whether they go to the Magistrate's Court or the Arbitration Court in cases of breach of award?—No, because I think an unfair advantage would be taken of it. They would go every time to the Arbitration Court and keep it congested on purpose that their case should not be called on. I have to deal with hundreds of good employers, of course, and I have to deal with some very bad employers, who take advantage of every little turn and twist of the law.

46. Have you ever thought whether it is possible to provide that every inspector of factories should be made a registrar of workers, and to make it compulsory with all workers in certain industries to register with him, whether they are members of a trades-union or not?—No, I have not thought of that.

47. That would get over the difficulty of unionists *versus* non-unionists. If every person's name was registered with the Inspector of Factories, then he would be subject to any award?—If he wanted to evade the award he would not register.

48. Make it compulsory that he must register, and that he cannot be employed unless he is registered and has got his certificate to show that he is registered. The colony would then know of his existence through the Inspector of Factories, and he would then be subject to all the awards that had been made and penalties for breach of them. The disputes between employer and employee as to whether unionists and non-unionists should be employed would then cease to exist?—I do not know that simple registration would cause the disputes to cease to exist. A unionist has something to do besides having his name put down. He works for a certain line of conduct in regard to raising the wages in his business, and so on.

49. But still the non-unionist is the troublesome man. I want to know whether the colony ought not to know of the existence of the non-unionist?—It should.

50. I am suggesting that the way to secure that knowledge would be to insist upon every man of any calling registering his name every year—as a person has to register his vote—with the Inspector of Factories in each district. If all workers were so enrolled then it would do away with the friction over the question of unionists and non-unionists, would it not?—I do not know that it would do that, but it would be very valuable statistical information to have.

51. Why should he not register?—I do not see why, unless on account of the talk about "the liberty of the subject" and all that.

52. A man who carries on a factory has to register, has he not?—Yes.

53. If we had this compulsory registration of all workers it would give the Arbitration Court the very information it repeatedly says it wants. It does not know how many men there are in a certain industry: it only knows the number who are members of a union?—I think it would be very valuable information indeed.

54. If that register was then made the register for the particular industry so far as the employer was concerned, and he could employ anybody who was registered with the Inspector of Factories so long as he paid the wages fixed by the Arbitration Court, would that not get rid of the everlasting friction as between unionists and non-unionists?—I do not see that it would. It might help, but it would not get rid of the friction, because their aims are different. The unionist wishes to advance his trade all along the line; the other man only cares for himself.

55. The unionist has to carry the non-unionist, has he not?—Yes.

56. Is it not better for the State to know the exact number engaged in each industry by registration than to have an unknown number embarrassing the Arbitration Court?—I agree thoroughly with one of your statements—that it would be of exceeding advantage to have these men registered; but the other—that it would do away with the friction as between unionists and non-unionists—I do not believe.

57. *Mr. Aitken.*] Still it would go in that direction?—Yes.

58. *Mr. Taylor.*] Could not the Arbitration Court have such a register kept and make its awards apply to the whole of the workers shown on the register kept by the Inspector of Factories?—Yes.

59. I take it that our legislation does not openly declare that it is framed with a view to collecting funds for unions, and as the unions must have funds to pay for their appeals to the Court on various questions, would it not be possible to force every man registering as I suggest to pay an annual registration fee of, say, a shilling or half a crown, and let that go to the funds of the union representing the industry in which he is engaged?—These are new questions, and I do not like to give any decided opinion on them until I have given them some more thought. They are worth thinking over, but my opinion would be worth nothing if given straight away.

60. With regard to the last clause of the proposed addition, the clause dealing with "suspension," did the representatives of the Trades and Labour Council have a copy of these proposed alterations?—No.

61. Their evidence has not been taken on them?—No.

62. Did you not realise in connection with the last clause that if you prevent a man from suspending his workmen it is exactly the same thing as preventing him from closing down his business?—Oh, no; excuse me!

63. If he cannot suspend his workmen he cannot close down his business?—In the Auckland case I think some of the men were suspended and the others continued working.

64. Supposing they had suspended all the men and shut their doors, what then?—The business would have been closed. But they did not.

65. If you say that a man shall not suspend his men, is not that equal to saying that a man must carry on his business, although a decision of the Court may have rendered it impossible for him to do so?—This was not my suggestion. It was one of the suggestions that were made by the Court. I see there is the danger that Mr. Taylor points out, but I did not see it before.

66. Will you reconsider this matter?—I will.

67. *Mr. Bollard.*] Do you approve, Mr. Tregear, of the unions receiving fines for breaches of award?—No, I do not think it is right.

68. Supposing the fines went into the Consolidated Fund, do you not think it would have a considerable effect on the number of cases of breach of award?—We have found the number of such cases to increase because there are now officers to lay the informations who do not care whether they offend a defaulter or not. The unions, on the other hand, missed a very great number of cases because many of their men were very chary about exposing themselves by acting either as prosecutors or as witnesses in cases of breach. They would rather put up with the lower wage or anything of that sort than be marked men and be on the black-list of the employers. So that we find that really the increase in the number of cases of breach is because our officers are conducting the cases. It was not a fair position in which to place a union to ask it to move in such a matter, because a union's members are all working-men, and they expose themselves to dismissal or to being placed in the bad books of the employers by bringing such cases at all.

69. You do not think, then, that the effect of the fines going into the general revenue would reduce the number of cases?—As the matter stands, practically I do not, because one is balanced by the other—there will be more cases for fining with the Government officers laying the informations.

70. *Mr. Tanner.*] You are aware, Mr. Tregear, that by section 91 of the principal Act the Court alone decides what constitutes a breach of award?—Yes.

71. And that the maximum penalty for a breach of award is £500?—Yes.

72. If the proposal in the Bill before us was carried out—giving Magistrates jurisdiction up to £50—what proportion of the cases would fall into the hands of the Stipendiary Magistrates?—I should think nine out of ten.

73. But you have told us that the bulk of the cases last year—five-sixths of them—were cases of breach of award: 123 cases of breach as against twenty-five disputes?—That is so.

74. As a penalty of £500 is provided in the Act, would not all these cases of breach of award have to go before the Court?—That is the maximum penalty.

75. The word "maximum" is used in this Bill and in the principal Act also. Under section 91 of the original Act the Court has power to inflict a maximum penalty of £500?—Yes.

76. That being so, how many of these cases of breach could possibly go before the Stipendiary Magistrate?—Clause 2 of the Bill says that cases shall go before a Magistrate where the maximum penalty for the breach does not exceed £50.

Mr. Jolliffe: May I answer that, sir? Clause 91 says that the Court may fix what sum shall be the maximum penalty for any breach—not in a specific case before it. It is laid down by the Court that for a certain breach the maximum penalty shall be so much, but it must not be more than £500. In practice they say that for a certain breach the penalty shall be, say, £50 or £100.

77. *Mr. Tanner.*] Is not that decision given on the Court hearing the case?

Mr. Jolliffe: No, either in the award or before the hearing of any specific breach.

78. *Mr. Tanner.*] I want to be very clear on this point. It seems to me as an ordinary layman, on reading clause 91 of the principal Act, that the Court has power to inflict a maximum penalty of £500 for a breach of award, and the Court alone can decide what is a breach of award.

Mr. Jolliffe: That is not under clause 91. The clause reads, "The Court in its award . . . . may fix and determine . . . . what sum not exceeding £500 shall be the maximum penalty." That is a similar clause to what is contained in every Act—"The Governor in Council may by Order in Council make regulations fixing the penalty for breach of any provisions of the Act provided it does not exceed" so much.

79. *Mr. Tanner.*] Then the effect of this Bill would be that there must be an award made in every case, and that the Court must in that award specify what penalty should be inflicted for a particular breach of the award?

Mr. Jolliffe: Or by order subsequently. It must do it at one time or the other.

80. *Mr. Tanner.*] It would all depend on the previous decision of the Arbitration Court as to whether a case should go before a Stipendiary Magistrate, would it not?

Mr. Jolliffe: It would depend on the maximum penalty fixed by the Court—the general maximum, not a specific penalty for that one breach. The penalty ruling for that class of breach is fixed by the Court in advance, and if that maximum does not exceed £50, then all the cases under that would go before the Magistrate.

81. *Mr. Tanner.*] Then the members of a union in bringing a case before a Magistrate would have to depend entirely on the wording of a previous award?

Mr. Jolliffe: The previous award or order of the Court.

82. *Mr. Tanner.*] The order would be attached to the award?

Mr. Jolliffe: It would form part of it.

83. *Mr. Tanner.*] So that the members of a union would have to be guided by matters which are not before the public in the Act?

Mr. Jolliffe: They would be in the award.

84. *Mr. Tanner.*] They would have to be guided by the award and the previous decision of the Court by order.

Mr. Jolliffe: That is so.

85. *Mr. Tanner.*] I was endeavouring to show—but my mind is quite open—that clause 2 of the Bill before us will not fulfil the intended purpose; but I can see from what you say that it will have some effect in that direction.

Mr. Jolliffe: It will have the effect I had in my mind when I drafted it.

86. *Mr. Tanner* (to Mr. Tregear).] With regard to the question of the congestion of Arbitration Court business at the present time, Mr. Tregear, here are my notes of last week—"Evidence of W. T. Young, of Wellington Trades and Labour Council and Seamen's Union: The Court is at the present time congested. The President should confine himself to arbitration business. There are now from four hundred to five hundred cases waiting. The Court should clear up business in any town before leaving." Do you mean to say that those statements are incorrect?—Some of them. It is not incorrect to say that the Court is congested, but it is incorrect to say that there are four hundred or five hundred cases waiting to be dealt with. I do not understand how Mr. Young could get information on such a point unless he wrote to the Clerks of Awards throughout the country. He has been misinformed. As to the other point, that the Court should clear up business in any town before leaving that town, the Court says it is not possible to do such a thing, because in many cases it has to leave a case without giving an award because it has to hear what other persons in another town have to say on the same subject. As to the Supreme Court business, I have explained to you the very great difficulty—either the President has to be a Supreme Court Judge or he has not. If he is a Judge of the Supreme Court he is under the Chief Justice and not under the Government.

87. You would not favour setting up a class of inferior Judges?—Decidedly not, because there being no appeal from their decisions we must have the very best class of men that we can get as Presidents.

88. *Mr. Hardy.*] I think I understood you to say that the Government does not urge the passing of the Bill, but rather desires to ascertain the feeling of Parliament as a direction?—Yes. I wish you would not press that too much. I made that statement, but I qualified it afterwards by saying that the Bill being introduced is a proof that the Government desire it.

89. You partly qualified it again, I think, by saying that the Government were exceedingly anxious to relieve the pressure in the Court?—Yes.

90. How is it, then, that you say the Bill is a Government Bill?—It *is* a Government Bill.

91. And yet the Government are not anxious to pass it?—They are anxious to relieve the congestion in the Court, but if you or any other member of the Committee can suggest another way of doing so, I do not think the Government will be found to be wedded to the principle contained in the Bill.

92. You say you are favourable to awards at sea?—Did I put it in that way? You mean a colonial award in the seamen's case?

93. Are you in favour of the principle of colonial awards being made general?—There are very many points to be considered: It is a very knotty question. It is very easy to answer wrongly.

94. The reason why I am asking the question is that some young ladies in Christchurch asked me to bring this matter before the Labour Bills Committee, and I ask the question of you, as the head of the Department, because they are anxious that effect should be given to their wishes in the matter. Are you in favour of this principle being made general?—That awards should be made colonial? I think I must decline to answer that. The Act has been worked hitherto on the basis of industrial disputes in each district. Except concerning seamen, who in the course of a month wander about from one district to another, I should not like to express an opinion, as it is a matter of policy.

95. You would not protect the girls in Christchurch from the rapacious employers in Auckland?—I have no information about that.

96. That is the question that I put to you?—Then I decline to answer it.

Mr. Hardy: As Mr. Tregear refuses to answer my question, Mr. Chairman, I will not ask him any more.

97. *Mr. Millar.*] Do you think it would be advantageous if the Arbitration Court had fixed sittings in the four centres, the same as the Supreme Court?—Yes; if it could be arranged it would be exceedingly useful, I think.

98. If a clause were put into the Bill to that effect the Court would have to arrange for fixed sittings?—Yes, I suppose it would.

99. *Mr. Laurenson.*] With regard to subsection (1) of clause 2 of the Bill before us, which reads, "Notwithstanding anything in the principal Act, all proceedings for enforcing any award (whether made before or after the commencement of this Act) shall, where the maximum penalty for the breach complained of does not exceed fifty pounds, be heard and determined by a Magistrate," &c., how would it do to amend the clause in this way: "Notwithstanding anything in the principal Act, the President of the Court shall have the power to refer any question of breach to a Magistrate for the purpose of taking evidence and reporting the finding on any question of fact"?—I think it would be valuable in some ways, but the matter of multiplying the sittings comes in. What we want to do is to try to simplify matters. If you have first to apply to the Arbitration Court, and the Court then refers the matter to a Stipendiary Magistrate, and the case is heard before him, and then there is an appeal to the Court again—why, there is endless litigation.

Mr. Jolliffe: I do not quite agree with Mr. Tregear as to the effect of that suggested amendment. I think that application should be made to the Arbitration Court in the first instance—not necessarily at a sitting. It might be made to the President, who would have the papers before him and would see that the case was one, say, in which a great deal of evidence would be required to be taken, and he might direct the Magistrate to take that evidence and report to the Court. Then the Court, having the finding of the Magistrate before it, could construe the award for itself and decide whether a breach had been committed, and if so inflict a penalty. I do not think there would be any circumlocution about it at all. It is a proceeding which is commonly taken by the Supreme Court where purely matters of fact have to be decided on. It can refer anything of that kind to either a skilled man or any lower Court. I think the suggestion made by Mr. Laurenson would have the effect of relieving the congestion more than the proposal in the Bill would.

100. *Mr. Millar* (to Mr. Tregear).] In view of the working of the Act during the past two years—practically since the abolition of the Conciliation Boards—do you think that the abolition has tended to improve the relations between employer and employee?—No, I do not.

101. Does it cost as much money under the existing condition as it did formerly, before the Conciliation Boards were superseded?—It costs more; the Court costs somewhat more now than it did before, but the expenses of both Court and Boards together were much more than they are now.

FRIDAY, 12TH AUGUST, 1904.

Deputation from New Zealand Employers' Federation in attendance. (No. 11.)

The Chairman: We hope, gentlemen, that we have not put you to any inconvenience, but since you were here previously a number of new clauses have been brought before the Committee, and these we thought it wise you should have an opportunity of giving evidence upon, if you so desired. I understand now that that is your wish, and we shall be glad to hear you.

