THE INDUSTRIAL CONCILIATION AND ARBITRATION ACT.

This Act has been subjected to an unusual amount of criticism and discussion during the past year. In my judgment the principles underlying the Arbitration Act are impregnable, and have been practically unassailed. The attacks on the system of "compulsory arbitration" are generally confined to the process of its administration or to the weakness attributed to it in not being able to cover the whole industrial ground down to the minutest detail. The employers complain that the punishment awarded for a breach of award is unequal, because the employer having property is compelled to pay his fine, while the worker being in many cases without property escapes. The worker says that the punishment is unequal because the employer, in writing a small cheque for a fine, does a thing which cripples him not at all, while the worker, if he cannot pay his fine, is threatened with the sale of his furniture or the disgrace to his family through imprisonment. Expectations were too highly raised at first as to what the result of the Act would be. It has performed everything which could be expected from a single legislative measure. It has raised wages generally to a small extent, but in some cases very considerably. It has shortened hours, given payment for overtime for holidays and for travelling, granted preference to unionists in a restricted way, and many other similar privileges and benefits. It steadied trade and business for many years till it brought prosperity to the employer and reflected prosperity to the employee through the continuity and permanence of work. With all this to the credit of the Act there is a certain vague disappointment experienced by many that it has not done more to give the worker greater industrial security and profit. It has not, for instance, prevented any slight increase of wages granted by the Arbitration Court being sometimes taken advantage of by the employer as an excuse for an inordinate increase on the price of the goods the worker himself has produced, and which he has (as consumer) to purchase. It has not prevented, in certain districts, almost the whole value of a rise in wages being appropriated directly by an increase in the rent of the workers' dwelling, or indirectly by increases in the rents of the tradesmen with whom the worker deals. The Act was not intended in any way to check or regulate the profits of the employer, or deal with the questions of rent, land-values, taxation, immigration, or a hundred other matters which affect the worker every day vitally and continuously. It was simply an Act to promote industrial peace, and to raise labour disputes from the arbitrament of force and the arena of bitter strife into a calmer air—into an atmosphere of judicial sense and reason, to which in the interests of civilisation all other social disputes had already been referred. If more was expected of the Act than it could possibly perform; if it was supposed to find an industrial wilderness and leave it an industrial paradise, such expectation has been disappointed, as expectations based on illusion must ever be. In the infinitely complex arrangements of modern life no legislative measure unsupported and single-handed could possibly meet the innumerable varieties of hardship, suffering, and waste of the world in which we have to work, nor could it at once turn that desert into an Arcadia.

The occurrence of strikes in unions of slaughtermen was commented on in my last report. On the 27th March, 1907, in Gisborne, the members of the local union, to the number of forty-six, were fined £5 each for taking part in a strike (Vol. viii, Book of Awards, p. 146). In the Supreme Court at Christchurch, on the 15th March, a writ of attachment was granted by Mr. Justice Cooper against John Catherall, a striker. On the Supreme Court, Christchurch, being applied to for an order for committal to prison in the case of a striker named Millar at Timaru, who refused to pay his fine, Mr. Justice Williams disagreed with the previous ruling of Mr. Justice Cooper, and refused the order (Book of Awards, Vol. viii, p. 380). On the 30th August the Arbitration Court at Christchurch fined forty-one strikers £5 each (Vol. viii, Book of Awards, p. 728). The Court of Appeal sitting in Wellington on the 29th and 30th July and the 22nd August upheld the appeal for leave to issue a writ of attachment in the above-mentioned case of Millar, of Timaru, and that imprisonment could follow (Book of Awards, Vol. viii, p. 1108). In respect of these fines inflicted on slaughtermen for striking, the sum of £616 has been paid, but some of the strikers have left the Dominion, and the amount could not be collected. The punishment of imprisonment for an industrial offence has not hitherto been inflicted on the application of the Government.

The Blackball Coal-miners' strike is dealt with in the report (herewith) of Mr. Lomas, Chief Inspector of Factories, who visited the locality while the dispute was in progress.

There was a temporary stoppage of work at the works of the Westport Coal Company. This occurred through an effort made by the Denniston Coal-miners' Union to take advantage of the "eight-hours-bank-to-bank" provision in "The Coal-mines Act Amendment Act, 1907." The Arbitration Court decreed on the 17th December, 1907, that the miners had committed a breach of award, but decided not to inflict a penalty, because it was considered that the breach arose through misapprehension. (See Book of Awards, Vol. viii, p. 1074.)

A strike of a few hours' duration took place on the Auckland City Tramways on the 14th November, 1907. It arose from the dismissal of motormen and conductors without previous notice. An