

Parliamentary debates.

New Zealand.

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The Right Hon. Mr. HOLLAND (Prime Minister).—Sir, I would call attention to the misstatement contained in the question. The question implies in the note, which is part of the question, that when the inter-Island air freight service became payable we sold it. That is not correct. We have not sold it. The Railways Department invited tenders for carrying out the contract, but it is still in the hands of the Department. Tenders were called, and have been accepted. That is the story. I am sure the honourable gentleman would be the first to correct the question and remove the implication contained therein.

Mr. FREER (Mount Albert).—Sir, if I might speak to this, I would say that there is no note to the question—the Prime Minister has misunderstood me there—but I would be pleased to amend the question to read “leased” instead of “sold.”

The Right Hon. Mr. HOLLAND.—It is not leased.

Mr. SPEAKER.—That also, in view of the Prime Minister's explanation, is incorrect. The question will have to be revised when it comes to the table.

The Right Hon. Mr. NASH (Leader of the Opposition).—Sir, a point of order. I think there was a misstatement in the Prime Minister's remarks. The service across Cook Strait was leased, profitably, to a private organization. The reference in the question to the sale of that service may have been wrong, but it is right to say that it was leased to private enterprise. That ought to be said.

The Right Hon. Mr. HOLLAND.—It has not been leased at all.

Mr. SPEAKER.—There is no point of order. I have already said that the question will be revised when it comes to the table.

Mr. McCOMBS (Lyttelton).—Sir, on the point of order—

Mr. SPEAKER.—There is no point of order.

Mr. McCOMBS.—Excuse me, Sir—

Mr. SPEAKER.—There is no point of order. Will the honourable member please resume his seat?

Mr. McCOMBS.—Would you please explain to me under what Standing Order the Speaker has the right to correct a misstatement in a question?

Mr. SPEAKER.—Standing Orders make it perfectly clear that the Speaker has the right to revise any question. Does the honourable member desire to question my ruling? If he does, there is only one way in which he can do it.

Mr. McCOMBS.—You should consult Standing Orders.

Mr. SPEAKER.—Will the honourable gentleman please repeat that remark?

Mr. McCOMBS.—I suggested that you should consult Standing Orders.

Mr. SPEAKER.—I consider that that is a gross reflection on the Chair. I shall ask the honourable member to withdraw that statement and apologize to the House.

Mr. McCOMBS.—In compliance with your direction, I shall do what you ask.

BUSINESS OF THE HOUSE: EMERGENCY REGULATIONS

The Right Hon. Mr. HOLLAND (Prime Minister) said that there was a point of procedure to be settled. In accordance with a promise he made to the leader of the Opposition last week he had to announce that it appeared most convenient if the resolution required by statute relative to the Emergency Regulations were discussed on Wednesday evening, and, if necessary, on the following day.

The Right Hon. Mr. NASH (Leader of the Opposition) said that it would be better if the no-confidence amendment were disposed of, and, if possible, the main motion relative to the Address in Reply, before the House dealt with the Emergency Regulations. Otherwise it meant that the House would have an unfinished motion to deal with. It would certainly be wise to get the no-confidence motion out of the way.

The Right Hon. Mr. HOLLAND (Prime Minister) said that the position would not be materially changed if the no-confidence motion was disposed of before the Emergency Regulations were discussed. In any event, he did not feel disposed to curtail the rights of honourable members to take part in the Address-in-Reply debate, which was one of the main debates of the session. The main motion and the amendment centred mainly around the Emergency Regulations. The statutory resolution dealing with the Emergency Regulations had to be passed before midnight on Thursday.

Mr. HACKETT.—If you lift the regulations it might make things easier.

The Right Hon. Mr. HOLLAND said that it might be possible to lift all but two or three of them, but so long as even one remained the regulations still applied. There seemed no other course to take than the one originally suggested by him, but if the right honourable member for Hutt could suggest another course he would consider it.

ADDRESS IN REPLY: WANT OF CONFIDENCE

Adjourned debate on the question, *That a respectful Address be presented to His Excellency the Governor-General in reply to His Excellency's Speech*; and the amendment proposed thereto.

Mr. ADERMAN (New Plymouth).—Sir, I desire to extend my congratulations to the mover and the seconder of the Address in Reply on their excellent speeches and on the high standard they set in opening the debate. I join with others in expressing pleasure at the contemplated visit of the Royal Family to

New Zealand next year. The people of Taranaki—the most important province in New Zealand—regret that they will not have the privilege of a visit from the Royal Family, but, with other speakers who have preceded me, I agree that, if additional visits would place undue strain upon His Majesty, we would prefer that such visits be not undertaken. I would also join with others in congratulating His Excellency the Governor-General on his elevation to the peerage.

Up to the present three of the leaders of the Opposition have participated in this debate. The first was the leader of the Opposition, whom I think we could describe as the neutral leader of the party. I was interested in what he had to say. He pieced together a number of items in an attempt to mould a no-confidence motion out of the very multiplicity of the matters he raised. The second "leader" of the Opposition who participated was the one whom I term the "first-gear" leader, the member for Brooklyn. The "second-gear" leader, the deputy leader of the Opposition, the member for Buller, seemed to be like a cat jumping on hot coals—to-day he is for, and to-morrow he is against. So the field is quite open for the member for Brooklyn to go right through and assume the leadership of the party at some future date, and when he takes the advantage that is now open to him he will veer his party to the "left." The other "leader" of the Opposition party who has spoken in this debate is the member for Lyttelton, who preceded me. I shall refer to him as the "reverse-gear" leader. He raised a number of matters, but mentioned nothing that was very new, nothing that had not already been advanced by preceding speakers on his side. What I noted about the address he gave was that he was particularly harsh right through—harsh in tone as well as in phraseology. I looked for an explanation, and it was not very difficult to find. I remembered how hard he tried last session to bring himself into the front rank, never missing an opportunity. He persisted in doing so in order that attention might be drawn to him so that he might finally be selected as, at least, the deputy leader of the party, but he was defeated for the deputy leadership and the disappointment which he felt is evident and was so in the address which he gave on Friday. Instead of expressing his feelings to his own party, however, he tried to vent them on the Government, and was unnecessarily heavy on the Government and harsh towards it. He said the Government had started a "Red" witch-hunt. That was very interesting, I thought. I thought I would remind him of something which the late Mr. Fraser, the former leader of his party, said to the annual conference of the Federation of Labour, as reported in a Wellington newspaper on the 18th May, 1949, by its industrial correspondent. It is reported as follows:—

"The Government was determined that law and order would be upheld in this country. Mr. Fraser declared that the full forces of the State would be brought to bear on those guilty of breaking the law. He accused the Communists of starting much of the industrial

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trouble which had occurred in New Zealand in the post-war years, and declared they were linked with Communist plans elsewhere to overthrow existing Governments."

I want to remind the honourable member for Lyttelton that if any one started this "Red" witch scare it was the former leader of his own party. If that gentleman was correct, then what this Government has been saying concerning Communist activities in New Zealand is also correct, and, if both are correct, I begin to feel that the honourable member for Lyttelton is not quite so right. It was all right his giving us a lecture as if we were a lot of children in school, but I want to remind the honourable member that he cast abuse upon the Government for raising this particular scare. He left the impression that he was condoning Communist activities within this country.

Mr. McCOMBS.—The honourable member could not have listened to what I said, because I condemned them.

Mr. ADERMAN.—I am quite satisfied that what I have said was the impression gained from his remarks. He said, as far as I was able to follow him, that the regulations are an attack upon democracy. That is his opinion and I will grant him the right to his opinion, but the judgment of the people is far different from his view. I say that these regulations were not used very extensively at all by the Government; they were used to prevent picketing, and for the deregistration of unions, as well as for the freezing of union funds, and for the setting-up of emergency committees. Many of the other matters which opposition members raise were pursued under the Police Offences Act, the very Act which the Labour Government left upon the statute-book. So it would be just as well if Opposition members distinguished between what the police undertook under the powers conferred by that Act, as against the regulations which were employed. It seems that Opposition members are condemning some of their own legislation by virtue of the criticism they are now offering.