Mr. Field: Mr. Chairman and Gentlemen,—I would like to state at the outset that we are a deputation from the New Zealand Employers' Federation, and that in what we say this morning we are voicing the opinions of the employers of the colony. We wish to express our thanks to the Committee for the opportunity it has afforded us of speaking on these proposed new clauses. The employers appreciate very highly the courtesy of the Committee in not going forward with the new proposed amendments until the employers had had an opportunity of considering them and expressing their views thereon. And we wish especially to express our high appreciation of the courtesy and thoughtfulness of the Chairman in so kindly forwarding promptly to all the associations in New Zealand copies of the proposed amendments. These amendments and the letter sent by the Chairman were accompanied by a letter from myself, and in reply, out of the twelve associations which were communicated with by the Chairman, we have received answers from nine. The associations responding have met in the different parts of the colony—they represent the Provincial Districts of Auckland, Taranaki, Hawke's Bay, Wairarapa, Wellington, Canterbury, Otago, Southland, and Nelson—and we have sought, in our deputation this morning, to summarise and express the views of the employers thus forwarded to us, so that we may save needless duplication of evidence and avoid the trouble and expense of bringing our friends from different parts of the colony. Therefore, what we have to say this morning will, we hope, be received as voicing the actual views of the employers in the districts mentioned. With regard to the amendments proposed on the foolscap sheet: As we understand clause A, subsections (1), (2), and (3), it provides the method by which the Court shall notify parties if its sittings, and the method proposed is by newspaper advertisement, as determined upon by the President of the Arbitration Court. Well, Sir, our associations throughout the colony strongly object to that, if it is to be a substitute for the present method. The present method is by personal citation of each of the employers concerned. This clause, as we understand it, proposes to pass by that method of citing employers, and to substitute for it some announcement in the newspapers in the district. I need not dwell long on that particular section. I think all the members of the Committee will see what a strong probability there would be of hosts of employers never seeing the announce-

ment. We believe that the only effective and fair way of doing it is to send to all the persons or firms who are to be made parties to the dispute a citation of a personal character through the mail. We therefore have to object to the whole provision in section A. Then, with regard to clause B, subsections (1) and (2): As we understand the clause, subsection (1) is to take the place of the provisions referred to in subsection (2), which provisions it is proposed to delete. The provisions in subsection (2) are to be struck out, and subsection (1) is to take the place of the provisions now on the statute-book. Well, one of the subsections that it is proposed to delete provides that the award shall state the original parties on whom it is binding. In the proposed new clause there is no such provision, and if these sections are repealed and the new clause is substituted there will be no provision that the award shall state the original parties on whom it is binding. We believe it is still desirable that the award should state the parties on whom it is binding. If, later on, other parties were added there would be no difficulty in the Court attaching such parties and making an announcement through the medium of the *Labour Journal*, and in other ways, of such attachment. We think, therefore, that the present provision should be continued, and that the award should state the original parties on whom it is binding. Then, we ask the Committee to add a few words to paragraph (1) of clause B. The words we wish to see added are these: "Provided that every employer shall have an opportunity of being heard by the Court before being bound to observe the award." There would be no such provision unless it were expressly stipulated, and we want to guarantee that before an employer is brought under the operation of an award he shall have an opportunity of stating his case. I think I need not dwell further on that; I hope I have made the point clear. Now, with regard to clause C: Subsection (1) of the clause is intended, we believe, as a substitute for the clause proposed to be repealed by subsection (2). There, again, a phrase is proposed to be dropped out by the repeal of the clause which we desire to see retained. The portion of the section—91—that would be dropped out provides that the order referred to in subsection (1) shall only be made on the application of a party to the award. We believe that that should still stand good. If the proposal were carried there would be no provision that the machinery of the Court could only be set in motion by parties who were interested. There would be the opportunity and the option for the Court to initiate and to carry on action on its own account, and we do not think that is desirable. We believe that the order referred to in clause C—"The Court in its award, or by order made at any time," &c.—we believe that should only be made on the application of a party to the award. Then, we object to the maximum penalty proposed to be provided, the maximum penalty being, as proposed, £500. We suggest that the penalty be £100. Then, with regard to the proviso to subsection (1) of clause C—"Provided that in the case of a breach committed by any individual worker the penalty shall not exceed ten pounds"—we wish to see this made applicable to the employer also, and we ask the Committee to include the words "or employer." If our suggestion were incorporated the paragraph would read, "Provided that in the case of a breach committed by any individual worker or employer the penalty shall not exceed ten pounds." We believe that these two should be on the same level, and if it is not possible to recover from the worker a penalty of more than £10, then it should not be possible to recover from the employer a penalty of any larger sum—if £10 is to be the limit recoverable from the worker it should be the limit recoverable from the individual employer. Now, as to section D: We have had a very strong protest from all over the colony in respect to fines, penalties, and so on being used according to the discretion of the Judge, and being awarded as he may think well. We think it is fitting, in connection with this clause, to urge that all fines and penalties should be paid into the Public Account and become part of the Consolidated Fund of the colony. I think that exhausts our references to the proposed amendments on the large sheet. With regard to the smaller sheet, we object to the whole of the provisions on it. As we understand them, they are designed to perpetuate Conciliation Boards—they are intended to widen the functions of Conciliation Boards and give them a better status than they now have. We want to say very plainly, and as strongly as language will allow us, that we have no confidence whatever in the Conciliation Boards of the colony. Employers have had a good deal of experience of them, and have had that experience right throughout New Zealand, and there is only one opinion among the employers in respect to Conciliation Boards, and that opinion is that they should be wiped out entirely. We have no confidence in them whatever, and any provisions that it is proposed to make by means of which they would be perpetuated and established and their functions widened, we very strongly protest against. We would point out that on the basis of ascertained experience the Legislature itself in 1901 passed an amending Act which provided for the carrying of cases forward to the Arbitration Court. This was a recognition by the Legislature of the experience of employers and, I think, of workmen alike, that the Conciliation Boards were a failure. We believe that further experience has justified the wisdom of Parliament in passing that legislation in 1901, and we strongly oppose any proposal which would perpetuate the existence of Conciliation Boards. In clauses C and D the same principle is recognised—the continuation of the Conciliation Boards—and an increased difficulty is proposed to be placed in the way of people carrying cases to the Arbitration Court, because under clause D a deposit would have to be provided by any party that wished to carry a case to the Arbitration Court. We do not think any such provision should be allowed to pass. We believe it would be entirely unfair—that it would rather tend to prevent cases going forward to the Court, and would so tend to the strengthening and continuance of Conciliation Boards. Section D provides for the striking-out of section 21 of the Industrial Conciliation and Arbitration Amendment Act of 1901, a section which gives to parties power to go to the Court. It is proposed by this suggested amendment to take away those powers, so that if the amendment were carried we should not have the option of going to the Arbitration Court direct. We do not think that option should be taken away. We believe that that right should be continued, and that it should be made even more perfect and more workable than it now is. We have a suggestion to make in regard to section 21 of the Act, which it is proposed to repeal. This section reads,

"Either party to an industrial dispute which has been referred to a Board of Conciliation may, previous to the hearing of such dispute by the Board, file with the Clerk an application in writing requiring the dispute to be referred to the Court of Arbitration," and so on. The words we want to fix attention upon are the two first words, "Either party." Now, according to the construction of that section, and according to the interpretation that has been placed upon it since, it is the whole of a party on whom this right is conferred. "Either party": There are two parties before the Court; there are the employers on the one hand and there is the union on the other hand. These constitute the two parties. You will see the position is this, that whilst the union can avail itself of that provision and carry a case forward to the Arbitration Court direct, the employers cannot do so unless the whole of them agree to it. Now, it may happen that there are two or three hundred employers, and it may be almost impossible to get them all to agree—it may not be possible to even reach them, because these disputes are in some cases spread over the whole of a provincial district. We, therefore, submit that the right which is conferred upon the workers should be conferred also, in a workable fashion, on the employers. But we do not want to see the word "Any" put in in place of "Either" at the beginning of the clause, for this reason: if "Any party" was to be able to take a case direct to the Court, then, though the great bulk of the employers and the union did not want to avail themselves of the privilege, a small minority—one, or two, or three of the parties—might set the whole machinery in motion. So we do not suggest that "Any" should be inserted, but we do desire that the employer shall have conferred upon him in a reasonable fashion the right that is now conferred upon a union, it being a solid unit. What we have to suggest is, that the words "Either party" be struck out and these words be inserted instead, "Any industrial union which is a party, or a majority of the employers who are parties to an industrial dispute," &c.; thus providing that an industrial union may take action and that a majority of the employers who are cited may take action. We believe that that provision would be perfectly fair and reasonable, and that if the power to go direct to the Court is to be conferred at all, it should be conferred upon a majority of the employers who are parties to a dispute. We suggest that as a workable way of realising the end aimed at in this particular clause. I do not think there is anything more I wish to say now, except this, that I will hand in copies of these proposed amendments of ours. I have two or three copies here. [Produced.]

CHARLES CATHIE examined. (No. 12.)

1. *The Chairman.*] What are you, Mr. Cathie?—A clothing-manufacturer.

2. You are a member of the Employers' Association?—Yes; a member of the Employers' Association, Wellington.

3. Will you proceed, please?—I have only to indorse what Mr. Field has stated on one or two points. Subsection (1) of clause A of the first lot of proposed amendments would, to be effective, or even partly effective require that advertisements should be inserted in every newspaper in the colony, seeing that the employers are federated throughout the colony. Even then, an employer does not read all the advertisements in a newspaper. Many times we miss important advertisements, because our minds are taken up with other things. It is only when a personal citation is placed before us that our attention is forcibly called to the matter. We think it would be practically impossible to have every person engaged in an industry duly notified by newspaper advertisement.

4. *Mr. Laurenson.*] What do you suggest?—Personal citation, as Mr. Field has suggested, or citation through the post—the same as what we are accustomed to at present. Passing on to section C, we certainly think that a penalty of £500 that might be imposed on any one employer might become an instrument of oppression in the hands of parties, never intended, probably, in the original Act. But we have to look to the future and the contingencies that might arise. We think that a limited maximum penalty of £100 should answer all requirements, and also that any individual employer belonging to an association should not be mulcted in a larger sum than £10—as is proposed in the case of an individual worker—so that if a penalty has to be inflicted on an association it will be divided. I would point out that in some of our associations of employers now connected specially with individual trades there may be only half a dozen employers interested in a particular dispute, and a penalty of £400 or £500 would be a heavy one when divided amongst only half a dozen. It would not be felt to the same extent if an association consisted of one or two hundred employers, but in the case of small associations it might be disastrous. That is one reason why we ask that the penalty should not exceed £10 against any individual employer. I also wish to confirm what Mr. Field has said about our objection to the strengthening of the Conciliation Boards. They have not justified their existence to the people of the colony, either workers or employers. We think there is no reason why clauses should be inserted into the Act that would tend to strengthen the Boards in future, by giving them work to do and compelling people to go before them who have no confidence in them, and also by repealing section 21 of the Act of 1901, and thus preventing us from going in the first instance to the Arbitration Court. We think that we need these safeguards if we are to hold our own in the industrial affairs of the colony.

WILLIAM CABLE made a statement. (No. 13.)

Mr. Cable: Mr. Chairman and Gentlemen,—I just wish to say, regarding these three proposed new clauses in the Industrial Conciliation and Arbitration Amendment Bill, that what is proposed to be done will be altogether unsatisfactory to the employers. We have a right to expect personal citation. It seems unfair that a mere newspaper advertisement should be sufficient service of notice to us to appear at the Arbitration Court. There are dozens of different ways in which an employer might never hear of or see the advertisement. We simply want that matter left as it is—that citation should be through the post and by registered letter. I think that it does not require any

remarks from me to show you the importance of that method of citation remaining in existence. With regard to the strengthening of the Conciliation Boards, from personal experience I am entirely against the proposal. Conciliation in the past has been nothing but irritation, and apparently, as the Boards are constituted, it will never be anything else. It is simply throwing valuable time and money away to have anything to do with them. Better wipe them off the slate altogether. They have been a dead failure; they have not justified their existence in any way. That is all I have to say, except that I am strongly of opinion that all fines should be paid into the Public Account. If Parliament in its wisdom deems it necessary that any of this money should be utilised for the benefit of the unions or anything of the kind, then Parliament ought to pass a vote for it; but to leave in the hands of the Inspector the power proposed to be given him is to bestow on him power that should not be given to any Government officer. In addition to this, I would call your attention to the necessity and the importance of having a new clause or paragraph inserted in the Bill. I will lead up to what I mean by saying that in looking over the morning paper I found this morning that a surprise has been sprung on the iron-founders in Wellington. The Moulders' Union have entered a dispute in the Arbitration Court, and no employer has ever been consulted on the matter at all. I take it, gentlemen, that that is an arbitrary proceeding. I would therefore suggest that a clause be inserted providing that before any dispute can be referred to the Arbitration Court at least one conference must be held between the union and the employers interested. It has just occurred to me that it might simplify the Court's business and lighten its load if provision were made that the evidence given at this conference could, if necessary, be sworn to and the papers be handed to the Court. Then the Court could judge from the evidence before it as to whether there was any reasonable cause for a dispute being filed. That could be done by viewing the state of trade and of trade matters generally. I say it is an intolerable thing that a union of workers should be able to cite employers in any trade without the employers being consulted or any reasons given why more wages should be claimed or other demands made. This intimation that I have spoken of is in the paper, and none of us was aware that a dispute was to be filed. The complaint is that the Arbitration Court does not get through with business promptly enough, but it will never be any better in this respect unless there is some break. I would strongly recommend that suggestion for your consideration. I think it is a reasonable one that must appeal to you all.

JOHN PEARCE LUKE, Engineer and Iron-founder, made a statement. (No. 14.)

Mr. Luke: Mr. Chairman and gentlemen,—I am not going to cover the ground that has been gone over by Mr. Field, Mr. Cable, and Mr. Cathie. I might say candidly that Mr. Field is associated with the Employers' Association in order to help us to carry on the important business which has been imposed upon us by the extensive labour legislation that has been passed. We have just about as much as we can do to look after our business and to find the money required to pay our men; hence Mr. Field has got a pretty good grasp of the position. I will follow up what Mr. Cable said in reference to service of notice by advertisement. I cannot conceive that we could get justice by any other method than personal service. It seems to me that to give notice by newspaper advertisement is not a right and manly way of serving notice upon people in the event of there being a dispute. But I do not altogether agree with some of the suggestions made by Mr. Cable in regard to taking the evidence. I have a personal leaning in the direction, that before any dispute should be referred to the Arbitration Court (and I might state here, straight away, that I object strongly to the Conciliation Boards; they have never been Conciliation Boards at all to my mind, they have simply been institutions to increase irritation and to cause the men to more readily bring their masters before the Board without giving proper consideration to all the matters at stake) I would suggest that first and foremost the matters in dispute should be referred to a conference between the employers and the union, if there is a union; that the matter should be dealt with before a Magistrate, and the Magistrate should decide whether there was sufficient cause for the matter to go to the Arbitration Court. A Magistrate seems to be a proper officer to go before, and to take sworn testimony of any evidence that is to be tendered. That is my personal view of the matter. I strongly object to the Conciliation Board dealing with a case at all, because until we get a better state of affairs than we have at present I do not think the gentlemen composing the Boards are likely to take a proper grasp of the position. As to the maximum penalty of £500, it seems to me that that is a matter which has not been thoroughly thought out by those who drafted the Bill, because very often in some small businesses a man who is getting a big wage is as well off as an employer, and to impose a maximum penalty of anything up to £500 on a man who is, perhaps, employing only one or two workers would practically put him out of business altogether. I do not think there should be any discrimination between employers and employees as to the amount of the penalty; in fact, to my mind, the lines are very ill-defined in reference to employers and employees. I think that very often the employees are just as well off as the employer. I object strongly to the way the Moulders' Union matter has been brought on—the first intimation appearing in the newspaper instead of the employers getting personal service of a notice. I do not altogether agree with the method that has been adopted for years past of citing all the employers, assuming there is a dispute. It seems to me that if there is a dispute between the union and one particular firm the union should cite that firm in a definite manner and bring them to book, instead of drawing the whole of the masters into a dispute that may not affect them at all. I certainly believe in the individual service and in individual cases being dealt with in the manner I have suggested. As to paying fines into the Public Account, I do not think there can be two opinions on that point. I would not agree in any shape or form to give any officer of the Labour Department or any other Department power to allocate any sum in any way he thought fit. I think these sums should go into the Consolidated Fund, if they go anywhere. That is all I have to say, Mr. Chairman and gentlemen.

5. *Mr. Laurenson.*] Mr. Cable said that he strongly objected to Conciliation Boards, and added, "as at present constituted." I would like to ask him this question: In view of the desire which, I suppose, every one of us has to maintain industrial peace and to promote good relations between employers and employees, can he make any suggestion that would help us to form Boards that would be more acceptable—to constitute Boards that would meet the position without causing the friction that seems to exist?—*Mr. Cable:* I am afraid I am not able to make such a suggestion. I think the proper Conciliation Board is the employer and his men. If they cannot agree, then take the dispute to the Arbitration Court. If there were a little more give-and-take between the two parties interested, in whichever trade it may be, I think that there would be less Arbitration Court business, and that the Conciliation Board would not be required at all. Every one must recognise that in the past Conciliation Boards have been a dead failure, and the employers of New Zealand have no confidence whatever in the Legislature being able to reconstitute them. The mere giving of more power to them would not make them a bit more acceptable.

6. You think then that when the friction gets so acute between employer and employed as to prevent them from coming to an agreement there should be no intermediary between them and the Arbitration Court?—There should be nothing at all.

7. *Mr. Kirkbride.*] It seems to me that Mr. Cable did suggest something in place of the Conciliation Boards. I understood him to suggest that any dispute should be referred to a conference of employers and employees. Is that so?—Yes.

8. Then, again, Mr. Luke seemed to go somewhat further. Perhaps I did not grasp his meaning aright, but I understood him to suggest something of the same kind, only that the proceedings should be before a Magistrate?—*Mr. Luke:* Only for the purpose of taking the evidence. I do not think it would be right to ask a J.P. to take the evidence. I think a Magistrate should. The employers and employees should come together first and foremost, and thresh out all the difficult points. Then they could go before a Magistrate and get the evidence taken, who should decide if the matter should go to the Arbitration Court.

9. *The Chairman.*] With regard to the maximum penalty, can you tell us, Mr. Field, what the usual penalty is that is provided in the awards now?—*Mr. Field:* It is a varied amount; it is varied according to the nature of the case. I know of only one case in the colony where the maximum was more than £100, and I think it was on account of several sustained breaches of award.

10. Do not let us misunderstand. This does not apply to the fines or the penalty for breach of award. It is the fixed maximum as specified in the award when first made. In every award which is made the Judge specifies what the maximum penalty shall be if anybody commits a breach?—"£500" is an amount that is often named, and a term that is often used. I do not know why it has come to be used, but it has; and we are just using the term since the matter of fixing the limit at £500 has come before us, and we have taken the opportunity to protest against it. It has been common in awards to provide that the maximum penalty shall be £500.

11. No great damage has been done in consequence so far?—We object to the principle of such a large amount being fixed; and there is the point raised by Mr. Cathie—whether it might not be injurious and oppressive. It might be ruinous.

12. I want to point out that really this is not an amendment—it is the present law. Clause 91 of the present Act specifies that the maximum penalty shall not exceed £500?—And I am pointing out that this is the first chance we have had of saying a word on that point, and the first chance we have we are emphasizing our view of the matter.

13. With regard to the matter of conferences, one of these gentlemen suggested that it should be compulsory for employees and employers to have a conference before a case was filed. What would you do if one party refused to attend the conference?—*Mr. Luke:* At the present time there is no facility for holding a conference. I do not think that that would obtain—*i.e.*, one party refuse to attend.

14. Supposing that we put in a clause to the effect that it should be compulsory that a conference should be held before a dispute could be filed, and presently you found there was depression in trade, and you wished to have the case go before the Court again on the award running out, but the union said, "We are not going to attend any conference"?—*Mr. Cable:* Then I should say there was no dispute.

15. The trouble at present has come about in consequence of the glut in the work of the Arbitration Court. We have before us four suggestions, one of which has not been brought under your notice, I think. In the first place, there is the proposal to refer cases of breach of award to the Magistrates, which you do not favour; but you favour the second suggestion, to have a Court for each Island, and thus have two instead of one. Then it has been suggested that cases of breach might be heard by a Magistrate, but that two Assessors should sit with him, as is the case with the Arbitration Court at the present time; and now there is another proposal, as to strengthening the hands of the Boards. Do I understand you still hold to your previous opinion, and that you favour the suggestion of having two Courts in preference to any of the other suggestions?—*Mr. Field:* I am glad that you have raised that question, because it gives me an opportunity of saying that since we gave evidence before on the broad point referred to—the method of meeting the glut—we have had communications from all over New Zealand approving of our suggestion. We sent out a statement as to the attitude we took up before the Committee, and that attitude has been indorsed with absolute unanimity throughout New Zealand. That is to say, if there be a glut in the Arbitration Court which it is impossible for one Court to overtake, then we see no feasible, practicable, and fair way out of the difficulty other than the creation of two Courts—one for the South Island and one for the North. It would then be easy for the two Judges to work in harmony in regard to decisions, and we should not run the risk of having interpretations given by a dozen different Magistrates, and we should not glut the Magistrate's Courts. We should provide, we believe, an effective machine, which would do the work perfectly. I would like to say, in view

of the suggestion now before us for the strengthening of the Conciliation Boards, that even if that suggestion were acted upon it would rather increase than lessen the cost of working, because experience has shown us that cases before the Conciliation Boards take a very much longer time to deal with. The methods of procedure are not exactly the same, and so it would happen that you would have these multiplied Conciliation Boards sitting almost all over New Zealand, and the expense to the colony would be very considerable—very much more, I believe, than would be incurred by the creation of another Arbitration Court. We still hold the opinion that the only feasible, practicable way out of the difficulty is the creation of two Courts, one for the North Island and one for the South. These two Courts could work in accord, and all interests would be safeguarded.

16. Mr. Cable said, with regard to the fines, that it should not be left in the hands of any Inspector to decide that any party should receive the amount of a fine, but that it should go into the Consolidated Fund; and he went on, I think, to say that that power should not be left in the hands of any Government official?—*Mr. Cable:* Yes.

17. You meant the Judge, did you not—not the Inspector?—It says "Inspector" in the proposed clause.

Mr. Field: It says a fine may be paid to the Inspector, provided the Judge himself tells the Inspector what to do with it.

18. *The Chairman.*] Have you the same objection, Mr. Cable, if the matter is left in the hands of the Judge, as at present?—*Mr. Cable:* I have. I think it should be defined.

19. *Mr. Alison.*] Is that made clear? The Judge must fix the penalty, but the fine, you say, should go to the Public Account and should not be dealt with by the Inspector?—Exactly. I take it that fines in these cases should, like fines in other cases, go into the consolidated revenue.

20. You have no objection, I understand, to the Court fixing the fine; the only objection you have is as to where it should be paid?—Just so. I might say that my suggestion as to the conference between the union and employers is simply an idea for simplifying and thinning down these disputes. It must be apparent to you that the particular dispute which I referred to as being mentioned in this morning's paper must be a bogus dispute, when none of the employers have been approached or spoken to in any way. We simply see it stated in the paper that eleven employers are cited to appear before the Arbitration Court over a dispute that no one knows anything about except a few union officials. I submit that the Committee ought to bring up something feasible that would tend to thin down these everlasting disputes which are choking the Arbitration Court.

FRIDAY, 19TH AUGUST, 1904.

WILLIAM THOMAS YOUNG examined. (No. 15.)

1. *The Chairman.*] What is your name?—William Thomas Young.

2. What are you?—President of the Wellington Trades and Labour Council, and chairman of the New Zealand Trades Council Executive.

3. And you represent what?—I represent the New Zealand Trades Councils.

4. That is the Trades Councils throughout the colony?—Yes.

5. What have you got to say with regard to the proposed new clauses in this Bill?—I have to say, Mr. Chairman, in the first place, that the New Zealand Executive have considered the whole of these proposed amendments and gone into them very carefully. Some we agree with, and others we disagree with, and suggest certain alterations. With respect to A, (1), and A, (2), we agree with both of those subclauses, and think them of very great importance, as they would do away with a lot of inconvenience that exists at the present time in sending out notices to each union through the Post Office. We think this as proposed here is decidedly the better course of the two, simply to publish notice in the Press circulating in the district that a certain case will be heard, and that shall be deemed to be sufficient notice. In regard to clause A, (3), we propose that in the second line, after the word "every," the words "person, whether employer or worker," be struck out, and that the words "trades-union, industrial union, or industrial association, or employer" be inserted in lieu thereof; and that in the fourth line, after the word "such," the word "person" be struck out, and that the words "trades-union, industrial union, or industrial association, or employer" be inserted also there in lieu of the word "person." We suggest this amendment because we are inclined to think that this clause is somewhat of an attempt to ignore the organized body—the body that is put to all the expense and inconvenience of settling these disputes—by giving a recognition to the individual. We say that, where an organized body is a party to any award, that body should be the only body concerned in connection with the administration of any particular award; and, further, the public notice would not be operative to the union if you allow that clause to go as it is now. As the clause reads at the present time it is a notice to the individual, and not a notice to the organized body at all. Therefore, if an announcement was made in the Press that a certain case was going to be heard by the Court at a certain date the organized body could disregard that notice and still rely upon the notice prescribed in the Act already. So we think the alteration as suggested should be made, and that the Committee should not take into consideration the individual at all in a matter of this kind, but should take into consideration, on the one hand, the employer, and, on the other hand, the organized union. In regard to B, (1), we agree with that, and ask the Committee to allow that to stand as it is; also B, (2), we agree with. In regard to C, (1), we agree with that provision, which I believe is practically the law at the present time. We also agree with C, (2), repealing section 91 of the principal Act. In regard to clause D, we do not agree with that, and we suggest that it be amended in this way: "On the hearing of any proceedings against any employer for the breach of an award or industrial agreement, the Court shall

ascertain the difference in amount between the wages fixed by the award or agreement and those actually paid, and shall, irrespective of any penalty, order such employer to pay the amount of such difference to the party applying for the enforcement, to be applied in such manner as the Court directs." We think that it should be definitely laid down that, where an employer has committed a breach of an award or agreement by not paying the stipulated wage, the Court should be compelled to ascertain as far as possible the difference in the wages fixed by the award or agreement and the amount paid, and order the difference to be paid over to the party applying for the enforcement, to be applied as the Court directs. It will be noted that we propose to bring in here the words "industrial agreement." At the present time there is no provision made for enforcing the provisions of an industrial agreement. The matter has been before the Court, I believe, on several occasions, and the Court has ruled that there is no power to enforce an industrial agreement, so we make the suggestion now that industrial agreements should be brought in here in order to enforce their provisions the same as the provisions of any award are enforced. We think it also right and proper that the union applying for an enforcement should get exactly the same privileges conceded it as is proposed to be conceded to the Inspector under this amendment, which says, "Such employer to pay the amount of such difference to the Inspector." That appears to us to be ignoring the union altogether, and as far as that goes it ignores the employer, because there is no telling when he may think it necessary to apply to the Court for an enforcement, and in that case he would be in exactly the same position as the union. We say that the whole of these powers should not be conferred upon the Inspector who has recently been appointed under the Act to carry out certain functions. It appears to us that there is an attempt being made to take the whole of the powers away from the union and place them in the hands of the Inspector, and the union will have to rely on the Inspectors as to whether they will administer the awards properly or otherwise. If it is intended to give the Inspectors all these powers, the probability is that Parliament will be asked to pass a special Act to enable Mr. Mackay or the Deputy Registrar to take the chairmanship of the trades-union meetings, and also to move the machinery of the law to obtain the awards of the Court and settle all industrial disputes, because that is probably what it will resolve itself into if these amendments are put into effect as they appear here.

6. *Mr. Hardy.*] Do you suggest that yourself ?—That is what I would recommend. I say that if you were to give the powers as proposed here and ignore the union which is put to the expense and inconvenience of settling these cases, then I say the best thing to do is to pass a special Act of Parliament providing that the Deputy Registrar shall take the chair at all union meetings, and that he should also move the machinery of the law to settle all industrial disputes. In regard to E, (1), I may say we agree with that, and also E, (2), and E, (3). Clause F, (1), we oppose; also F, (2), and F, (3). This is allowing for an appeal on points of law from the Arbitration Court to the Supreme Court. I may say that the labour party is totally opposed to any appeal whatever from the Arbitration Court's decisions. If appeals are allowed, the unions will be put to enormous expense in connection with them, and it is also getting the thin edge of the wedge into no finality whatever. If we allow an appeal from the Arbitration Court to the Supreme Court, even on a point of law, the probability is that in the course of a year or two there will be another recourse from the Supreme Court to the Appeal Court, and then in another year or so a further appeal from the Appeal Court to the Privy Council; and I think, gentlemen, you know what that means so far as the workers are concerned. They have not the wealth to follow these institutions up throughout New Zealand and ultimately to London to the Privy Council, and we are strongly opposed to any appeal whatever. We are prepared as a party to accept the decision of the Arbitration Court whether it is against us or otherwise and let that stand good, but we do not want any appeals whatever. Clause G, (1), is agreed to. In regard to G, (2), we agree with this provision down to the word "with" in the second line, but we are totally opposed to fixing a fee in respect to applications. It is proposed to fix a fee of 5s. for application to the Court for the interpretation of an award. We can file a breach of an award for 3s., so if it is to be looked at from an £ s. d. point of view it might be preferable to do that rather than make application to the Court for an interpretation. Moreover, we think that opportunity should be offered to make application to the Court for an interpretation of any particular clause in the award without fixing any prescribed fee at all. In respect to F, (*a*) and (*b*), we agree with these two provisions. In regard to F, (*c*), we are opposed to this provision, and say that every award should be delivered within one month after the termination of the hearing of any industrial dispute. We have instances on record where awards have been hung up for eighteen months or two years at a stretch. We say that some attempt should be made to prevent this, and therefore on these grounds we are opposed to this provision. With respect to F, (*d*), we agree with it. In regard to the other proposed amendments—there are five altogether—I may say that we agree with the whole of them. In regard to F, (*d*), I may say that if that is given effect to it will repeal the amendment of 1901, which is commonly known as Mr. Willis's amendment, and give Conciliation Boards power to adjudicate on all disputes in the first instance. We believe that Mr. Willis's amendment was the means of cutting the heart out of the whole principle of this Act. The labour party believes in conciliation—to do everything possible to conciliate—and that amendment undoubtedly cut the heart out of the principle. We contend that Parliament would be doing a very good thing, and would considerably relieve the strain on the Court, if it repealed that amendment so that all disputes would go to the Conciliation Board in the first place, and then by the proposals in these amendments we believe a large number of the cases would be settled by the Conciliation Boards. There are these two suggested amendments to be considered: First, that the Board in making its recommendations would state what items have been agreed upon by the parties, and those items would not be further discussed or considered before the Court. That is one provision, and it is a very good one too. With the present system when a case goes from the Board to the Court it commences afresh. You can agree to anything you like before the Board, but that is not taken into consideration before the Court, and with