I feel that the Opposition is looking at democracy through a keyhole—that is to say, what it wants to see is just what it sees, for it certainly does not see the advantages obtained through the operation of these regulations. In the absence of the regulations my province would have been without any bread because of the absence of flour supplies. But, of course, it did not trouble the honourable member for Lyttelton whether all the children in Taranaki went without bread. Then there was no poultry-food available, and if action had not been taken the whole of the egg-supply of the province would have been disrupted. But that did not trouble the honourable member—not the slightest. So it will be seen that the employment of these regulations in a wise form was necessary in order that food-supplies might be made available to the people. Surely it was preferable that there should be a little less liberty in the country than that the people should go short of food.

Mr. COTTERILL.—Does the honourable member agree with the Prime Minister that the Churches should mind their own business?

The Right Hon. Mr. HOLLAND.—I did not say that at all.

Mr. ADERMAN.—At the appropriate time I shall be glad to deal with that matter and I shall also deal with the honourable member, who is trying to side-track me. Then again the honourable member for Lyttelton said that the loyalty of the waterside workers to their leaders should be considered and should be commended. Well, from the many discussions I had with the men I found that the basis of that loyalty was a fear which had previously been inculcated into the men by their own leaders. What would have happened to the men if they had not remained loyal? The honourable member for Lyttelton will know, as well as any other member of the House, just how deeply embedded that fear was in the minds of so many of the waterside workers. The honourable member also referred to the waterside workers having been locked out.

Mr. McCOMBS.—I do not think I used the words.

Mr. ADERMAN.—The honourable member said the men had been sacked by the Government. I think I have not misconstrued the honourable member's argument, and I have no intention of doing that. I think I heard him refer to the Government as having sacked the watersiders.

Mr. McCOMBS.—I used the word "sacked," but I did not refer to the word "lock-out."

Mr. ADERMAN.—I think that that is a milder term than to say that they had been sacked. I draw the attention of the House to the printed order of the Waterfront Industry Commission which contains a paragraph dealing with lock-outs, as follows:—

"If overtime to 10 p.m. or special overtime from 11 p.m. to midnight is required by the employer, the foreman or clerk in charge shall in all cases notify the men not later than 4 p.m. Mondays to Fridays, both inclusive, and not later than 11 a.m. for overtime on Saturday afternoon. Any individual man or men who desire to knock off work when the vessel is working in overtime or special overtime hours shall, immediately on such notification by the foreman or clerk in charge, state whether they intend to work overtime or special overtime or not. Such men, however, are to be permitted to return to the same job if still unfinished the following morning if the foreman has been so notified.

"This subclause is intended solely to cover special individual cases, and does not entitle men to refuse overtime collectively."

Many of the men have said to me that this was a lock-out. The honourable member for Lyttelton has said that the men were sacked. There is no question that, by their own action, the watersiders locked themselves out—in other words they sacked themselves. They

offered their services for forty hours a week only, without overtime, and at that point, when they refused to work overtime, they locked themselves out. The inference from the clause is clear. That clause was agreed to by both parties—employer and employee. If the employers had not abided by that agreement, we would have heard a great deal about it from honourable members opposite, but when the employees do not abide by it, we hear little or nothing about it from honourable members opposite. The agreement was broken by the employees, by collective action. The watersiders at that point attempted to coerce the Government and to bring about the result they set out to achieve. They semi-paralyzed the shipping industry, and, incidentally, many other industries as well. It is quite clear it was a collective action. It was not a lock-out, and it was not a case of the Government sacking the men. The men could be suspended according to their own rules if they refused overtime, and we had examples of that at Auckland and Wellington. The men associated with the unions there worked a little longer than men worked elsewhere, because at that point no overtime was available to the Auckland and Wellington watersiders. I am quite satisfied that there was no lock-out involved and that the Minister had no alternative but to suspend the powers vested in the Waterfront Industry Authority and the Waterfront Industry Commission. In doing that he did what the Labour Government did twice in its own period of office.

The honourable member for Brooklyn is reported as saying that the Government stood indicted on many counts—it had done next to nothing to arrest the rise in the cost of living; it had failed to intensify housing activities; it had changed New Zealand's foreign policy; it had failed to arrest inflation, and it had shown muddled ineptitude in handling industrial troubles. If the honourable member had been on the Opposition benches when his own Government was in office he would have had the time of his life because he could have indicted his own Government again and again and been far more at home than he was the other night in indicting the present Government, because the very things he referred to were characteristic of the very Government of which he was a part. With reference to "doing next to nothing to arrest the rise in the cost of living" the honourable member, if he looks at the figures in the *International Labour Review* for the term of the Labour party's regime, will find an increase registered there from 100 units to 145. So there is nearly a 50-per-cent. increase during the time the Labour Government was in office.

Mr. CHAPMAN.—Was there a war during that period?

Mr. ADERMAN.—There was a war and there are other things on now. There is a war in Korea, too. May I remind the honourable member of the probability of a bigger war. We need to make some preparations for it, but we do not want to be caught napping about it either. Let me get the exact figure. The unit stood at 159 in November, 1950. There was a considerable increase in the cost

of living during the Labour party's term of office. When the leader of the Opposition spoke he made a comparison of various countries, which was very interesting. Then he reflected as to what is the percentage of increase in the cost of living since this Government came into office. But I noticed he made comparisons with other countries covering the time his own Government was in office, but he did not enter into a comparison with those very countries now. If the leader of the Opposition had made a comparison of New Zealand with those very countries which he quoted, for he is quite prepared to compare those countries with New Zealand during Labour's term of office, he would have found New Zealand was far better off under the National Government compared with those countries than it was under the Labour regime. The best thing to do is just to note what the leader of the Opposition did not tell the House. New Zealand is far more stable in its economy and has kept on a lower percentage in the rise of the cost of living than many of those other countries. So why raise that matter? Overseas prices do have something to do with it. The honourable member for Brooklyn, in his very eloquent address the other night, did not tell the House and the people what he told them when he was in office. For instance, according to the *Hansard* record of the 29th June, 1949, he said this:—

“ . . . the people of this country must depend to a very large extent upon imports from overseas in order to maintain their standard of living. In so far as those imports have risen in price—and they have risen very considerably in price—this Government and the people of this country have no control over that matter.”

Mr. MURDOCH.—Who said that?

Mr. ADERMAN.—The member for Brooklyn, when he was Minister of Industries and Commerce. He went on:—

“ They either pay the price that is asked for those goods or they go without. I emphasize, because this is a fact not always taken into account, that the increase in the cost of living in this country has been primarily due to the fact that goods which we import from abroad have increased very considerably in price, and in consequence the traders who sell those goods must be permitted to charge correspondingly high prices for them.”

That is one of the honourable gentleman's delightful statements. He can check it up if he likes. I do not wish to take up more time in dealing with the honourable gentleman, except that I have one question to ask him which I hope his colleague will answer. The honourable member indicted this Government on the change of foreign policy. I suppose he realizes that Great Britain and America grew very close together in the post-war days? There was a change in the attitude of Great Britain towards America in the post-war years, and is not New Zealand to change in the light of that change by Great Britain? Are we not to seek the better understanding and

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co-operation which Great Britain sought? Is the honourable gentleman criticizing this Government because of the Pacific Pact for mutual aid which has been formulated? Does he tell us that he disagrees with that pact? Is that the wrong thing which this Government has done? The inference is left that he is criticizing the Government for arranging for the security of New Zealand. If he is prepared to say openly that he disagrees with the Government because of that pact, then we will know where he stands, and we will know that the road to leadership now open will be closed to him overnight.