that provision it would shorten the proceedings before the Court, and be the means of overtaking a great deal of the surplus work. There is the second provision that the party who makes application to refer a matter to the Court shall make a deposit of £10. That is a very necessary thing, and should be put into effect, because it will retard to some extent persons from sending along frivolous cases. At the present time any one to a dispute, any individual person or union, if he disagrees with the recommendations, can refer the dispute on to the Court. We believe this proposal will be the means of preventing that to a certain extent; and, further, the Court has got the discretionary power, if it thinks the case is not frivolous, to order the repayment of the amount, and on the other hand to order that it be paid into the Consolidated Fund if it considers the case frivolous. We think that only right and proper. We contend that section 21 of the Act of 1901 should be repealed, and thus allow the Boards to carry out their functions the same as they did prior to Mr. Willis's amendment being passed in 1901. I would like to say a word or two, if I am in order, just outside this particular matter in respect to permits and incompetents, and also in regard to the question of preference. The question of these permits is causing a great deal of trouble at the present time. Only quite recently in Masterton there were a very large number of men, who, I understand, had never been competent men at all in this particular trade, who applied to the secretary of the union for permits to work as incompetent carpenters. The secretary of the union refused to grant the permits on the ground that they had never been competent journeymen. The application was then referred to the Stipendiary Magistrate, Mr. James, at Masterton, and he refused also to grant these men the permits. Shortly after this these men—I think there were some thirteen or fourteen altogether—interviewed the member for Masterton, Mr. Hogg, and laid their grievances before him. Shortly after that Mr. Hogg entered into correspondence with the Premier in respect to this matter, with the result that the whole proceedings were reopened by the Stipendiary Magistrate at Masterton, and the secretary of the union was given notice that these proceedings would be commenced in the Magistrate's Court at Masterton at a certain date. The secretary of the union, Mr. Ball, was unfortunately ill at the time, and was unable to leave his bed in order to attend the Court, with the result that the case was heard in his absence and permits granted to these men. Now, these men, I understand, were never competent carpenters at all. They were men who had been labouring about Masterton, and things having got slack in their line of business they thought they would try and get work at the carpentering trade. As far as we can understand it, we say that, if a permit is to be granted, the permit be granted only to the incompetent man in the right sense—that is to say, the incompetent man is a man who through old age, infirmity, or some other such cause is not able to earn the minimum wage, and in that case he shall be granted a permit to work for a wage smaller than the minimum; but that is not the ruling that has been given by the President of the Court. The President of the Court considers that any worker can apply for a permit to work as an incompetent in any trade. That is the practical effect of his ruling, and we do not think that is right. We believe that it should be definitely laid down that these permits should be only granted to persons who have at one time been competent men in their trade which the award governs, but through old age or infirmity are not able to earn the minimum wage. In the Auckland painters case the "incompetent" clause is headed "Under-rate Workmen," and says, "Any worker who considers himself by reason of old age, infirmity, imperfect training, or any other cause incapable of earning the minimum wage hereby prescribed," &c. You will see it is somewhat clearly defined in this award as to who the incompetent person is. We should like the Committee to make some recommendation, and endeavour to get it passed into law, defining the incompetent man. We want a definite understanding as to who the incompetent man is, and we say that if a man is an incompetent he must at one time have been competent in his particular trade. We do not want to prevent the old man or the infirm man from earning a living. That is not our desire, but we want to keep men out of any particular trade who have not at one time been competent men and who have not served their apprenticeship in the particular trade. We believe that would not only be beneficial from our point of view, but also from the point of view of the employer, because if he employs these men he simply gets bad work, which he would not get if it were carried out by competent men. In the long-run the employer is the loser by employing these incompetent men. If he gets a house built by competent men he can rely upon its construction, but if he gets it put up by incompetent men he can only expect what he gets when the building falls to pieces in the course of a few years. That is the ultimate result. We also ask the Committee to make a recommendation providing that in all industrial disputes the Court shall award preference of employment to unionists. This matter was brought up in the House last session, and was put to the vote and defeated. Well, there is a great deal to be said in favour of this, and I might stand here probably for an hour or more arguing it. I do not intend to do that, because I believe pretty well every member of the Committee is aware of the arguments which can be adduced in favour of this very necessary provision; but I should like to point out this: that so far as my particular union is concerned—the Federated Seamen's—up till the year 1890 we had preference of employment for our members. It was out-and-out preference, without any conditions such as are hinged around the thing at the present time by the Court. In connection with every Court award there are so many printed conditions as to preference that it is not worth having—it is preference to non-unionists. Up till 1890 the Seamen's Union, as I said before, had out-and-out preference for its members, and through that medium we were able to have some control over the members, and were able to rebuke them for any misconduct that they might commit on board a ship. I receive complaints from shipowners now about the misconduct of men on board ship, but I can only reply that we have no power to deal with them, and will not have that power until we get preference of employment for our members. If we had that power and one of the members misconducted himself on board ship, he would be very severely dealt with, as we desire to put these acts down with a very firm hand. Further, the Seamen's Union is thoroughly representative of the seafaring community of this colony. There is no doubt about that—it cannot be denied. The Court in nine cases out of ten has invariably laid it down that

where a union is representative of the workers in a particular industry, that union shall be conceded preference of employment. I think that was clearly laid down by Mr. Justice Edwards in 1899, or 1900. My union has been before the Court now on three different occasions—in 1897, 1899, and 1902—and notwithstanding the fact that we have been able to convince the Court that we are thoroughly representative—that the large majority of the seamen in this colony are members of the union—we have not been able so far to obtain preference of employment. That is the position we are in, and it is exactly the position of a very large number of other unions. Outside of that, you have got to take into consideration that the unions, as I have said before, are put to the whole expense and inconvenience of settling these disputes, and not only that, they are responsible for the Act being on the statute-book. If it had not been for the unionists advocating conciliation and arbitration this Act would not be on the statute-book to-day, and we should still be working under the system of strike in this country, because I think, gentlemen, if you will cast your memories back——

7. *The Chairman.*] Just give us your reasons for preference?—I say this: that the jurisdiction of the Arbitration Court itself depends upon the organized workers, and those are, I consider, very strong points in favour of preference to unionists. There are many more, but I do not desire to go into all of them, but these are some strong points in favour of it, and it must also be borne in mind that the trade-unionists of this colony are responsible themselves for doing away with the system of strike. Personally, I am very pleased it has been done away with, and I hope we shall never work under that system again, but I am afraid that if this very important point is not conceded to the unionists before long, I do not know what will happen.

8. *Mr. Hardy.*] That is a threat?—No, it is not a threat. I am only expressing the opinions that have been expressed by unionists at their meetings.

9. But it is possible that may come about?—It is possible that may come about, as it is getting a very strong point with unionists.

10. *Mr. Davey.*] Have you any opinion as to whether the Conciliation Board has justified its existence? Are you satisfied with its working?—Well, we are satisfied with the working of the Conciliation Boards, especially in some centres, such as Dunedin. The Board at Dunedin has given every satisfaction, and has settled a very large number of cases that came before it; and we believe that with the two provisions contained in these proposed amendments—namely, the Board to state in its recommendations the items that have been agreed upon, and the £10 deposit—the Boards in the future will do better work than they have done in the past, and will relieve the work of the Court very considerably.

11. Do you think that it would be beneficial to employers if the Conciliation Board ceased to exist?—No, I do not, because I believe that with the termination of the Conciliation Board you are driving fast towards the termination of your present system of settling industrial disputes.

12. You mean that the Act may become inoperative?—Yes.

13. Would you be in favour of making it compulsory, when any dispute exists between the workers and the employer, that a meeting should take place between them in order to settle the dispute amicably?—Yes. Time after time—speaking of my own particular union—whenever a case is coming on we always make a special request for a conference with employers, but so far have not succeeded. We believe that if a conference were held and we did not come to a definite conclusion on all points we should come to a definite conclusion on at least seven or eight points out of ten.

14. You stated that Mr. Hogg interested himself in this dispute at Masterton?—Yes.

15. And through him and the Premier got the case reheard?—I did not say that. After the permits had been refused by the Magistrate at Masterton these men then interviewed Mr. Hogg, and, as a result, Mr. Hogg placed himself in communication with the Premier, and shortly after that the proceedings were reopened by the Magistrate at Masterton.

16. At whose request?—That I am not going to say.

17. Can you say?—I shall not say.

18. You would rather not say?—I have my own opinion—it is only a personal one.

19. Do you think it would be beneficial to labour or employers if an Arbitration Court was set up for each Island—that is, to cope with the work and get ahead of it?—No, we are not in favour of it.

20. *Mr. Barber.*] I understood last year that it was desired that the employees should not be put to the necessity of laying an information for breach of an award, but it was the duty of the Inspector to do this, and I understood that it was passed?—It is the duty of the Inspector to do this, but, unfortunately, they are not doing their duty.

21. You object now to the Inspectors having so much power. In fact, you said that Mr. Mackay should be made to preside at the meetings, which was rather ridiculing the position. That was the argument for last year, that the Inspectors should, in the interests of the employees, lay information in the case of the breach of an award?—That may be, but the two provisions in this suggested amendment are entirely different to what the present law is. Here you propose that the difference in wages shall be paid over to the Inspectors, meaning that if the union takes a case for enforcement the union shall not be entitled to the same privileges as the Inspector in regard to arrears of wages.

22. I understand that, but your other remarks rather deprecate the Inspector?—As far as I am concerned, I am totally opposed to the Inspector interfering with the awards.

23. That is not in accordance with the evidence given here last year?—We do not object to the Inspectors administering these awards providing they are requested so to do by the union concerned; but, unfortunately, we have instances that have been brought under our notice where different breaches have been referred to the Inspector in Wellington and he has absolutely declined, in effect, to take any action; these occurred at the Upper Hutt, Lower Hutt, and Petone, and were distinct breaches.

24. *Sir W. R. Russell.*] With regard to your statement that after subsequent correspondence between Mr. Hogg and the Premier with reference to the Masterton permits the Court sat and changed its decision?—That is so.

25. Do you not think you ought to inform the Committee, as you know, what was the cause of that alteration, or what you believe to have been the cause ?—To give you my personal opinion, I believe political influence was brought to bear by the Premier. That is my opinion.

26. You think political influence in this case was allowed to interfere with judicial proceedings ?—I do. That is my strong opinion.

27. Can you give us any idea of the number of cases—the proportion of cases—which go from the Conciliation Board to the Arbitration Court ?—No, I am not able to say the proportion of cases.

28. Have you any idea ?—I have never gone into the matter by figuring them up; it could be done.

29. Are there 25 per cent. settled by the Conciliation Board ?—No, not 25 per cent.

30. Can you make any suggestions as to improving the Conciliation Board so that there would be a greater number settled without the paraphernalia of the Arbitration Court ?—I believe these two provisions in the proposed amendments will tend towards that. We should like to see more cases settled by the Board.

31. You made a very important statement with regard to the attitude of the unions in reference to continuing to act under legislation if preference was not given to unionists ?—Well, so far as preference is concerned, you have to look at it from this point of view: that it is one of the principal issues surrounding trade-unionism itself. This question is getting warmer and warmer every year. The preference which has been conceded by the Court is surrounded by so many conditions that the thing is not worth having, and it is being very severely criticized by all unionists. They desire Parliament to legislate providing that in all cases preference of employment shall be conceded to unionists, but we do not want the thing hedged round with all sorts of conditions; and surely if we have worked under an out-and-out preference previous to the Act being passed it can be worked under again.

32. And what will be the position ?—There is no telling what may happen. I do not say that as any threat.

33. I want to get at the feeling of the unions upon the subject ?—That is the feeling. They feel that they are not being properly recognised by the Act—in that provision being absent.

34. That this legislation is not of value to them unless preference is granted to unionists ?—They do not say that it is of no value, but it would be of much more value were preference conceded.

35. I think you said that unless the preference was conceded it might not be desirable on the part of many unions to act under the legislation at all ?—It might.

36. Do you not yourself think it would be a great pity on that account to jeopardize the issue of arbitration ?—That is the question. It all depends upon the issue.

37. That if the unions refuse to act unless they get what they want, they are likely to destroy the principle ?—Yes, that is so.

38. I am not quite clear what the unions think with regard to the inefficient worker. Of course, there may be many men who have served their apprenticeship and who are more inefficient than those workmen who have not ?—Men who have served their apprenticeship ?

39. Yes; men who are inefficient tradesmen ?—It is only right for those men who have served their apprenticeship that there should be some provision to enable them to work at that trade providing they have served their apprenticeship.

40. What proportion of men in the carpentering trade have gone through their apprenticeship ?—I am not able to say, but I believe the very large majority of them have gone through.

41. You mean indentured ?—Yes, I believe so.

42. Then, what would you do with those men in the country known as "rough carpenters" who have not been indentured but have followed the trade for many years—men who have never served their time ?—If men had been working at the trade they would be regarded as carpenters notwithstanding the fact that they have not served their apprenticeship—men who have served in the trade for a considerable number of years.

43. Then, you would only mean by "inefficient" those men who have not served permanently in the trade ?—What we want to do is to exclude those men who have not at any time been competent in the trade.

44. *Mr. Kirkbride.*] I think, Mr. Young, you said that you wished this Committee to define what was the competent worker ?—Yes.

45. Well, it seems to me a very big contract. Who decides that question now ?—Well, if it is decided at all, it is decided by the Court.

46. Was it decided in the matter of those Masterton workers by the Stipendiary Magistrate ?—No; but in framing the clause originally the Court itself decides to some small extent who an incompetent worker is. The construction placed on the clause is that the word "worker" in the Act means anybody, whether he belongs to a particular trade or not, and in all "incompetent" clauses which have been delivered by the Court they simply deal with the word "worker." The construction the Court has placed on it is this: that any worker can go to the Painters' Union and apply for a permit to work as an incompetent, and the union is bound to supply that permit.

47. Of course, there are a great many trades in New Zealand, and they are cited before the Arbitration Court. I want you to give us your opinion as to what you said about defining the incompetent worker ?—I said that "the incompetent worker" should be defined to mean a man who through old age, infirmity, or some such cause is not able to earn the minimum wage. We do not want to exclude the old man or the infirm man; we want to make provision for them, and that was the intention when the "incompetent" clause was originally requested, and nothing else; but the thing has been abused from time to time until we have got into a very bad position.

48. I understood you to say that no one should be allowed to work for a lower wage unless he had been working at a special trade—a painter or carpenter—for a number of years ?—If he had served his apprenticeship.

49. Just now you appeared to modify that to a certain extent, and that the man who had worked at carpentering for a number of years should not be interfered with ?—Yes, that is so.

50. You would look upon it that, if a carpenter or a man had been doing carpentering work for a certain period, that would be allowed to stand in lieu of apprenticeship ?—It would not be reasonable, if a man had been working at carpentering for ten years and not served his apprenticeship, that you should define the "incompetent" clause so as to exclude that man from ever working at that trade again. I think that would be very unreasonable.

51. You objected to the penalties being paid to the Inspector ?—The difference in wages.

52. Of course, you understand that this Inspector has to apply these moneys as the Court directs ?—So would the union have to.

53. But you think it unfair that they should be placed in the hands of the Inspector ?—No; but the same concession should be conceded the union. I take it that that clause deals with the circumstances under which the Inspector applies to the Court for an enforcement, and the difference in wages shall be applied by him as the Court directs. I say the same provision should apply to the union where it applies for enforcement.

54. I wanted to make that quite clear, because it appeared to me that the Inspector was a third person and the proper person to place the matter in the hands of.

55. *Mr. Hardy.*] I do not altogether understand what you mean by "individual recognition" ?—That is in the first clause ?

56. Yes ?—Yes, individual recognition in the first clause—not the organized body. It is purely a recognition of the individual, because it reads, "It shall be sufficient notice to every person"—to no particular person, and certainly not a notice to the corporate body at all. As I said before, it appears to be an attempt to disregard the corporate body.

57. Do you wish a man who is outside the union to be brought under an award when he is working in the district in which the award is given ?—If he is working in any particular trade to which the award applies, I think it only right and proper that that man should be compelled to comply with the provisions of the award.

58. If that is so, why should not the individual recognition be extended to bring him under the award ?—Because if you do that we should have no finality to the proceedings, and, further, the man could be thoroughly represented through the medium of the union.

59. You say you wish to do away with individual recognition, and yet you refuse to have him summoned to have his case heard ?—Yes; he is not recognised at all. The individual at the present time is not recognised where an industrial dispute is concerned. As a matter of fact, no member of a union as an individual could take proceedings to bring a case before the Court, but this provision gives him direct recognition and ignores the union.

60. But I thought this may be intended for the man who is in the community but who is outside the union and whom you desire to bring under the judgment of your Court, but at the same time you will not permit him to have any standing ?—He has the right of standing, but not individually.

61. Has he any right to be summoned ?—Not as a party, but he can give evidence on either side.

62. You desire that he shall not be summoned ?—In what respect ?

63. You speak of individual recognition, and you say it is only the union that should be dealt with. Why should not the individual that you already deal with by compelling him to work under the rates which the Court decides—why should he not be summoned ?—Simply because the whole of his interests are conserved through the medium of the corporate body.

64. But provided he thinks they are not conserved and desires to be free ?—If he thinks that, he has the right to give evidence before the Court as a witness in a dispute. What we want to prevent is the individual being made a party to the dispute.

65. You want to kill the individual ?—You can put it that way if you choose.

66. Have you any desire to do away with the individual ?—We contend that all these cases should be settled by the corporate bodies, and not by individuals. If you are going to permit the individual to come in, there is no telling where you will end—that is the position.

67. You spoke very strongly about the Inspectors: What is your objection to the Inspectors in dealing with this Act ?—My objection is this: that they are not as capable of administering the award as the union officer. I will take my own case as an example. I challenge any Inspector to administer our award as competently as I will administer it, for the simple reason that I know all the technicalities of a seafaring life. I have had that experience. I know all the technicalities surrounding the men's conditions, and I know exactly when a breach has been committed. That is not so with the Inspectors, and I firmly believe that the awards would be better administered and more safely administered through the union officer. I may say I never believed in the appointment of these Inspectors.

68. Is it your opinion that the Department is administering the law fairly ?—The Department may as a Department be doing that, and I believe that is the intention of the Department, but there are instances where individual Inspectors are not doing their duty.

69. Of course, naturally the Department is responsible ?—But probably the Department may not get to know of these things.

70. And, then, the Department is not well managed because it does not look after its Inspectors ?—In those words, but probably the Department is not well staffed in some cases.

71. So the unions have really lost confidence in the administration of the law as it now stands ?—In the administration of this law ?

72. Yes ?—Oh, no.

73. They have not ?—No.

74. And yet the Inspectors are not doing their duty ?—In some cases. It does not necessarily follow that because they are not doing their duty in some cases that the labour party has lost confidence in this law.

75. You were speaking of permits: is it your desire to do away with the "handy man"?—No; there is plenty of work for the "handy man."

76. You know of late years great advances have been made in the improvement of machinery?—Yes, that is so.

77. And you know that in many large establishments, such at the Government workshops, men are employed handling these machines that are not expert tradesmen?—No, I did not know that.

78. It has not come within your knowledge?—No.

79. You have not been getting all the information?—I did not come across that.

80. Take the case of gardeners: There are gardeners' awards made in different districts, and the wage is 9s. a day?—Yes.

81. Supposing I employed as a gardener a handy man, and I desired to pay him 7s. a day, have you any objection to that—employing a handy man?—Certainly if the wage governing that occupation says that 9s. shall be paid.

82. Take the case of a blacksmith who is working on a station and who desires to work for £1 10s. a week. The pay of a blacksmith in that district—the ordinary blacksmith—is, I think, 10s. a day. What course would you take to prevent such a common occurrence taking place?—Working at what on the station?

83. As a handy man, working as a blacksmith sometimes, and driving the plough?—It all depends upon what you want him to do.

84. All the blacksmith's work on the station, and occasionally to do any work that he may be called upon to do?—If you want him to do blacksmith's work, pay him blacksmith's wages, and if labourer's, pay labourer's wages; but if you wanted him to do shearing he could not do it unless he were a competent shearer.

85. *Mr. Sidey.*] With regard to subsection (3) of clause A, I want to know whether you have any objection to put in exactly similar words as we have done in clause B? You wanted to strike out the words "whether employer or worker"—whether you have any objection to put in those words "every industrial employer or worker"—that is, leave the words in and add the words that you propose?—Yes; you simply alter the words.

86. Would that not make it more comprehensive?—It is only altering the words in a sense—you practically leave the word "person" in.

87. You take the word "person" out and make it conform exactly to clause B where it states "bind every trade-union, industrial union, industrial association, employer, and worker?—That would give the individual exactly the same right to appear before the Court as the corporate body.

88. You would object to having the words in at all?—Yes; we want to avoid that if possible, and to confine the issue to corporate bodies if possible.

89. Now, as regards the proposal for the President to take the opinion of the Supreme Court, you referred to that as an appeal?—Yes.

90. Did they consider it on the understanding that it is not necessarily an appeal, that it is only a matter for the Judge himself, when he has a difficulty in interpreting a clause himself, he may apply to his fellow-Judges of the Supreme Court to elucidate a doubtful clause? I want to know whether it was viewed from that point of view by those who opposed it?—That was the view I took of it in the first place myself, but my colleagues in dealing with this took a different view and relied upon this second paragraph which says, "The question shall be referred in the form of a special case to be settled by the President."

91. No doubt the President would have to put it in the form of a special case which would be submitted to the parties?—Yes.

92. But either party could not apply for an appeal?—What we want to do is to confine the thing to finality at the Arbitration Court. That is our main object.

93. You do not want the Judge to have the right to go to his brother Judges where he has a doubtful point?—He is considered to be a competent person, in his capacity as a Judge of the Supreme Court; and, that being so, we believe him to be a proper and fit person to give a decision in the Arbitration Court.

94. Then, as regards the interpretation of any clause, I understand that you want no fee—that your desire is to eliminate any fee whatever?—Yes, that is so.

95. With reference to the question of preference to unionists, you said that under the conditions which were imposed by the Courts at the present time in granting preference to unions it was practically valueless?—It is practically valueless.

96. Would you state what the conditions are to which you have a strong objection?—This is the preference clause in the Christchurch tailoring trade award, dated the 18th April, 1903. It reads: "(23.) So long as the rules of the workers' union shall permit any worker now residing or who may hereafter reside in this industrial district and who is of good character and of sober habits, and who is a competent worker, to become a member of the union upon payment of an entrance fee not exceeding 5s., and of subsequent contributions, whether payable weekly or not, not exceeding 6d. per week, on the written application of the person so desiring to join the said union, without ballot or other election, employers shall employ members of the union in preference to non-members, provided there are members of the union equally qualified with non-members to perform the particular work required to be done, and ready and willing to undertake it. (24.) The workers' union shall cause to be kept in some convenient place within one mile of the Chief Post-office, Christchurch, a book to be called "the employment-book," wherein shall be entered the names and the exact addresses of all members of the workers' union for the time being out of employment, with a description of the branch of the trade in which each such worker claims to be proficient, and the names, addresses, and occupations of every employer by whom such worker shall have been employed during the preceding six months. Immediately upon such worker

obtaining employment a note thereof shall be entered in such book. The executive of the union shall use their best endeavours to verify all the entries contained in such book, and the said union shall be answerable as for a breach of this award in case any entry therein shall be wilfully false, or in case the executive of the said union shall not have used reasonable endeavours to verify the same. Such book shall be open to every employer without fee or charge at all hours between 8 a.m. and 5 p.m. on every working-day except Saturday, and on that day between the hours of 8 a.m. and noon. If the union fail to keep the employment-book in the manner prescribed by this clause, then and in such case, and so long as such failure shall continue, any employer may, if he think fit, employ any worker, whether a member of the union or not, to perform the work required to be done, notwithstanding the foregoing provisions. Notice by advertisement in the Christchurch *Press* and *Lyttelton Times* newspapers, published in Christchurch, shall be given by the union of the place where such employment-book is kept, and of any change in such place. (25.) The provisions of clause 23 hereof shall not apply to employers carrying on business nearer to Ashburton or Timaru than to Christchurch, as the case may be, until local branches of the workers' union are established at Ashburton and Timaru, as the case may be, and until notice of such establishment, stating where the office of each such branch is situate, is given in the case of the Ashburton branch by advertisement in the principal paper published at Ashburton, and of the Timaru branch by advertisement published in the principal newspaper published at Timaru. When such branches shall have been established, an employment-book, showing the members of the union out of employment in each such district, shall be kept at some convenient place within one mile from the Chief Post-office at Ashburton as regards Ashburton, and within one mile from the Chief Post-office at Timaru as regards Timaru; and the provisions of clause 24 hereof shall apply to such books. Notice of the respective places where such books shall be kept respectively shall be given, as regards Ashburton, in the principal newspaper published at Ashburton, and, as regards Timaru, in the principal newspaper published at Timaru. (26.) Employers shall not, in the engagement or dismissal of their hands, or in the conduct of their business, discriminate against members of the union, nor do anything for the purpose of injuring the union, whether directly or indirectly. (27.) When members of the workers union and non-members are employed together there shall be no distinction between them, and both shall work together in harmony, and shall receive equal pay for equal work." It will be seen that in terms of the quoted clause an incompetent man cannot become a member of a union, as all men applying for membership have to be competent.

97. Which are those you object to—you do not object to the stipulation of the applicant being of good character and sober habits?—No, there can be no objection taken to that.

98. Then, you do not object to the entrance fee being limited?—It may be objected to by some unions and not by others. It all depends upon the circumstances. A union might possibly be small and might only have ten members, in these cases they are put to as much expense as a big union in referring cases to the Board or Court, and they may require to make their contributions a little larger.

99. If you are going to appeal, should there not be some limitation upon all the unions?—You might make a maximum entrance fee of 10s.

100. That is one of the conditions that is unreasonable—the fixing of a maximum entrance fee?—That is not seriously objected to.

101. Then, do you object to the latter portion, as to where the book is to be kept?—Yes; we think the whole of that paraphernalia might be dispensed with.

102. That is the main objection you have with regard to the conditions attached to this preference clause?—I should like to go more definitely into the matter before answering.

103. If legislation is wanted to insert a preference clause, there are some conditions to be attached?—Of course, we have simply asked that Parliament shall legislate providing that in all cases preference of employment shall be granted without any conditions whatever.

104. *Mr. Hardy.*] I am not altogether certain about the position of the Inspectors. Can you tell the Committee any cases which the Inspectors have refused to deal with?—I have not got them in my mind at present. I have not got the names, but there have been three or four cases which occurred at the Upper Hutt, Lower Hutt, and Petone only quite recently, but I have not the names with me.

105. Is it not a fact that the reason the union does not wish the Inspectors to bring cases is that when the unions have certain cases they wish to take them themselves in order to get the fines, while flimsy ones are reported to the Inspector and he refuses to act?—No; that is utter nonsense. My union has never placed a case in the hands of the Inspectors yet, and do not intend to.

106. Have any other unions placed small cases in the hands of Inspectors?—They have placed cases in the hands of the Inspectors, but whether small or not I do not know. Speaking of my own union, we had a case at Helensville where an employer was paying short wages. The Inspector knew all about this case, as the man concerned communicated with the Inspector about it and asked him to endeavour to get the difference in wages, but no action was taken by him; the union then took the case up and filed a breach against the employer, recovering in one case £76, and in another £68.

107. Does not that show your confidence in them?—As far as the head of the Department is concerned, I have every confidence.

108. As regards the management of the Inspectors' Department?—Possibly he manages the Inspectors. It is the Inspectors we complain of—they do too much walking about and not enough work.

109. What is the good of an Inspector who does not carry out the law properly?—That is what we say. We want some one who will carry out the law properly.

110. So that you have no confidence in the Inspectors as at present?—We want the law properly carried out.

111. You have not that full confidence you would desire to have in their administration of the law?—We have no full confidence in the Inspectors.

112. *Mr. Davey.*] You referred to a decision at Masterton by which thirteen incompetent painters—men who have not served their time—were permitted to work at less than the minimum wage. I should like to know what, in your opinion, should be the term of apprenticeship to be served by a painter for ordinary rough painting?—If the apprenticeship is to be complied with at all the present term should be done. If there is any painting to be done and a competent man is out of employment, he is the man who should be employed before the incompetent man, for the simple reason that he has sacrificed a great deal during his term of apprenticeship in making himself proficient.

113. What term of apprenticeship do you consider a man would be required to serve to be competent to do rough painting?—The same as the man has got to serve to do refined work.

114. *The Chairman.*] You told us in the opening of your evidence that you represent the labour party throughout the whole colony?—Yes; as chairman of the New Zealand Trades Councils Executive.

115. A certain amount of evidence has been presented now with regard to remarks concerning what may be done if preference to unionists is not granted by the legislation that is passed; that in all probability—this is the only meaning which can be taken from your words—it would cause the whole system of working to be imperfect: is that your own individual opinion or the opinion of the labour party throughout the colony?—I was expressing more of a personal opinion than otherwise—my own opinion resulting from experience gained in conversation with other labour leaders.

116. Now, with regard to the work of the Inspectors, you have expressed an opinion that you have absolutely no confidence in these Inspectors. When were the Inspectors appointed?—That was also a personal opinion. I have absolutely no confidence in them—none whatever. I opposed them from the very start.

ALBERT HUNTER COOPER examined. (No. 16.)

117. *The Chairman.*] What is your name?—Albert Hunter Cooper.