In the few minutes that I have left I want to say a word or two about social security. I agree entirely with the remarks of the member for Invercargill on family allowances and universal superannuation. Along with the member for Invercargill I have always advocated that more provision should be made for the family man, and I have often mentioned the incidence of sales-tax, which impinges very heavily on the family man. If there are four children in that family it means that sales-tax will be paid six times out of the one salary. On the other hand a couple without children, but enjoying the same salary, pay it only twice. It would be a grand thing if we could concentrate more on the family man. I agree entirely with the honourable member for Invercargill in what he said about the family benefit and taxation. I do not think any one would be hurt very much if the deduction for income-tax purposes were increased by £25. Those who do not need the family allowance would be able to make a contribution towards those who did need it. I also agree with what he said about superannuation. I, too, am concerned about superannuitants, and I think it would virtually solve our greatest difficulty with superannuitants if universal superannuation were paid at the age of sixty-five years, and, at the same time, made subject to income-tax but increased to bring it into line with social-security benefits. That would meet the needs of so many classes who, at the present time, cannot be assisted through the provisions of the Social Security Act.

Mr. KENT (Westland).—Sir, I also join with other honourable members in congratulating the honourable member for North Shore and the honourable member for Wairarapa, the mover and the seconder of the Address in Reply. Their speeches were in line with the best traditions of this House. It is also fitting that I should voice the sincere hope of the people of Westland that His Majesty's condition improves rapidly, and that he may be restored to perfect health. I hope that the Government will make provision for country children to attend the Royal welcome ceremonies which will be held in the larger centres during the visit of Their Majesties to New Zealand. The elevation to the peerage of His Excellency the Governor-General is a fitting recognition of the valuable public service he has rendered to his King and his country over many years. We all wish him and his good lady health and happiness

in their exacting duties. I do not intend to deal with the honourable member for New Plymouth. To him I shall extend the charity of my silence.

"The struggle of reason against authority has ended in what appears now to be a decisive and permanent victory for liberty. In the most civilized and progressive countries freedom of discussion is recognized as a fundamental principle." That quotation is from Professor Bury's "History of the Freedom of Thought," published in 1913. In that book he tells us how freedom of thought was established once and for all in the nineteenth century. He expressed the view that the struggle for liberty might now be regarded as closed. That was in 1913. We would all like to think that that was true. Here in New Zealand, in 1951, we find the return to persecution has ousted toleration. The handling of the present industrial dispute has been a policy of attrition instead of conciliation. What did we find? Specially selected critics of the Waterside Workers' Union have had the free play of our national broadcasting system, exploiting that noxious word "scab" to its utmost over our national broadcasting system, much to the disgust of all decent citizens, while the regulations prohibited any statement giving the facts from the other side. Only in this morning's newspaper I saw that the use of that word had cost a man £3. Many times it has been used over our national broadcasting system, and I do not know yet whether those using the word were fined for using it or got something for using it. But let me say this: such methods heralded Fascism in Europe, but such methods will not be tolerated by liberally minded New Zealanders, who will, without doubt, show the Government their disapproval at the ballot-box in 1952. "Stand up to the men and put them in their place." So said the honourable member for Palmerston North, whose speech was a model from an elocutionary standard. "The battle of the strike has been won," he declared, "and we as business men must behave ourselves, and encourage our staffs to maintain control of their unions."

The honourable gentleman also told us that the new unionists were honest men, brave, courageous chaps who had saved their country, and so on. He was quite eloquent over it. In years gone by we heard something different. The unhappy blackleg, as he was called, was brought in to fight the unionists, only to be thrown over when he had done the job. The poor creature was taught to believe that his natural destiny was to carry on the war for capital when capital was at war with unionism and to starve when the belligerents were at peace. To-day the Tories are going to take free labour into their fold—the fold vacated by the union men—and these men have been promised in advance permanent positions. That was said in 1890. The Tory of to-day was much the same as the Tory of old. The Tory never changes in his promises or performances. In this debate "off with his head" has been as noticeable as in "Alice in Wonderland." The passion of intolerance has been revived by our Tory friends in all its ancient ardour, and the

worst feature of intolerance is that it becomes a habit. Mussolini claimed that he was not a tyrant and that he was not moved by vanity, but that, like our Prime Minister, he was moved by an ideal of a new order, so he punished with club, sword, and sabre all who would upset the Fascist State. To the Tory, the Fascist, and the Communist, tolerance is a weakness. How much better it is, they think, to make things so uncomfortable for those who disagree with them that the latter, for their own sakes, subside into dumb and acquiescent citizenship. It seems very possible in theory, but in practice it does not work for long.

Mr. MASSEY.—Who is the author?

Mr. KENT.—I will communicate the name of the author to the honourable gentleman privately. The intolerant man has not learned yet the secret of good government, which is to make it easy for his opponents to live under a Government of which he disapproves. History tells of the fate of all who have used the campaign of intolerance. Hitler and Mussolini crushed all opposition. They had to invent a new opposition to take its place. Let me remind members that the Spain of 1929 imprisoned the Republicans, the Spain of 1933 imprisoned the Monarchists, and the Spain of 1939 imprisoned the Democrats. Do not let us forget that the disintegration of the unions, so far is a purely legal matter and will not alter the pattern of the industrial organization. Some members opposite have been just a little over-enthusiastic, or at least so it appears to me. The elocutionary efforts of some of my friends on the crossbenches do not seem to me to ring exactly true. I believe with Channing, who said most truly,

"In proportion as a man suppresses his convictions in order to save his orthodoxy from suspicion or distorts language from its common use that he may stand well with his party, in that proportion he clouds and degrades his intellect as well as undermines the integrity of his character."

I was amazed at the retort of the Prime Minister to the leader of the Opposition who had quoted from some Church magazine. He will remember the retort—"The Churches should keep their noses out of this." Retorts of that kind reveal the dictator, drunk with misplaced power, the dictator who would debase the religion of the lowly Nazarene and turn Christianity into a caricature, unwittingly perhaps, trying to turn God out of His universe. That is the gentleman who has proudly nailed the flag of capitalism to the mast, carrying his rank materialism so far that he and his colleagues revel in their mud-bath of sordid materialism, trying to make an industrial issue of a political one. I am glad the Churches brought pressure to bear; very glad, and I am sure their action was non-political—that it was merely humanitarian. Let me quote from this morning's *Dominion*. This is a report headed "Preacher Terms Materialism 'Great Enemy.'":—

"It is often supposed that Communism is the great enemy to-day, but Communism, though terribly powerful, is part of a deeper evil.

It is materialism which is the great enemy, materialism in all its many phases, of which Communism is one."

Those words were used by the Reverend J. R. L. Higgs, vicar of Christ Church, Wanganui. Yes, the moral aspect must come to the rescue of the economic law. Let me say that wages is a moral question, and the amount of product a material question or, should I say, a material quality. To me it would be queer logic to try to determine a moral question by a material standard. The best motives come from within, not from without—moral, not material. Would that I could quote the statement of the Christian Social League in full. I think it was sent to every member. The short time at my disposal will not permit me to read it in full, but one or two lines may not be out of place:—

"For those liberties to be taken away by the Cabinet, even without Parliament being called together, is a gross and unpardonable abuse of the power entrusted to the Government by the citizens of the land, and ultimately by God.

"We believe that Civil liberties are an expression of fundamental convictions about man. The Christian Church has a definite doctrine of man, and the Civil law of England grew up largely under the influence of Christian teaching. The Church believes that justice is not something dependent upon the Government's estimate of what is expedient; justice is an absolute, grounded in God Himself. It is to this absolute that we now appeal."