118. What are you?—Secretary of the Wellington Trades and Labour Council.

119. What have you got to say with regard to these proposed amendments?—It is not much that I desire to add to what Mr. Young has stated. I would like to say this in regard to clause A, (3): that if this clause is inserted in the Act in the form in which it appears now it will practically be the only clause in the Conciliation and Arbitration Act that, in specifying the parties to a dispute or the parties that are to be heard, refers to the person and ignores the organizations on both sides. It states here, ". . . . notice of the proceedings to every person, whether employer or worker, connected with or engaged in the industry to which the proceedings relate in the industrial district, and every person shall be entitled to be heard . . . ." Our contention is that if that is passed into law it would mean a notice to the members of the union, and, instead of as at present the union being represented according to law through a limited number of agents, that every member of the union would personally have a right to appear before the Court and be heard. The Conciliation and Arbitration Act, as far as we can see, and as far as the workers are concerned, is to recognise the workers as a body. It is impossible for us to work as individuals, and it will be impossible to regulate industrial affairs if it is to be left to the individual. You must have some responsible body on our side of the industrial fence, and we ask that the clause in specifying who shall be heard shall be placed on all-fours with all clauses in the Act—that is, that it shall refer to the parties industrially, the industrial associations or employer. We recognise that the individual employer must have a right to be heard, as they have not unions, and are on a different footing to the workers. Then, with regard to B, (1), as far as that is concerned, it is practically the same as section 86 of the principal Act with the insertion of three words. The three words, which are in the fifth line, are "is made or." We understand from a decision given by the Arbitration Court in Auckland that the clause in the present Act operates in this way: If a union, in citing employers, say, in Wellington to appear before the Court for the purpose of settling a dispute, omits to cite one employer through perhaps an oversight or because it was not aware he was in business in the district, that employer when the award is made is not bound by the award; but if an employer started in business subsequent to the making of the award, he would be bound by that award according to the reading of the present clause—clause 86—to which this amendment proposes to insert these words "is made or" at any time whilst the award is in force shall be bound by it. We support that. I might give an instance that occurred quite recently in Wellington in the baking trade. The secretary, I know, took particular pains to endeavour to cite every employer in the Wellington Industrial District so that they would have an opportunity of appearing and being heard by the Court in reference to the dispute. To his surprise, a couple of months after the award was made it was found that there were linendrapers who had bakehouses connected with their businesses who were not cited and who were not bound by the award. They are working quite free, and are not bound by the award until such time as a sitting of the Court should be held and they attached. We think that is unfair, and that, if a number of employers are bound, the employer who is not cited at the time should also be bound. With regard to clause D, we propose to insert the word "agreement" there. It is evidently an omission from the clause in drafting. It only gives the Court power to ascertain the difference in wages in the case of a breach of an award, and we think it should have the same power to ascertain the wages paid in regard to an industrial agreement. Now, with regard to paying the amount to an Inspector, the Council looks upon that with a degree of suspicion. The Court, we understand, has expressed an opinion on more than one occasion to the effect that all breaches should be taken by the Inspector. Now, I want to say this: that a large number of unions in the colony are not satisfied with the administration of the awards by the Inspectors. We find in some cases in Wellington—speaking more from cases I know intimately—that it is absolutely necessary in fact, unions have to take cases for breaches of an award because a number of applications referred to the Department to take action for breaches of award or agreement have been refused by the Department, notwithstanding the fact that the union has been satisfied that the breach has occurred and it is capable of proof. The consequence is that

these unions have filed cases on their own initiative ; they have taken evidence and investigated matters and taken the cases themselves. In that case we think it is only right that, seeing the union has been put to the expense of investigating these cases, and the trouble and time and the fees to be paid in order to fight the cases, it is only fair and right, when a deficiency in back wages is awarded, that it should be left to the union to distribute under the direction of the Court, and I think it is a fair request to make. Regarding the matter of a colonial award, it appears it is impossible under the present Act to make a colonial award. We think this is a hardship, especially in the two cases mentioned in the clause. I may say that in the boot trade in the colony both workers and employers are federated throughout the colony. It has always been their desire in fighting a case to do it as inexpensively as possible, and it is generally fought in one centre by the branches on one side, and whatever award is made should apply to New Zealand on account of the competition in that trade, and we think it a hardship if the Court cannot make a colonial award. Then, with regard to clause F, (3), the proposal to give the President power to state a special case, we are unanimously agreed in regard to the introduction of too much legal element into the working of the Industrial Conciliation and Arbitration Act. We are of opinion that there is too much introduced into it already. In Christchurch the union cited a number of employers for a breach of an award, and a clever lawyer was engaged who contended that the application referring this dispute to the Court had only been signed by the Chairman and not the secretary. Now, the forms which are signed have printed at the bottom the word "Chairman," and it was never thought by the unions of the colony that a certain clause which provided for execution of instruments applied to the filing of an application for a breach of an industrial award. The lawyer raised a technical point, and the whole dispute was thrown out because the chairman and secretary's signatures were not on the document. We do not think that quibbles like these should interfere with the administration of the Conciliation and Arbitration Act. We consider that if an employer commits a breach of the Act, and that breach is proved, he should be fined, and, if disproved, that costs should be allowed ; but we think that technical points should not be raised in connection with the administration of the Act, and, seeing that there is a Supreme Court Judge as President of the Court, that it is not necessary for him to have power to state a case for the Supreme Court for its opinion. We are quite satisfied with the present constitution of the Court, and we are willing to abide by its decision. We think it should go no further, and, in fact, we should prefer that solicitors should not be allowed to appear before the Court at all in any case, even in the case of a breach of an award. We think they should be absolutely barred altogether, and that the whole of these disputes should be considered in equity, and not so much legal technicality about it, because if the administration of these awards cannot be carried out satisfactorily and with confidence they are not worth the paper they are written on. It is absolutely useless us going before the Court constituted to regulate the trades and then to have all these difficulties placed in our way, for our cases to be thrown out, and then to have the award expire before we can get another sitting of the Court. It means that all our labour has gone for nothing, and the result is that every one is dissatisfied, and that is why we oppose this clause F. Then, with regard to an application fee for an interpretation, we think it should be made as easy as possible for the parties to any award or agreement to get an interpretation. We think no difficulty should be put in their way, and that, if they should have a disagreement or misunderstanding as to any clauses, the parties shall have a full and free opportunity of getting a friendly interpretation from the Court without having to file a case. We think the Court should give advice in regard to interpretations without any fee being fixed. I do not think it necessary for me to say anything with regard to the other proposals, except this : we know that in the past in a number of cases agreements have been come to on a number of points before the Conciliation Board, and when the case has been referred to the Court, perhaps by one employer out of twenty or thirty, the unions thought, "Well, there is no opposition in regard to these particular clauses, we will say nothing about them," and to their utter surprise when the award was made they found that the whole of the work of the Conciliation Board had been wasted and different conditions given from those agreed upon before the Board. We think it is possible to settle the largest majority of the cases before the Conciliation Board without going to the Court. We also consider that the deposit of £10 will be a deterrent in the way of preventing parties from referring frivolous cases to the Court when they have no reason to show why they should not agree with the recommendations of the Board. I should like to say, in regard to incompetents, that our chief reason for asking that these incompetents should be limited to those who are actual tradesmen is this, as I stated to Mr. James when I appeared in connection with the painting trade : There were a seaman, a bushwhacker, a labourer, and two incompetent journeymen applying for permits, and Mr. James said to me, "It would be very hard and it seems to be very cruel if I refuse these permits and practically deprive these men of the opportunity of earning a living at this trade." I pointed this out to him : that he had to face the position of either refusing these permits and forcing these men out of the trade, or granting the permits and forcing competent men out of the trade, men who had trained themselves for five years to the trade during their apprenticeship and had worked for a small wage to make themselves competent journeymen, to find, when they came to claim the higher wage, that bushwhackers and others had taken the bread out of their mouths. There were only five men in the town who were competent, and they could not get a billet at all, and were taking odd jobs.

120. *Sir W. R. Russell.*] Competent men could not get work at any price ?—They could not get work. They might have got work if they accepted the lower wage.

121. But not at the minimum wage ?—No, not at the minimum wage. There were men there taking odd jobs to paint houses while these incompetent men were practically doing the whole of the work with an odd man doing the finishing touches. It is very hard that these men should be prevented from earning their livelihood at their trade, and to find that their places have been taken by indifferent men who have never served their time.

122. *The Chairman.*] When your deputation was here last time you gave evidence with regard to the Magistrate having power to hear cases of breaches of award, and you stated then that you thought

it would be wise to have two Assessors sitting with the Magistrate. Now, you have given evidence this morning with regard to the Conciliation Boards. Which of those three systems would you prefer—the question of having two Courts of Arbitration, of referring breaches of awards to the Magistrate with Assessors, we will say, or reorganizing the Conciliation Boards in the manner provided for in these clauses ?—Well, I should like to say that the matter has not been considered, and I am only expressing my own opinion. My own opinion is the reorganization of the Conciliation Boards.

123. You think that would meet the case ?—I think that, if the Conciliation Boards were more in the nature of subsidiary Courts, composed, say, of three, one from each side, and either a Magistrate or some one of legal training with a right to deal with breaches of awards and industrial disputes in the first instance, it would be a considerable improvement.

Mr. Hardy : I take exception to the manner in which the evidence has been given. The witnesses have come here as representing their unions, but when giving evidence on knotty points they gave it as individuals. I hope the Committee have noticed that.

124. *Mr. Ell* (to witness).] With regard to the incompetent carpenters out of work at Masterton, you said that the competent men were walking about with never any work to do and the incompetent men were taken on: is that what you mean to say, that the competent men who were demanding the minimum wage of the Arbitration Court award were passed on one side and incompetent men taken on ?—Yes, I say that most distinctly. Competent men stated there that they were told that if they would work for 1s. an hour they would get work, but if they did not like to accept 1s. instead of 1s. 3d. they could walk the streets. A number of them preferred to take odd jobs—a sort of small contract—instead of endeavouring to get employment.

125. And those incompetent men were taken on at a lower rate ?—They were working for from 9d. to 1s. an hour, and a number of employers have been cited in connection with those breaches—they were working without permits.

Mr. Hardy : Mr. Chairman, I sincerely hope that, after the evidence given here in regard to the Department, Mr. Tregear will be summoned to give evidence in reference to the statement made against the management of his Department.

FRIDAY, 9TH SEPTEMBER, 1904.

JOSEPH HOLLOWS examined. (No. 17.)

1. *The Chairman.*] What is your occupation ?—I am general secretary of the Otago Coal-miners Union, embracing the Otago and Southland District.

2. And you wish to give evidence in connection with the Industrial Conciliation and Arbitration Amendment Bill now before the Committee ?—Yes.

3. You might just make a statement, in the first place, as to the evidence you wish to give ?—I wish to give evidence on the amendments proposed, and also on matters which I think come under the jurisdiction of the Committee. With regard to sections 1 and 2 of the Bill proposed, we agree to them, but instead of the maximum penalty being £50 we prefer that it should be £100, and would like two Assessors to sit with the Magistrate hearing the case. Our reason for desiring that is that there is a probability of diversity of opinion existing amongst Magistrates owing to the fact that they may not be acquainted with the conditions of the particular trade about which they have to give a decision. If two Assessors, one representing each side, sat with the Magistrate, we think the judgment would be more in accordance with the requirements of the case. We are agreeable to the remainder of the clause in the first Bill brought down. With regard to the proposed new clauses, we think A, (1) and (2), would be acceptable. With regard to A, (3), we ask that it be amended by the words " person, whether employer or worker," being struck out, and the following words inserted instead : " industrial union of workers or association of employers." It appears to us that the clause would give a right to non-unionists—to be frank—and we cannot see that it would be right and proper that persons who do not contribute to the upkeep of any union should receive any benefits that accrue from any award or agreement by being entitled to be heard in that respect. Moreover, provisions are made now enabling them to join a union—in fact, the Court has in its awards made it a condition of preference that the entrance fee shall not exceed 5s., so that the union shall not be a close corporation, thereby giving non-unionists a chance of joining the union on paying a very low fee. We see no reason why they should not join, and if they do not, we do not think they ought to have the same hearing as members of a union who contribute towards the upkeep of their union. With regard to B, (1), we agree with that, and think it is right and proper, and the same with B, (2). We agree also with C, (1) and (2). We ask that clause D shall be altered by inserting the words " or industrial agreement " after the word " award," and that the word " shall " be inserted in place of " may." With regard to the latter part of the clause, we ask that the words " party applying for the enforcement " be inserted instead of the word " Inspector." We agree to clause E, (1). With regard to the further proposed new clauses, we are agreeable to A and B. C we oppose—that is in connection with the deposit of £10 when a case is referred to the Court. We oppose this on the ground that unions at the present time are put to a considerable amount of cost in order to bring a case before the Court. Our experience has been that we could not and have not done so under a matter of £50 or £60, and we think the deposit of £10 on top of that is not warranted. My remarks apply to C, (2), as well. With respect to D, we agree with that. I would like to make a statement with regard to a matter which is not covered by the Bill. We ask that this Committee should insert some clause for the better protection of the worker. We have proved by experience that under the present Act the worker has not the protection that he ought to have. Men are being discharged without any fault being alleged against them, and when they have asked why they are discharged, the manager has refused to give a reason either to the men, to the secretary of the union, or even to the Inspector of Awards

when appeal has been made. It is scarcely necessary to point out that, following the matter to its logical conclusion, if any employer is desirous of smashing or breaking up a union under the present Act he can do so. It would be an easy matter to smash up any union by simply discharging men who make complaints, without giving reason for the dismissal. The effect is this: that men who have legitimate causes of complaint in connection with their work will not make them because others have been discharged for doing so. We are fully convinced that men have been discharged on account of complaints which have been made; and we are still in this position: that owing to the attitude taken up by the employer in refusing to state his reasons, the onus of proof that the person has been discharged through making a complaint rests with us. Quite recently four members of our union were discharged, and in each case the manager refused to state a reason. About a month ago two of these men were discharged, and against neither of them could a charge of incompetence be laid, because both were men of experience, one having had sixteen years' experience. He held the record for the best attendance of any man working in the mine, and to his knowledge no complaint had ever been made against him. After lodging a complaint to the union officials he was discharged without a reason being given. The other man had occupied a partly official position. He had been what we term a "roadman" in the mine, and had been asked to take one of those positions a little while before getting discharged; so even from the manager's point of view he must have been considered a competent man, otherwise he would not have been asked to take the position. We are firmly convinced that these two men were discharged on account of an inspection made by the Inspector of Mines of their working-place in the mine. The men considered their working-place to be dangerous, and, in accordance with the Mines Act, they drew the manager's attention to the state of the working-place. He pooh-poohed the idea of it being dangerous, and ordered them to continue working in the place. They lodged a complaint with me to the effect that they considered the place to be a dangerous one, and I made representations to the Inspector of Mines asking him to inspect the place and report on it. He did so, and the men working in the place pointed out all the defects constituting danger from their point of view, the manager and assistant manager being present at the time. The result of the Inspector's inspection of the place was that he stopped the work there.

4. *Mr. Aitken.*] He ordered the men to be withdrawn?—Yes. A few days afterwards these men were discharged. Hence our reason for saying that we are firmly convinced that it was on account of the Inspector's visit to the place that the men were discharged, and we therefore ask that further protection should be given to the worker. I think that is all I have to say.

5. *Mr. Sidey.*] I understand that in cases heard before a Magistrate you desire that two Assessors should sit with him?—Yes, that is so.

6. Have you considered whether it would not be better, instead of having claims brought before a Magistrate at all, if they were brought before the Conciliation Boards, giving the Boards somewhat larger powers than they have at the present time?—We have not considered the matter from that point of view.

7. What is your opinion with regard to cases being dealt with by the Conciliation Boards? Have you read the proposal contained in clause A?—We agreed with that proposal. I do not think that deals with the question put.

8. *The Chairman.*] It is suggested that if the Board is enabled to take this evidence, and that their findings upon points of agreement are made final, it will relieve the work of the Arbitration Court, and therefore there would be no necessity for the Magistrates?—Yes, that is so. I understand that this deals with original disputes, and that if a case is referred to the Court, all the points agreed upon before the Board should not be inquired into by the Court.

9. *Mr. Sidey.*] Then, you agreed—although these two clauses A and B were accepted—there would be still a necessity for having the Assessors with the Magistrate when he was hearing cases?—We should welcome anything that would relieve the long delays which take place.

10. *Mr. Aitken.*] You are desirous of expediting the business?—Yes.

11. *Mr. Sidey.*] In connection with the amendments suggested in the Supplementary Order Paper—A, (1), and D—have you consulted with other unions in regard to the amendments you have submitted to us?—Yes.

12. And these stand in accord with what is the general wish of the unions throughout the colony?—That is so.

13. Have you any suggestion to make as to the direction in which the law should be amended in order to remove what you consider a hardship in relation to the dismissal of men without a reason being given?—I have. I consider the law should be amended in this direction: that a man should not be dismissed without a valid and good reason; and personally we prefer that the man immediately concerned—that is, the worker—should know the reason first. Secondly, if we cannot get that, we say that the representative of the worker should know the reason; and, as an alternative to that, the Inspector of Awards should know the reason. Our belief is that it would save cases being brought before the Court for the purpose of testing these things. It seems to me that the stand taken up by the employer is altogether unwise, and is one that leads to friction and disputes.

14. *Mr. Aitken.*] Do you know of your own knowledge whether there was in that mine another place where these men could have worked after they were withdrawn from the place that was stopped?—I cannot say. We have a system of balloting for places. Immediately a man has finished his working-place he enters his name in a ballot, and a man could not be put into another place without being balloted in.

15. Could the mine-manager have put these men into another place without this ballot?—The men have to take a ballot.

16. Then, you do not know whether a place was vacant about which a ballot could have been taken?—I cannot say.

17. I would like to know whether there was any justification really for discharging the men ?—Although the men were withdrawn from the dangerous place, they were put on another pillar on the same line; but they were shortly after dismissed.

18. *Mr. Colvin.*] There is always room in a coal-mine for a man. It is usual for the manager, when men are withdrawn from a dangerous position, to find work in other places until such time as they are cavilled for. They cavil about every two months ?—That is what is called the cavil; but we have the by-cavil, which takes place in this way: When the men have finished their working-place they put their names down in the ballot-book, and afterwards ballot for any places vacant or to start. They ballot according to the priority of the names on the book. If there is more than one place, and there are only two names down, they ballot for each place. If there are more names than there are places for, a ballot is taken; but if there is only one place, then there is no necessity for a ballot.

19. *The Chairman.*] And if there is no place ?—Then they simply wait until there is.

20. They do not get dismissed ?—No.

21. *Mr. Colvin.*] What you want, as a union, is that when steady men are withdrawn or discharged the management shall give some satisfactory reason as to the cause of their discharge ?—That is so, that is what we want; that no man shall be discharged without a satisfactory reason being given.

22. And you say that these men were first-class miners ?—That is so; there is no question about that.

23. I understood you to say that one of these men had been working about that district for sixteen years, and that he had a record for the best attendance at his work of any man in the mine ?—That is so.

24. Do you know of your own knowledge whether the Inspector of Mines asked the management if there was any cause for which this man was discharged ?—He told me he did ask the question.

25. And you as secretary of the union asked them also ?—Yes.

26. *Mr. Aitken.*] Did you ask *vivâ voce* or in writing ?—Verbally. The president and myself were together and interviewed the manager, but he declined to say for what reason he discharged the men.

27. *Mr. Colvin.*] The Inspector of Mines withdrawing these men proves that the objections they made were not frivolous ?—That is so.

28. *The Chairman.*] You said a minute or two ago that you had consulted other unions with regard to these amendments: you meant other mining unions, I suppose ?—Other mining unions, and also other unions.

29. With regard to the men being dismissed, were other men put on to take their situations ?—Not before I left.

30. *Mr. Aitken.*] How long a time has elapsed between their dismissal and your leaving the district ?—Three weeks, roughly speaking.

31. *The Chairman.*] With regard to the dismissal of men, you understand that anything we put into the Act must be applicable to all employers who come under the Bill ?—That is so.

32. Now, you say that these people must not be discharged unless some good reason is shown ?—Yes.

33. Who should be the judge of the good reason ?—If the reason is not considered good enough by the employee he would have his remedy in Court.

34. So that the Judge of the Arbitration Court, you think, should be the person to decide whether the employer's explanation was a good reason or not ?—That is so.

EDWARD TREGEAR, Secretary for Labour, examined. (No. 18.)

35. *The Chairman.*] Will you make a statement with regard to this Bill, Mr. Tregear ?—Mr. Chairman, I wish to say a few words about the evidence, and particularly that given by Mr. Young. In alluding to the inspectorship of awards being in the hands of Inspectors of Factories, Mr. Young made remarks to the effect that he did not think the Inspectors of Awards were carrying out their duties properly, but he said he had never believed in Inspectors of Awards being Inspectors of Factories, even before they were appointed; so that it seems to me that he went to the question with a prejudiced mind. I would like to bring forward evidence as to the manner in which the Department has administered the Act in connection with the awards during the time it has been in the hands of the Department. From the 1st April, 1903, to date, there have been 180 cases for enforcement of awards brought by the Inspectors. Out of these 181 cases they secured 150 convictions, 6 cases were withdrawn, and 25 were dismissed. With regard to the cases dismissed, I wish to impress upon the Committee this point, that, owing to the long delay which has taken place before the Court could hear cases which might be considered strong ones when the information was laid, these cases have been weakened because sometimes the witnesses have disappeared. Working-men, unless one has a hold of them of some particular nature, are able to move from one district to another, and when they are called as witnesses they are not forthcoming; or, if they are, owing to the delay that has taken place, they may have forgotten some of the little points which they remembered when the case was brought under the notice of the Inspector. I think, therefore, that to obtain 150 convictions out of 181 cases is an exceedingly good record, particularly when one takes into consideration the quality of the evidence, which sometimes is not of the best character. Of recent decisions of the Court, there were 79 cases in Christchurch, Auckland, and Dunedin. The convictions were 67: 8 were dismissed, and 4 withdrawn. From that evidence I do not think there is very much reason for complaining of the cases which the Inspectors brought before the Court. However, the general burden, it seemed to me, of the accusation or the inferences made by Mr. Young was to the effect that the Inspectors did not bring enough cases before the Court. As to that, I would like to lay before the Committee an account from the *Otago Daily*

Times of what was stated in the Arbitration Court this last month with regard to these cases. The particular case being heard was that of the Sailmakers' Union. Mr. Halley, who is Inspector of Factories and Awards in Dunedin, said, "The Unions did not always make the complaints, as it often happens that the employers made use of the Department in this direction also." That means that if an employer is brought up for a breach or is asked for an explanation, he often says "Why come to me when Mr. Jones is doing a great deal worse than I am?" and it is on such a statement as this that the Inspector makes use of the allegation with regard to Jones made by the employer, and takes action. Mr. Halley proceeds, "As far as the number of cases coming before the Court were concerned, they by no means indicated the number of complaints made. As an indication of how careful he was in this matter, since he had held the office of an Inspector in Dunedin, probably three hundred alleged complaints had been investigated by the local officials. Of these, only fifty had been brought before the Court." If Mr. Young considers that action should have been taken in the three hundred complaints made to one Inspector, well, I should say it must be a matter of opinion with him, because I cannot conceive that the position is given to an Inspector of Factories merely to bring forward every petty or frivolous complaint. My instructions to Inspectors have been to do exactly as in breaches of the Factory Act—namely, to make inquiries, and bring such cases as the Inspectors thought were justifiable. I would like to read what the President of the Arbitration Court said on the occasion when Mr. Halley stated that he had had three hundred complaints, and only prosecuted in fifty cases. His Honour, Mr. Justice Chapman, said, "The Court wished to say this: Now that the Inspectors were acting in these matters—they were capable to deal with matters of this sort—the Court expected them to investigate charges brought by unions, evidence of which was laid before them. They expected them to investigate these charges, and, in the first instance, decide whether they were proper cases to be brought before the Court. It was still open to unions to bring their own cases into Court; but when a union brought a case the Court would have to consider for what reason it was done, seeing that the Inspectors were available to investigate proper charges and bring them before the Court. There had been a certain amount of irritation in the past, and it was evident that it was for the purpose of allaying that irritation that Parliament decided that these cases should be undertaken by Inspectors. The Court wished it to be understood that they expected, in the first instance, that these cases would be investigated, and, if necessary, brought by the Inspectors." That is the opinion of the President of the Arbitration Court, and in a letter he wrote to me, dated the 13th August, 1904—I have made an extract from it to bring it before the Committee—he says, "Since the Inspectors have got to work, a large number of cases of breaches have been brought, but I am quite satisfied that this is only temporary, and now that the whole subject is regulated by responsible Inspectors, employers will, I feel sure, after the present rush of business, commence regularly to co-operate with the Inspectors and obey the awards. This was the experience in connection with the Shop-hours Acts, and it will be repeated." The idea of the Court is that so long as unions are able to bring cases as they please, it will be a constant source of irritation, while previous investigation by an Inspector, and a refusal to bring frivolous cases would be to the advantage of the Court and advantage to the country. I have here the annual report of my Department, in which is given a detailed account of all the cases brought last year, those in which convictions have been obtained, and those which were dismissed. I have very little evidence to give more than to say that when Mr. Young was pressed to name some of the cases in which the Inspector failed in his duty, he said he could not lay his hand on any at the moment, but knew there was one in the Lower Hutt. I made inquiry, and found it was the case of a lorry-carter. You will remember that by the decision of Mr. Justice Chapman only those cited in an award could be proceeded against for a breach. This carter was not obeying the award, and as he was not cited, we could not bring the case forward. That was the only case that Mr. Young could mention; but, on the other hand, I could bring cases forward in which our Inspectors have over and over again refused to lay informations which, in their opinion, were frivolous. The Hairdressers' Assistants' Union wished us to prosecute a hairdresser who had infringed the award on the Prince of Wales's birthday, or some such holiday, by employing a boy after half-past 9 in the morning, after which he ought not to have had any of his hands employed. The secretary of the union went and told him he was breaking the award, and he immediately sent the boy home; and the matter ended there, except that the secretary wished to have the hairdresser prosecuted. On investigating the case, the hairdresser said he did not know that the boy was working against the award, as he was not aware that that particular day was named in the award, but on finding out that it was he immediately sent the boy home. I thought that was a frivolous case, so did not prosecute, and that is the kind of thing which is often represented to us. Where there is no intention of breaking the law I do not wish the time of the Arbitration Court to be taken up with absolutely frivolous cases. I only present to the Committee my view of the matter, that if it is thought necessary that the Inspector of Factories as Inspector of Awards shall bring forward every case in which information is given to him, I would ask, with the Minister, that the Inspector of Factories be relieved from the office, because it is not proper that an official should bring forward cases of which he disapproves.

JAMES MACKAY, examined. (No. 19.)

36. *The Chairman.*] What is your position?—Chief Clerk of the Labour Department and Deputy Chief Inspector. I do not know that I can add very much to what Mr. Tregear has said, except to say that being the officer who does a great deal of the practical work of the Department I am brought largely into contact with the secretaries of unions, consequently with Mr. Young, "in reference to bringing cases into Court." Some time ago Mr. Young wanted us to take a case into Court, which we were quite agreeable to do, but he wished to argue the case for himself, and I said that that could not be done.

37. *Mr. Lethbridge.*] Who is Mr. Young?—Mr. Young is secretary of the Seamen's Union. I said that if we took the case up we would argue it through our Inspector or a solicitor. He was quite

willing that we should go to the expense and trouble in connection with the case, but wanted to act as his own lawyer. He said our men were not able to conduct the case because they had no technical knowledge of seamanship. I said that the head office of his union in Dunedin had given us cases, that we had taken them into Court and successfully carried them through, and that if the head office had so much confidence in us, why could not his branch office do the same? He said he had not the same confidence in us, and, of course, he did not bring the case before the Court through us. I might say that there are no cases brought before the Court in any part of the colony until they have been approved of by the Department in Wellington. Every Inspector has to send on the facts of each case, and ask us whether they are sufficient to warrant them taking the case into Court; and I may say that quite half the cases sent on to the head office for advice are refused. Mr. Tregear has told you that the Inspector at Dunedin had something like three hundred cases brought under his notice, with a request to take before the Court, and that he only selected fifty. There is not a day passes without the secretary of a union interviewing me *re* alleged breaches of awards, and sometimes they get very angry, and think we are not doing our duty when we refuse to take up frivolous cases; but most of them, being fair-minded, afterwards agree that they may be settled without going into Court. The Court has just finished Invercargill, where every case taken into Court by the Department has been decided in our favour. That shows that the Judge considered that they were not in any way frivolous, but were cases that should be inquired into. Mr. Tregear having gone well over the ground I need not say more, but I may be able to answer any questions that may be put to me.

38. *Sir W. R. Russell.*] I should like to get a little further information about the cases brought before the Department which are not gone on with. What proportion of these cases do you consider frivolous?—I should say, quite half. I might say, more, but I am right in saying that probably only half the number of cases are gone on with.

39. These are brought by the secretaries of unions?—Brought by secretaries and members of the unions working in the places complained of.

40. What do you consider that indicative of?—Very often a man has been working for an employer, and they have a little tiff, and the man gets discharged. The employer may have committed some trifling breach, such as working a few minutes after hours, the man then goes to the secretary of his union and lays a complaint. We find that a great many of the cases originate in that way. They are disputes arising between a man and his employer. Sometimes a man falls in himself, because if he gets discharged and says he has been working for Jones, say, and ought to have got 9s. per day but only received 8s., I reply, "You have been a party to this breach as well as the employer," and presently he finds that he is cited before the Court and punished.

41. Do you think there is a tendency to make the Arbitration Court a Court for the settlement of private squabbles rather than to settle legitimate principles of arbitration?—There was a tendency in that direction when the Act was new, but since the Department has had the power through its Inspectors, and has taken a firm stand, they find it is no use giving information about such cases. It is only human nature that if a man falls out with his employer he should want to "get at" that employer. I think that kind of thing is not growing, but rather decreasing.

42. You think the influence of the Bill is not detracted from by undue fussiness?—No.

43. *Mr. Aitken.*] You said that about half the cases only were taken into Court, and that the other half were settled: do you settle them privately?—A great many of them we do not touch at all, but others we do settle. If it is a matter of a few shillings or a few pounds, and we are convinced that the employer has acted in ignorance, we consider it would be cruel and unwise to hale him before the Court.

Mr. Tregear: I may add that a great deal of the trouble arises through the secretary of the union not going to the employer when a charge is made before him and hearing his side of the matter. We always go and hear the other side of the case, and when we do so, perhaps we find that it is a frivolous case, although it may not seem frivolous to the secretary.