I would like to know if the Government is so sure of its policy—that its policy of starvation and suppression will settle the present dispute. Even the press, which whole-heartedly, with one or two honourable exceptions, I might say, have defended the Government policy, acknowledge that the policy of suppression and starvation can only be judged by the ultimate results. Let me quote from the *Oamaru Mail* of August, 1890, just to show that the Tories do not change and their object is still the same:—

"The steamship owners view with apprehension the universal combination of labourers that is taking place. Other representatives of capitalism are also involved, and it is not hard to see that the action of the shipowners has developed into an action to crush out unionism."

That was in 1890, and how like to-day's pattern it is. Now here is an item from a newspaper on the same coast, the *Lyttelton Times* of the 8th August, 1890:—

"An impression is abroad which has gained wide belief among men that a number of capitalists and friends of capitalists are anxious to have it out with the unions. These gentlemen are supposed to come to the conclusion that the sooner a battle is fought between capital and labour the better, and that the present time is as good as any. It is a sort of feeling which has caused more rash foolish and ruinous contests in the world than perhaps any other human impulse."

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A copy of that newspaper of 1890 is in the members' part of the General Assembly Library. I left it there in order that any honourable member who so desires may read it. Now, here is another item from the *Lyttelton Times* of the 29th August, 1890:—

"One victory will not annihilate unionism, one hundred victories will not do so, therefore we look upon strikes as almost unmitigated misfortunes. They are merely passing and most uncomfortable episodes in a great and gradual industrial revolution. They will not settle anything one way or another. The difficulty at present is that so many influential persons are not anxious to see a truce proclaimed, but would prefer to see the fight fought to a finish."

How true. The leopards do not change their spots. Those words I have read are words actually used by some of the members on the Government side of the House, so that the same thing is being said by the Tories to-day. Now, Opposition members have been blamed for taking sides. But on whose side is the Government? The shipowners? Why, the majority of the shipowners are not even domiciled in this country. Or is the Government on the side of the workers of New Zealand? After all, the shipping companies do not operate the ships for love, but merely for profit. And that is bumped up 50 per cent.

Mr. KEARINS.—Sixty-four per cent.

Mr. KENT.—My colleague tells me it is 64 per cent. But that is not new. My friend will also find in the Library a news item in the same paper. A Press Association message from my home town of Greymouth, dated the 29th August, 1890, says that the Union Steam Ship Company had raised freights for that port by 50 per cent. The same old story! Mr. W. W. Mulholland, of Federated Farmers, is reported in *Straight Furrow*, of the 15th June, 1951, as having said that though 50 per cent. had been decided upon he suggested that no computation was ever made, but it was a good round figure. Evidently the shipping companies believe in good round figures. I could also draw attention to the *Dominion*, of the 29th June, 1951, where there is a report under the heading, "Farmers Want Move by Government to Break 'Shipping ring'". Mr. R. Blade, of Auckland, said, according to this report:—

"One importer said to me that as far as his pocket was concerned he liked the freight increase . . . because it meant a larger profit for him, and the Price Tribunal allowed it. It is hardly a fair thing that with comparatively small inconvenience in the dislocation of shipping caused by the New Zealand strike we should be loaded in New Zealand by those shipowners with this 50 per cent. surcharge."

Yes, the Government might think that public opinion is so entirely on its side that there is no necessity to negotiate, no necessity for tolerance. Admitting that the Government and shipowners have so many friends, I still assert that the speediest way to forfeit public

sympathy is by adopting an uncompromising attitude. Public sympathy, in the last analysis, goes to those who adopt conciliatory and pacific tactics. When members opposite tell us how satisfied business men of the country are with the Government, they are justifying the poet Cowper, by brimming over with an "Ever bubbling spring of endless lies". I have here a newspaper cutting of the 27th June, 1951, headed, "Business Chief says Government Losing Support—Some Firms Bankrupt—Others Losing Money." The cutting reads:—

"Visits to various parts of the South Island had convinced him, he said, that business communities were at a loss to understand why the Government was not making some move to bring about a reasonable settlement of the dispute. He thought the Government was losing support among many businessmen.

"Even shipping company officials had told him that they were dissatisfied with the Government's scheme for new wharf unions. They thought it would be in the interests of the whole business community if the deregistered watersiders were back at work, because of the nature and inefficiency of many members of the new waterfront unions . . . General chaos is approaching industry throughout the country and the business men know it," he concluded. "They want to know where it's all going to end."

Another cutting I have bears the heading, "Government Should Tackle Power Problem—Election Pledges not Honoured Claims League." This refers to the Westland Progress League. The cutting reads:—

"More power was a plank in the National party's programme. Business men wanted to know whether or not the Government was going to do anything towards overcoming the power problems in the immediate future."

Something should be done about it, because many West Coast mills may have to shut down. We read that six hundred wagons are needed to shift timber, and that, "unless the Railways Department makes wagons available immediately, West Coast sawmills may have to close down. That was said by Mr. J. Saunders at last night's meeting of the Westland District Progress League." That does not look as if the business men are very pleased with the Government. It is most unfortunate that the Government is making distinctions between one union and another. It is the old slogan "Divide and Conquer." The Government has endeavoured to shoulder the responsibility on to the Labour party of hastening a settlement on the Government's terms. Let me remind honourable members opposite that we are not the Government, and the cold facts are that the Government is responsible, and will have to take what is coming to it as a result of the mishandling of the present situation. The Government does not like it. As a result of the mishandling of the present situation a keen sense of grievance has been generated by the Government that will take many years to eradicate.

What are the facts? Each is fighting for a principle. The unionists are fighting for the right to organize and to unite labour of all classes for the common good. The Government is fighting for the old order of the "auction block"—the right of individual choice as regards rate of pay, selection of labourers, and rules of working. Let us remember that both labourers and capitalists are parts of a vast machine which carries them round in its revolutions. Of course we are only a small part, but every day the battle proceeds there is a loss to the country, and to the people. We, on this side of the House, sincerely hope that the Government will come down from its pedestal, and exercise some of the conciliation that it professed to support at the hustings. The sooner industrial affairs reach their normal state the better for every one concerned. If the Government had concentrated on keeping the prices of food from soaring, instead of using all its energies to break up the workers' organizations, it would have prevented many disputes which have their genesis in the high cost of living. The Government denies responsibility for the high cost of living, but I cannot forget how the party opposite traduced our late friend, the Hon. "Dan" Sullivan, for buying cheap wheat from overseas. To-day we are in danger of a wheat-shortage. Will we have bread rationed? I wonder whether Labour will be blamed if this occurs.

Mr. MAHER.—We read of apples in Nelson rotting by the hundreds of cases. What have you to say about that?

Mr. KENT.—I would not be surprised. What is the position regarding rents to-day. The Government denied that it intended to allow rents to increase, but it removed the protection that the tenant had, and opened the way for tenancy agreements under which the landlord has the big say. It was a case of, "If you don't sign, you don't stay." The Nationalists have given their blessing to that. Already Magistrates are allowing fair rents to be based on the 1950 value. As the 1950 values are, in some cases, twice and thrice the old land-sales values, rents must increase, and rents have already increased greatly since the Government came into office. Rents must increase. We know they have already done so. They have increased greatly since this Government came into office. Even State house rents have been increased. What did the Nationalists say about that? They said they would not increase them. We know that that, too—I do not know if I can say the word, but it is not true. Then there was the false story revived, I think, by the honourable member for Hobson, about Labour removing subsidies. They claimed that we removed subsidies in 1947. Yes, Labour did that, but I will inform the honourable member it made certain that the workers received at least as much as the increased prices, due to the removal of subsidies in additional wages the day the subsidies came off. There is no question about that. I spoke of the waterfront.

I know I have not much time left, but I would like to try to sum up what the waterfront dispute has proved. It has proved an easy escape clause for the Government's failure to implement major election pledges. The Government promised to make the pound go further, but it has not. It promised immediate settlement of industrial disputes, but it has not. It promised compulsory conferences, but it persistently refused to call one in this dispute. But the Prime Minister has kept one promise. There is no doubt about that. He said he would discipline the workers of this country, and he has shown exactly how he will do it. I read in the papers that he has some Bill into which he is going to put some teeth. This Government and this year will go down in history for the failure of the National party to keep its most important emphatic election pledges; this Government and this year will be remembered for the things the Government has not done and not what it has done. New Zealand was once held up as a model country, a model of justice to all people, particularly to the workers and the poor, but the present Tory Government is slowly but surely undermining the great effort of this country. It is bent on the destruction of what has been built up during the past years and is making this beautiful country of ours the speculators' and profiteers' paradise. Methinks I hear—

Mr. SPEAKER.—I am sorry to interrupt the honourable member. He has exhausted his time.

Mr. HAYMAN (Oamaru).—Sir, with members on both sides of the House I join in congratulating the mover and the seconder of the Address in Reply. Their speeches were thoroughly prepared and sound and have registered inside this House and out of it. I particularly commend the honourable member for North Shore on the high standard he reached when he called on all of us to look inside ourselves, and prove our own moral fibre, and provide that necessary bulwark against Communism without which I do not think civilization as we know it can survive. With other honourable members I join in congratulating the Governor-General on the very great distinction that has been bestowed upon him, and trust that he will live for many years to enjoy that honour. I had the opportunity on two occasions during the recess to see Lord and Lady Freyberg moving among their people. His Excellency's genuine interest in his people, and Lady Freyberg's graciousness wherever she went, were an inspiration to all who had occasion to meet them. With all other members, and all New Zealanders, I look forward to the possibility that in the coming year the King and Queen, together with Princess Margaret, will pay their delayed visit to our shores, and I trust that the visit will be a tonic to the health of our King. There will, of course, be some disappointment at the fact that Their Majesties will be visiting only the main centres, but I am sure that all of us will do our best to gather together and give the King and Queen the welcome and the demonstrations of allegiance which are their due. But we would all rather spare the King

Mr. Kent

any undue strain than that he should jeopardize his health in an endeavour to travel more widely. And I do know that "girls" from eight to eighty will look forward with keen anticipation to seeing Princess Margaret. I do hope, too, that their Majesties and Princess Margaret will enjoy their short stay with us.

I do not intend to deal at length with the remarks of the member for Westland, and particularly that part of his speech which he wrote prior to 1890; but there are two or three comments I want to make on his references to the alleged effort of the Government to divide and conquer the union movement and the Labour party. It is not necessary for the Government to do anything to divide the union movement, and it is not necessary for the Government to do anything to divide the Labour party's organization; it is already done. I cannot help lining up their present set-up with the set-up of the Babylonians when the moving finger wrote the judgment on the wall of Belshazzar's Court which, when it was interpreted, said, "To-day, you have been weighed in the balance and found wanting, and your kingdom will be divided between the Medes and Persians." In 1949 the people of New Zealand weighed the Labour Government in the balance and found it wanting, and to-day Labour's organization is divided between the federation and the congress. And I do say this: that it would be better for us if we could eliminate the congress and get the old organization re-established than that the congress should make further inroads upon what was once a decent and honest attempt to present a case for, and establish the rights of, New Zealand's decent working-men.

To-day the Labour party organization stands condemned for what it has done over the last two or three years. The Opposition has attempted in this debate to concentrate on the Emergency Regulations, as such, and the suggested inroad that they are on the liberties of the individual, rather than on the reasons why those Emergency Regulations were necessary. Members opposite have used the argument that the regulations are an attack upon the liberty of the individual. They must agree that the wreckers' attack upon our community bears very heavily upon the individual. This Government, in its wisdom and of necessity, had to take the steps it has taken, and thank God it has succeeded in its efforts. As could be expected from an Opposition which has opposed every move in the recent dispute, we have witnessed in this debate the spectacle of Opposition members trying to extricate themselves from a situation for which they obviously have no heart. They remind me very much of the men in the industry they are attempting to champion. They have, and have had in the past, very little enthusiasm for their work. It is obvious that the Opposition to-day is in a position where it would, if it could, close this debate now and not allow the country to be told anything more about the present situation. I believe that the Opposition is being as badly misled as the watersiders were. It is obvious that it was misleadership, rather

than the wishes of the rank and file of watersiders, which put that union into a position where it was deregistered. I suggest to the leader of the Opposition that he takes as an example the leadership demonstrated by the president of the Port Chalmers Waterside Workers' Union, who, when he led his union once more back to work, made this statement:—

“It is a very hard decision to make between my duty to the men I represent and my allegiance to the national organization. It is a decision between keeping the men together or dragging them down to further poverty and degradation. Somebody had to make the move, and, as I saw it, it was my duty.”

And again, he said this:—

“I will maintain these views before anybody. It is easy to take the wrong road, but it is right and proper, once you find that you are on the wrong road, that you should go back and get on the right road immediately.”

It would be fitting, I believe, even at this late hour, if the “misleader” of the Opposition took a similar step. I think that the unity of the watersiders in this dispute has something to commend it. That may, of course, sound strange, but I believe that the spirit that kept the watersiders loyal to their leaders is the same spirit that kept our soldiers in the field of battle the best soldiers in the world, giving unquestioning loyalty to their leaders. The great thing, of course, is that all organizations should be most careful in the choice of their leadership. This mistaken leadership to-day is a tragedy. I wish to make it clear that, as I see it, in this dispute there is no quarrel with the rank-and-file unionist who has shown since that he is prepared to go back and work willingly and well. Our dispute has been with the leaders who not only have caused trouble now, but who have a record of troublemaking that goes back over many years. I believe that it is worth repeating that, well led and advised, the New Zealand worker is as good in peace as his counterpart, the soldier, is in war.

Mr. HACKETT.—He is the same fellow.

Mr. HAYMAN.—The honourable member has put the words I wanted, into my mouth—he is the same fellow. Just as leadership in war is very selective, so should leadership in peace be very selective. I believe that when this dispute is over—and it is almost over now—it will pay workers' organizations to be so careful in selecting their leaders that what has happened over the last several months cannot happen again. The Opposition will be remembered for at least a generation for its failure to take any useful part—I stress the word “useful”—in the settlement of this dispute. Their leader will be known as the “misleader” of the parliamentary Labour party. It is not for him to admit his mistake even at this late hour and change his road; he is too stubborn. That charge has been levelled in this debate at the Minister of Labour. The leader of the Opposition, however, fills the role of a modern Moses on his way through the Red Sea. But there is no

promised land for him—indeed, I do not think he will be able to extricate himself from that Red Sea before it engulfs him. He can go neither forward nor backward; he is neither for nor against. One significant fact has emerged from this debate—that is, the consistency of the Prime Minister and the valuable aid he has received from his Minister of Labour. The consistency of the Prime Minister was illustrated when he withdrew from the War Cabinet in 1942.

Mr. FREER.—Terrible.

Mr. HAYMAN.—Yes, it was a terrible step to take in the midst of war, but he withdrew from the War Cabinet because of a dispute similar to this one. It has been said that this dispute is over 3d. an hour. The Waikato dispute was over a total of £16. Listen to what the Right Hon. Mr. Fraser, then Prime Minister, had to say:—

“This sort of thing is defeatism of the worst kind: it is stabbing the country in the back. And if I, as Prime Minister, cannot get better support from the industrial workers of the country, my duty is clear, to step down altogether . . . If we cannot get full support, then our remaining in office means a betrayal of the country.”

Does that suggest that because the right honourable gentleman remained in power he betrayed the country? Then, the Hon. P. C. Webb pointed out that the action of the miners was a violation of the law, and that the law would be upheld. The Hon. D. G. Sullivan said that the attitude of the men had exactly the same effect as the torpedoing of a New Zealand ship by the Japanese on the high seas, and had the same reaction for the public as though the sinking had been done with a New Zealand bomb planted by a Fifth Column crew. Then we have the honourable member for Miramar, who is to be commended for the stand that he, alone among his colleagues, has taken in this dispute. He has shown that he is not on the side of the wreckers. He does not believe that the present leadership is the best for the watersiders and is leading them along the right road. The honourable gentleman does not mince his words in making this statement:—

“The strikers have violated every principle of unionism—they have placed themselves outside the pale, played into the hands of the Japanese, and declared war on the civil community. It is the work of a handful of wreckers who are playing the enemy's game.”