Sir W. R. Russell: Is there any method by which this frivolity can be stopped. It seems to me to weaken the Act.

Mr. Tregear: The Court is frowning very much on any of the unions bringing any case whatever.

Mr. Mackay: Mr. Justice Chapman said that he would look upon cases brought by the unions almost with suspicion.

Mr. Kirkbride: It appeared to me that if there was not a charge made against the Inspectors, Mr. Young objected to the money arising out of the breaches of awards being paid into the hands of the Inspectors. As I understand it, this money lies in the hands of the Inspector to apply it as the Court may direct.

Mr. Mackay: Yes.

Mr. Kirkbride: It seemed to me that Mr. Young was suspicious that the Inspectors would not apply this money in a proper way, and he gave evidence to the effect that the secretaries of the unions were the proper persons to receive it, and suggested that this money should be placed in their hands instead of in the hands of the Inspectors. Has there been any unnecessary delay in applying these moneys in the absence of any direction from the Court? What does Mr. Tregear think is the cause of the discontent on the part of the unions?

Mr. Tregear: The only reason I can think of is that sometimes there have been differences of opinion as to how the money should be distributed. In the Bill it says that the money shall be distributed according to the directions of the Court, and there can be no doubt that in the future, if that is the decision, Mr. Young or any one else could not object to the Inspectors having the money, because they could only hold it until the moment they were directed how to distribute it; but in the past there has been some doubt as to how the money should be distributed.

Mr. Mackay: I think one of the reasons for Mr. Young's objection to that is that when the unions brought cases themselves, if any penalties were inflicted, the money went to the union, whereas now

that the Inspector is bringing them the penalties go to the consolidated revenue, and the unions gain nothing. Perhaps in some cases they have assisted the Inspector in procuring evidence, and they think they should get some of the penalties. As to the alleged delay, I may state emphatically that there is no delay in disbursing these moneys. The Court has always directed how these moneys are to be paid—witnesses' expenses, solicitor's fees, penalty so-much, to go to the consolidated revenue—and these are fixed up by the Clerk of Awards who is also Deputy Registrar, and we pay out immediately we receive his certificate. It then can be obtained by the parties five minutes afterwards. The Inspector then forwards a receipt to the head office from the parties receiving the money, and the amounts are then checked.

Mr. Kirkbride: I gathered from Mr. Young's evidence that there was some delay in the paying-out of these moneys to the proper parties because they were paid through the Inspectors. He advocated that the moneys in future should be paid to the secretaries of the unions, who would certainly, as far as I understand, act more promptly than the Inspectors have hitherto done.

Mr. Mackay: I do not think Mr. Young could give an instance of a single case, because it must be patent that any responsible officer of the Government, who is under statutory penalties, would deal more promptly with the payment of money than an irresponsible member or secretary of a union.

44. *Mr. Kirkbride.*] I could not understand why he advocated this, seeing that the Inspectors have to apply these moneys in the manner the Court directs ?—The Inspector cannot, of course, pay money out until he receives it. If an employer is fined £10, and the costs come to another £10, we have to give him a certain time to pay that money over. He may delay it until the last moment, but the Act provides that we can proceed against him, so that in the end he has to pay; but immediately the Inspector receives the money it is distributed.

45. *Mr. Bollard.*] Do I understand that the Court now directs how the fines have to be paid ?—The Court gives its decision like an ordinary Court. It fines the defendant, say, £5, and allows £2 2s. for solicitors' fees, &c.

46. Has the Court the discretion to order the fine to be paid to a union or to the officers of the Department ?—The Court has that discretion.

47. What percentage has been paid to the unions direct ?—None whatever in the cases brought by the Inspectors, but if a union brings a case against any one and gains it, then the fine goes to the union.

48. They have the privilege of bringing cases ?—Yes; also if the Inspector refuses to take action they are at liberty to do so.

49. You are of opinion that all fines should be paid to the Department ?—I think so. If the Department has to go to the expense of taking the cases before the Court, employing a solicitor, and subpœnaing witnesses, I think the fines should go to the revenue of the country.

50. Do you not think that the Department should take every case before the Court, and not the union ?—I think so.

51. Just look at this bill of costs which was taxed in Auckland [Document handed to witness] ?—I notice that £4 has been taxed off the £22 bill.

52. Was that case brought by the union or by the Inspector ?—By the union.

53. Just look at the cost for the expenses of witnesses ?—Of course, the trouble is this: that the Arbitration Court will fix a day for hearing a case, when probably the case which is being heard before it takes a very much longer time than was expected. The witnesses having been summoned by notice from the Clerk of Awards to attend at a certain time, the witness gets leave from his employer for the purpose, but it may be three or four days after the date fixed before the case is called on, and he cannot go away during that time. That is the reason I assume that some of the witnesses have charged as much as six days and a half.

54. But could not the Inspector arrange it better than that ?—It is the Court that fixes the date. He gets notice that the case is to be heard, say, on the 25th of the month, and he has his witnesses there on the 25th, and they may be there three or four days before the case is called. If he let the witnesses away the case might be called on in their absence.

55. If you had an Inspector to bring these cases he would be able to arrange the matter better than to keep men waiting for six days and a half ?—We would try to, because it is only mounting up the costs unnecessarily. I have no doubt that if the cases were left to us we should be able to arrange with the Court very much better than the unions can.

56. You think that all the cases for breach of award should be brought into Court by the Inspectors ?—Yes, I do.

57. And that the fines should be paid into the Public Account ?—Yes.

APPENDIX.

SIR,— Auckland, 16th July, 1904.

I beg to forward you a few particulars of a case brought against me by the Tailors' Union. I was cited to appear before the Arbitration Court for a breach of clause 7 of the Tailors' Union award, which made it compulsory that work must be done on the premises for whom or by whom the order is taken. The facts are these: I am a commission agent, and occasionally I take an order for a suit of clothes, having an arrangement with Mr. Currie, a tailor, that I am to have a commission out of his price for making. I supply the tweed or cloth to the customer, and I get him to go to Mr. Currie to be measured. I know nothing about tailoring myself, but simply get my commission and a little profit on the cloth. Full log prices are paid. Well, for doing this

the Tailors' Union cited me to appear before the Arbitration Court, and the Judge decided that, as I had made myself responsible to Mr. Currie for the price of the making (I had done this, I admit, in a few cases where the customer could not pay till the end of the month), I was fined £5 and costs. I consider this a very wrong decision, but there is no appeal allowed. Well, to make the case worse for me, I got a bill of costs from the Secretary of the Tailors' Union amounting to £22 8s. (a copy of which is enclosed, marked "No. 1"), also an amended statement of costs (marked "No. 2"). On receiving the No. 1 statement I wrote to the Secretary of the Tailors' Union objecting to a number of charges, with the result that on my meeting him before the Clerk of Awards (Mr. Thomas) at the time arranged for taxation he produced an amended account, thereby proving that he must have known he was making extortionate and unfair charges in the first bill of costs. The amended bill of costs was reduced by the Clerk of Awards, who disallowed the expenses of a member of the union who only attended the Court for a short time one day, and who knew nothing whatever of my case. This Act is a monstrous one; any union can subpœna as many of its members as it chooses and charge expenses every day they appear in Court. An employer is entirely at the mercy of these unions.

Yours, &c.,

J. Bollard, Esq., M.H.R., Wellington. H. Atkins, Jun.

No. 1.

Tailors' Union *v.* Atkins.

	£	s.	d.
Court fine	5	0	0
Solicitor's fee	2	2	0
Rent of hall	0	5	0
Stamps	0	6	0
Filing fee	0	6	0
Witnesses—			
E. Williams, 6½ days at 8s.	2	12	0
R. Currie, 6 days at 10s.	3	0	0
R. Campbell, 6 days at 8s.	2	8	0
H. McDonald, 6 days at 6s. 8d.	2	0	0
Mr. Mogson, 1½ days at 8s.	0	12	0
R. Reardon, Secretary, 6½ days at 8s.	2	12	0
Serving subpœnas, 5 days at 5s.	1	5	0
	£22	8	0

No. 2.

Tailors' Union *v.* Atkins.

	£	s.	d.
Fine	5	0	0
Solicitor's fee	2	2	0
Hire of hall (share)	0	2	6
Stamps used to convene special meeting	0	6	0
Filing fees	0	9	0
Witnesses—			
E. Williams, 6½ days at 8s.	2	12	0
R. Currie, 6 days at 10s.	3	0	0
Mr. Reardon, 6½ days at 8s.	2	12	0
G. McDonald, 6 days at 6s. 8d.	2	0	0
Serving four summonses	0	5	0
Printing circulars for special meeting (share)	0	3	6
	£18	12	0

Allowed, £18 12s.—R. G. Thompson, Clerk of Awards. 11/7/04.

From the Amalgamated Society of Engineers, Auckland.

I am instructed by resolution of the above branch to state that it fully approves of suggested amendment to Conciliation and Arbitration Act *re* empowering Stipendiary Magistrates to deal with breaches of recommendations of awards when not exceeding £50 penalty.

John Fawcus, President.

From the Otago Coal-miners' Industrial Union of Workers.

I am directed by my committee to bring under your notice the urgent necessity of amending section 86 subsection (1) clause (*d*), "Conciliation and Arbitration Act, 1900," by inserting the words "or industrial agreement" after the words "new award."

In support of our request, I may state that we entered into an industrial agreement with the Alexandra Coal-mine Proprietors in May last, only to find that we could not file same with Clerk of Awards. As the case now stands the mines are working under an award of the Court in which the hours of employment are eight at the face. They cannot take advantage of the legislation of last year which your honourable House were pleased to pass—viz., eight hours from surface to

surface—except by filing a dispute before the Court. Apart from the time wasted, it surely was not intended to put unions and employers to the expense of filing disputes, summoning witnesses, &c., in a case where no disputes existed. We sincerely hope that the honourable House will remove the anomaly which I have mentioned.

J. Hollows, Secretary.

From the Trades and Labour Council, Auckland

At a meeting of the above Council, held last evening, I was instructed to forward to you the following resolution: "That this Council heartily approves of the principles contained in the proposed amendment to the Industrial and Conciliation Act, but would recommend that the word "fifty," in line 14 of the Bill, be altered to read "one hundred"; also that provision be made for the inclusion of employers not cited when an award is applied for.

F. Reeves, Secretary.

From the Southland Timber-yards and Sawmillers' Industrial Union of Workers, Invercargill.

I have the honour, by direction of the above union, to bring under your notice suggestions made at our last meeting in response to the invitation now that the proposed amendments to the Arbitration Act are being considered by your Committee. We feel sure that if same are given effect to it will be for the better working of the Act. Resolution 1: "That the union respectfully urges upon the Government, through the Labour Bills Committee, the necessity of having all breaches of awards heard by Stipendiary Magistrates, who shall not be able to fix a penalty of more than £50; also that section 75, 'Industrial Conciliation and Arbitration Act, 1900,' be also included—viz., 'Any party to the proceedings before the Court may appear personally or by agent or with the consent of all the parties, by counsel or solicitor, and may produce before the Court such witnesses, books, and documents as such parties think proper.'"

My union are unanimous in the opinion that if section 75 is not inserted it will mean the stringing-out of cases and an endless amount of trouble and expense with solicitors; therefore, we trust that this matter will be given earnest consideration by your Committee.

Resolution 2: "That the Government, through the Labour Bills Committee, amend the Arbitration Act by the insertion of a section giving preference of employment to unionists."

Resolution 3: "That a clause or section be inserted to provide that proper accommodation be provided for sawmill-workers in the bush districts of the colony for the comfort and health of the workers; the Inspectors of Awards or Jailores to have power to enforce same, under similar conditions as 'The Shearers' Accommodation Act, 1898.'"

At the present time many of the sawmillers' huts are not fit for human habitation, and in the interests of public health it is essential for some action to be taken.

Trusting these matters will receive due consideration.

Arthur A. Paape, Secretary.

From the Trades and Labour Council, Reefton.

In reply to your telegram of to-day's date, I have to inform you that my Council strongly approves of the Bill introduced by the Premier to amend "The Industrial Conciliation and Arbitration Act, 1900," to empower Magistrates to adjudicate on breaches of awards and industrial agreements.

We would also urge on the Committee the necessity of recommending that the principal Act be amended by deleting all the words after the word "union" in second line of subsection (1) of section 98, and by repealing section 99. We would urge that a resolution of a special general meeting of the union should be sufficient for the purpose of referring a dispute to the Board or Court, without the necessity of taking a ballot of the members of the union, or without the necessity of posting a notice to each member of the union.

Henry Betts, Secretary.

From the Nelson Trades and Labour Council.

I have to acknowledge receipt (on the 9th August) of your memorandum dated the 2nd instant, with which you enclosed copies of new clauses proposed to be inserted in the Industrial Conciliation and Arbitration Amendment Bill, now before your Committee. The Nelson Trades and Labour Council held a special meeting last evening to consider the clauses, and passed the following resolution:—

"Resolved, That the Nelson Trades and Labour Council are of the opinion that the proposed new clauses in the Industrial Conciliation and Arbitration Act Amendment Bill, now before the Labour Bills Committee of the House of Representatives, if passed into law, will tend to the better and smoother working of the Act generally."

Robert H. Simpson, Secretary.

From the Auckland Trades and Labour Council.

Trades Council considered proposed amendments Arbitration Act. Consider them desirable.

Reeves, Secretary.

MEMORANDUM from Mr. JUSTICE CHAPMAN to the CHAIRMAN OF the LABOUR BILLS COMMITTEE.

Judges' Chambers, Wellington, 5th October, 1904.

THE present state of the lists in the Arbitration Court hardly gives a fair test of the way in which it is able to deal with its business. There has been an abnormal accumulation of enforcement cases, due to the fact that Inspectors in undertaking this class of business have been obliged to deal with it systematically. This we are satisfied will bring about more regular observance of awards in future. The large number of prosecutions is analagous to what happened in the case of the Shop Hours Act, prosecutions under which have now become rare. In this class alone the Court had to deal with ninety cases in Wellington City and country last year, while this year it finds itself faced with 180 cases.

Compensation cases do not form a large part of the Court's business. Though a great many are set down most of them are settled. In the course of a fortnight the Court has now practically dealt with ninety enforcements and twelve compensation cases set down in the city list. When the country list has been dealt with there will be practically no enforcement cases worth mentioning pending in the colony. In each district visited the whole of these two classes of cases have been practically cleared off the list. The more important item is that of industrial disputes. These appear to number fifty-four now pending in the colony. This number is, however, misleading. There are, for instance, nine such set down on the West Coast, four of these are counter demands by employers which have no tendency to prolong proceedings. At the same time, several coal-mining disputes on the Coast may be really treated as one. The nine filed cases really represent three disputes. The same thing may be said of seamen's cases, of which four are filed in the colony. These have to be filed in several centres, and there are two unions in Wellington. There is really only one dispute. Again, generally, with respect to these disputes it must be borne in mind that by far the greater proportion are cases in which there are existing awards, the operation of which is extended by force of the Act. Of the nine cases in Wellington there is only one the parties to which are not under an award. No great inconvenience arises from some delay in hearing such cases as are provided for by past awards.

FRED. R. CHAPMAN.

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