Let me emphasize where our Prime Minister has proved his consistency. He did not believe at that time that it was possible to stay inside a Government that dealt so weakly with those people and keep his self-respect. He has proved at the earliest possible time since becoming the Prime Minister that there are ways and means of dealing fairly and squarely with these problems when they arise. The Labour Government was on the point of deregistering the watersiders' union in 1949.

The Hon. Mr. ALGIE.—Only on the point of doing so?

Mr. HAYMAN.—Yes, just on the point of doing so, but instead it appeased once more. I know from my own observations and contacts around the country that Labour's action of that day cost it victory in the 1949 election. The Labour party gave way once too often. It is of significance that during the election campaign the forecast was made that if we became the Government we would have the greatest crop of industrial troubles that New Zealand had seen since 1913—a piece of wishful thinking which the Opposition of to-day has tried its best to bring into effect. Has any member of the Opposition, other than the member for Miramar, done anything to back up the Government in this present dispute? We had the spectacle in this House the other night of the "misleader" of the Opposition questioning the sale of 5,000 tons of meat to the United States of America. Did the honourable gentleman do anything to ensure the continued loading of meat to Britain during the dispute?

Mr. CONNOLLY (Dunedin Central).—Sir, I rise to a point of order. I understood the honourable gentleman referred to the leader of the Opposition as the "misleader" of the Opposition. I submit that that remark is out of order.

The DEPUTY SPEAKER.—Was the honourable gentleman referring to the leader of the Opposition when he used that term?

Mr. HAYMAN.—Yes, Sir.

The DEPUTY SPEAKER.—Then the honourable gentleman must withdraw it. He should refer to the "leader" of the Opposition.

Mr. HAYMAN.—I withdraw it, Sir, and apologize to the leader of the Opposition. Since no one on that side of the House has come to the Government's assistance one can only conclude that they believe in industrial anarchy; that they believe that organized groups of wreckers have a right to hold the remainder of our citizens to ransom. Their attitude is a reflection on their appreciation of public opinion. I am sure that the public is behind this Government to an extent not thought possible by the individual members of the Government. No Government has enjoyed such great popular support since 1935. We are determined that in this particular instance we will not let the country down. I believe that the Opposition's inaction will not be forgotten for a generation. As for their Moses-like attempt to extricate themselves from the bottom of the Red Sea, if they do get out they will remain in the political wilderness for as long as the wandering tribes did. Last September, in response to the then leader of the Opposition, the Government once more arranged an opportunity for negotiation between the watersiders' leaders and the ship-owners. I want to place it on record that I was appalled at the public's interpretation of our action at that time. They said, "You are as bad as the old people."

However, I want to make this point: that in agreeing once more to give the men an opportunity to discuss their problems we proved for all people to see that we were not a Tory Administration attempting to take away some

of the privileges of the working-people. That came about because we have a genuine desire to place no obstacle in the way of an opportunity for an honourable settlement between members of industry and the workers. We were prepared to permit discussions at the eleventh hour and in spite of the broken promises that had gone before we were prepared once more to go into negotiations to see if some way could not be found out of the difficulties of that time. But in the lobby of this House on the following day the Minister of Labour said to me, "This trouble will break out again. It is only a temporary truce. It will break out in February next at the height of our export season." He is not only a good Minister of Labour but also a good prophet. The reason it was timed to break out in February was because at that stage it would create the greatest embarrassment to all our primary industries.

But the handling of this strike has been masterly. As one difficulty after another presented itself, so those in charge in Wellington met that difficulty, overcame it, and went on. I must commend all of them. So far from thinking that they took high-handed action in the absence of the back-benchers from Wellington, I commend them for the way they have handled this dispute, and I hope that in any future dispute they will act in the same magnificent way. They have the support of every right-thinking person in the conduct of this dispute. If any better example were wanted of how popular they are to-day it was apparent in Auckland last week-end. Even when they went on to the wharf they received an enthusiastic reception. No Minister of Labour has ever before shown such tact, tolerance, forbearance and sense of justice. Far from creating a feeling of distrust and bitterness among working-people he has given them the greatest feeling of security they have ever enjoyed. I am going to explain it in this way: it was rumoured that when we became the Government we would attack the working-man's standards, and for that reason the working-man has rightly, I believe, had a feeling of distrust as to where we would take him as the years followed one another during our tenure of office. However, we have proved to be the friends of the working-man in a way that no other Administration ever has. That is because we do take some heed of where our policy is taking us over the years. We hope to be able to deliver to our people that feeling of security for as long as we are the Government, and I am certain that we are going to continue to be the Government for a long time to come—there is no stable Opposition which could take our place. But the strike is over.

The ending of the strike demands of us a continuation of that tolerance, forbearance, and preparedness to negotiate and discuss with the working-people for as long as we have this position of responsibility. I believe that the first major victory since the settlement has come as far towards a conclusion as it has come, has been the general improvement in industrial effort. In Auckland yesterday a man

said to me, "The people are going about their work with a new spirit." And I saw something the other day that was an inspiration to me, and I hope this country never forgets the debt it owes to the Service people who so ably carried on the work while this dispute was in progress. I was on the wharf waiting for the ferry to come in, and I saw the soldiers coming off duty. I have been on the wharves a great many times, and I have seen the solemn way the men went about their work. I always deplored it. But I saw these soldiers coming down at a quarter past six o'clock singing and whistling, and taking an interest in everything that was going on about them. They were so obviously enjoying the job that this Government had asked them to do that it should have been an inspiration to every one. I do want to place on record my high opinion of the work they did, and the debt that the country owes to every one who helped—male and female.

Mr. R. MACDONALD (Ponsonby).—Sir, while I do not agree with everything the mover and the seconder of the Address in Reply said in their speeches a few nights ago, I must congratulate them on making the best of the very poor case which the Government is placing before the country. I join with other honourable members in offering my sincere gratitude over the continued improvement in the health of His Majesty, and I share the pleasure of their projected visit to this country in the very near future. My congratulations also go out to Lord and Lady Freyberg on His Excellency's elevation to the peerage. The mover of the Address in Reply set the ball rolling over Communism, and the cry was taken up by all members on the Government side of the House. The "Red" terror was used for side-tracking purposes in every speech. I am reminded that when the Labour Government was in office in Britain many years ago the Zinovieff letter was produced, which afterwards was proved to be a forgery. The story was concocted by the Tory party of the day, and the people swallowed the bait, with the result that the Labour Government was defeated. Similar tactics have been adopted time and time again when the workers have been rising to the extent that they are now.

There was the story of the I.W.W. in years gone by, and the people believed it. Then leaders of the Labour movement were dubbed "Red Feds." The Hon. Mr. Semple, the Hon. Mr. Parry, the late Right Hon. Peter Fraser, and others who fought for the welfare of the working class were described as "Red Feds" by every Tory in the country. What happened? The people again swallowed the bait, and Labour suffered a setback. However, the onward march was continued, and for fourteen years Labour led this country. But the "Red" bogey has again been raised by the Government side of the House in order to take attention away from the chaos into which the National Government has brought the country. There is chaos in the industrial world, and disillusionment in the minds of the people. They know that for eighteen months they have to put up with this Government, and they also know that when the general election comes along in 1952

they will have the opportunity under the democratic system to vote the Government out. And when they do that we will see repeated here what happened in Queensland, in that the Tories will never be able to raise their heads again but will be down in the depths as they were in 1935. It is clear that the people will not be fooled again with the promise of making the pound go further, of private enterprise, of raising the flag of capitalism. By the way, the Prime Minister talked of raising the flag of capitalism when speaking in the Town Hall at Auckland last night. Well, he may raise it as high as he likes, for the workers will tear it down, and we will have Labour on the Treasury benches and the workers enjoying the benefits they received for fourteen years.

We hear much from the other side about the "Red Terror" and "Orders from Moscow." That is a lot of ridiculous nonsense. I have never heard of more ridiculous nonsense in my life. If honourable members opposite cannot find better propaganda, they should bury their heads in the sand. For many years I fought Communism in my unions. We went to the democratic ballots against the Communists, and they were beaten year after year. That is the only way to keep the Communists in their place and to see that they do not rise. Give them the democratic right in a democratic country to go to the ballot, instead of slaughtering them as was proposed by Sir Wilfrid Sim, ex-president of the National party, who brought out that scurrilous statement. The watersiders' pamphlets are nothing to what he stated at the National party Conference in an endeavour to deprive the Labour party of the right to sit on the Treasury benches over there, when they were democratically elected. He said that they should be deprived of that right. I say that that was one of the most scurrilous statements that any member could make at any conference. Of course, he was carrying out his orders, and he was giving his statement in return for the reward he recently received from the Tory Government.

The honourable member for North Shore refers to Communism time and again. The whole of his speech was against Communism, pitting brother against brother, and father against father in these disputes. The Tory party agrees with him, even that you must not shake hands with a man of a different political view. Why, thousands of people, if they took that view, would not shake hands with a Tory. In a speech made at Otahuhu on the 15th June, the honourable member for Otahuhu, in reply to an interjection while he was discussing the waterfront dispute, made astounding statements. The report states, "Pressed by an interjector to produce evidence to support the Government's statement that the strike had been Communist inspired, Mr. Gotz told the audience that the trouble had originated from a Communist meeting in Pekin in March, 1950, at which New Zealand watersiders had been represented." Fancy our orders being taken from that meeting, and our watersiders rising as a result of orders from Moscow or Pekin, or anywhere else overseas! Who produced that chaos? The Government of to-day produced

that chaos when the watersiders refused to work more than forty hours a week. The Government did not say "Come around the table and have a compulsory conference," as it said to other workers in like circumstances. The Government decided, when the Prime Minister came back from England, to crush the watersiders' union out of existence; to make the men grow legs on their bellies like centipedes, and make them crawl back to work. That was the aim of the Government; it was not out to conciliate and arbitrate.

I will not say that the watersiders were right in the first instance when they withdrew from the Federation of Labour. They should have remained with that organization and had the whole of the trade-unions behind them, but they did not do so. They joined the Trade Union Congress, which was a mistake. You can always fight inside a movement and yet have the trade-union movement behind you, but you cannot fight the Tory Government alone. When the men refused to work more than forty hours a week, and the soldiers came to the aid of the Government, did the soldiers work more than forty hours a week? What was the difference? We could have conciliated and got out of this chaotic position. If they had not agreed, the whole trade-union movement would have been against them. I say the Government was wrong in not trying to arbitrate on this question. I know the watersiders refused in some instances. I know exactly the position from a trade-union point of view. There is not an industrialist on the other side of the House; not an industrialist among them who understands industrial matters. They all think in terms of sheep and cows. If they can get away with these things, if they can blunder on into chaos bringing the country and the workers down to ruin and smash the unions, they will do it irrespective of whether they are right or wrong. This dispute could have been settled in the first few weeks. It could have been settled when the watersiders accepted the six points, but the Minister turned round and said they must accept an open union because the Government said a closed union operated at that time.

What is happening to-day? On the Auckland waterfront it has been laid down that fifteen hundred men shall be employed and no extra men. They may have increased the number by another couple of hundred; I do not know. When a certain point is reached those men, because it is a closed union, have to do the work of two thousand men—perhaps more. There was no closed union when the watersiders accepted those six points. The strike could have been ended, because they had capitulated as far as the points were concerned, but the Minister brought in other points. When they accepted the seven points that were laid down by the Government the Minister said that there should be port unions. Any industrialist knows perfectly well that port unions cannot operate and that any other single union cannot operate without a national union.

Mr. GOTZ.—They are operating now.

Mr. R. Macdonald

Mr. R. MACDONALD.—They are not operating; they never can operate. The honourable member for Otahuhu knows perfectly well that a single union in every port cannot operate. If every union is going to the employers for an award, the employers from one end of the country to the other will never have anything else to do but to negotiate with different sets of unions. Fancy operating a union in Auckland and another one at Onehunga—just a few miles apart! If you are going up for an award, you have to have a federation or a national union. One set of negotiators must negotiate for the whole of the ports in New Zealand; whether it is called a federation or a national union does not matter. You have to have that. That was one of the points on which the Minister of Labour and the Prime Minister would not allow work to resume. They did not accept port unions at that time. They accepted everything else after that. We Auckland members met groups of the men from time to time at various committee meetings. We met most of their executives. Mr. Barnes stated at one of these meetings that he had written to the Government and said that if he and Mr. Hill were standing in the way of negotiations or in the way of a settlement of the strike, they would get out of the picture altogether. We were informed that the Government never replied to that letter. The president of the union said that to us in front of at least forty or fifty of his executive. We were trying to assist in a settlement and to get those men back to work. That statement was made, and I have no reason to disbelieve it. There have been occasions when I have not had letters answered, either.

I want to know if the Government intended this business to stop. In my opinion, it did not. It wanted to smash the union. Why do not members opposite say so? They brought a man from overseas and he was made president of the Auckland union after he had been here only six weeks. We are struggling to get our people into homes and out of those rat-infested places we have in Auckland. Every member in Auckland has them. This man was given a nice home at Brown's Bay. After being here six weeks he was given, not a State home, but a private home at Brown's Bay in the electorate of the Minister of Justice, and soon after he was appointed president of the new Auckland union. I want to know who is going to get the preference—a Coldstream guardman who comes out here to start a new union, or one of our own men living in one of these rat-infested homes instead of being put into a State house? Perhaps the next speaker will tell us why this man from England was given a home in Auckland when our own people are crying out for homes. Why was he given the presidency of the Auckland union? Why did he not submit to the ballot?

Mr. JOHNSTONE.—Was he not elected?

Mr. R. MACDONALD.—Never mind about the electors. When the Prime Minister was in England, did he pay a visit to Cliveden House, the home of the Fascists in the last war? He

came back with his Fascist ideas, and to-day we have a Fascist and reactionary Government sitting on that side of the House.

Mr. JOHNSTONE.—And Communists on the other side.

Mr. R. MACDONALD.—The member for Raglan will get his answer in 1952, when he goes before the miners. I notice he has kept discreetly out of the way of the miners since this trouble began. He has been too busy somewhere else. Let me say that when the bakers sent an ultimatum to the Government that if they did not get a subsidy on their flour the whole of the deliveries in Auckland would be cut off, the Government gave them a subsidy of, I think, £1 5s. a ton. I suppose every Auckland member got a copy of the two-page telegram the bakers sent to the Government threatening that deliveries of bread would be cut off if a subsidy was not forthcoming. The bakers told the people of Auckland in this telegram that they would have to make their own arrangements to get bread into their homes. What did the Government do? It capitulated right away, because it knew it was capitulating to its friends. When the drivers went on strike, what did the Government do? It brought them around a table for a compulsory conference, and the thing was settled. What did the Government do when the railway men went on strike because they had been offered by their tribunal an increase of only ¾d. an hour, or 4d. a day, or 1s. 8d. a week—tradesmen were offered an increase of 1d. an hour—to meet the increase in the cost of living? The Government brought them around the table and discussed the whole business with them, and, finally, they got a little bit extra. But when the watersiders went on strike the Government set out to crush the union. It has defeated the watersiders, and perhaps it feels a little gratified that it has forced or will force the men back to work on its own terms.

The member for Tauranga can smile if he likes. He is going to London shortly and has cause to smile, because he will not be going before the electors next year. He can smile as much as he likes, because he is finished as far as Parliament is concerned. He will not have to go to the people and tell them why the pound did not go further, or why he helped to crush the workers into submission. I am going to prophesy that out of all this present chaos something new will arise; and, when it does, members opposite will feel the weight of that burden. When, during the war, the present Prime Minister walked out of the Cabinet and Adam Hamilton and Mr. Coates stayed in, what happened? Mr. Coates and Mr. Hamilton were more or less expelled from the party and ostracized, and at the next election Mr. Coates would have had to stand as an Independent, because he would not have been recognized by the Nationalists. The present Prime Minister just walked out and left the Labour Party and his two colleagues to carry on the war effort. The Government has starved the women and starved the children in this dispute. One of the new unions sacked

a man because he gave £3 to his sister whose husband was a deregistered watersider. That man was a member of one of the new unions.

Mr. McALPINE.—Who sacked him?

Mr. R. MACDONALD.—The honourable member's friends sacked him; those people that he put on to the wharf sacked him. A man cannot do what he likes with his own money. I have here a cutting from the *Auckland Star* which refers to that as an act of intolerance. Even the capitalistic press deplores such an action. But not a voice was raised about it by Government members. This is what the cutting says:—

“Anything but that freedom would be repugnant to us. British law is designed to guarantee that freedom. Employers are prevented from ‘raiding’ salaries and wages prior to payment. In the case of the expelled wharf labourer, his fellow employees have punished him for putting part of his earnings to a purpose of which they roundly disapproved . . . thereby ‘punishing’ him for exercising a common freedom.”

Those are the people whom the Prime Minister, the Minister of Labour, and their colleagues are praising for coming to the rescue of freedom. That is the sort of freedom we have. Look at the conditions which those new wharf workers in Auckland and elsewhere are experiencing. Their privileges are being taken away from them. Tea is served in the wharf shed, and the cafeteria is not used. They are not allowed to use the cafeteria in Auckland because it was too far for them to walk. Although a new cafeteria had been built for wharf workers, they have to have their morning tea in the cargo sheds.

Mr. SHAND.—Quite right, too.

Mr. R. MACDONALD.—“Quite right, too,” says the member for Marlborough, that they should have their morning tea in the cargo shed instead of going to a decent cafeteria. That shows how far down the Minister of Labour is going to bring those workers. He is taking away their conditions and forcing them to have their morning tea among the filth and various other things in the sheds. Where would the member for Marlborough go to have his morning tea, if he did not go to Bellamy's? Would he have it in the dungeon? No, he picks the best place. The trouble is that he has lived so long among the sheep that he does not know what he is talking about. In addition to what I have said about morning tea on the wharf, the new unionists are given only five minutes to walk between certain sheds, although one of them told me that it would take five minutes to drive that distance in a car. If only I had an hour to speak I could give some instances that would make the people's hair curl—instances of what is going on and what the Government is doing to those workers. I listened on Sunday evening to a wonderful sermon—and not by a clergyman of my own faith. It was a sermon about one of Minhinnick's cartoons.

The Hon. Mr. FORTUNE.—The text was “for or against.”

Mr. R. MACDONALD.—No, it was not that. The Minister in Charge of Police is the man who prevented my meeting from being held, and also prevented the leader of the Opposition and the member for Auckland Central from speaking. And then he protested over the air that he was not responsible. I might have a little to say about that later on. This minister to whose sermon I am referring is of very high standing in the Church, and he said, "Work is not a curse, but I wish to God it was made more humane by the employers." What a wonderful statement from a minister of religion! It was not the same minister who expounded a Tory view the other night and converted his sermon into propaganda against the Labour Government. What a wonderful freedom this Government is giving us! These new workers on the wharves will be cheered out before long. They were cheering the Prime Minister. They were afraid not to cheer him in case they were victimized and sacked. The same psychology applies there as in the case where they are afraid to put up their hands against a resolution in case their mates see them and they are victimized. That is the sort of thing that occurred on the Auckland wharves. I would not give a snap of the fingers for the tribute paid to the Prime Minister—a Tory Prime Minister it was said. He will always be a Tory to me. That is how he has acted from the start of this dispute, when the use of the press was forbidden to the watersiders. When I was forbidden from speaking in the streets in Auckland on the Friday night, the Prime Minister broadcast over the air that it was a mistake on the part of the Superintendent of Police. There was no mistake about it. Both the honourable member for Auckland Central and I were banned from speaking.

Mr. SHEAT.—For or against?

Mr. R. MACDONALD.—Ever since the honourable member for Patea went from the Labour Party he has been a scurrilous member in his attacks on that party. In his day he was one of the most "Red-headed" and "Red Fed" members of the Labour party. In the short time remaining at my disposal I want to say a little about State houses. People are being evicted wholesale in Auckland.

Mr. MASSEY.—Where?

Mr. R. MACDONALD.—I reiterate that, and the honourable member for Parnell and others can verify the statement that the State Advances Corporation is snowed under with evictions in Auckland. I have three more cases next week. In one case the man has not yet received his eviction notice, although all his things are packed up in the house waiting for the bailiffs. It is all very well for the Minister in Charge of Police and the member for Patea to laugh, but if their furniture was packed up and they were waiting for the bailiffs, there would be a different smile on their faces. Any one who has the misfortune to be evicted is evidently treated as a joke by members on the Government side. This man is a deregistered watersider. He has paid his rent up to date. There are four adults in the house. One is a returned soldier who was separated from his wife because

of the housing shortage. Conditions were such that his wife left him. I observe that the Minister of Health is now ridiculing this case. That is the attitude being adopted by Government members. They ridicule anything of that sort. I hope to God that at some time in their lives they experience evictions and find themselves out on the street. This returned soldier, having housing difficulties, which resulted in his wife leaving him, came back to stay with his father. The deregistered waterside worker, and in the house there are also a brother and a sister. Somebody purchased the house, and an eviction order is being used against those four people. That means that the soldier is once more going to lose his home, because he is an adult and the State Advances Corporation gives no consideration to adults.

I had a case where a member of the Police Force had trouble over his house. The Minister sent me a long telegram stating that the man had been comfortably housed for a long time. Unfortunately, because the man's grade was raised he was being put out on to the street. That situation was no sooner met than the 15-per-cent. increase in his pay placed him beyond being able to get a State house. I do not know what the position is now. Then I had a letter from a man in the electorate represented by the Minister of Justice. That man is living in deplorable circumstances. The rats are eating his clothes. The honourable member for Raglan is laughing. I hope to God that the rats eat him. I am not speaking about the miners, either. This man cannot get a State house, and the rats are eating his clothing and his food. I know the case of another family of seven, all of whom are living in one room. If the Minister comes to Auckland I shall be pleased to take him round and show him some of these places. In another case, which the Minister of Justice and I represented, the man would be given a house, but there is no house for him—he has too large a family. His son has tuberculosis. I might mention that the policeman I referred to earlier also had a son suffering from tuberculosis. I can show the Minister dozens and dozens of such cases. Yet one man can purchase a State house and leave it empty since the 2nd December and build another house at Glendowie costing between £5,000 and £6,000. The Minister knows about that case, as does the State Advances Corporation. I only wish the Minister and other Auckland members would come around with me to see these disgraceful circumstances. The Government is not building State houses in Auckland! Housing is going down and down.

Mr. SIM (Waikato).—Sir, after hearing the member for Ponsonby tell us that he held frequent meetings with the deregistered waterside workers' union, is it any wonder that the wreckers were encouraged to carry on their activities. It is clear that the honourable member is very angry with the Government for stepping in and preventing these wreckers from starving the women and children of the country into submission. He talked about the members of this Government being unable to get away from cows and sheep. It is obvious

that there was a lot of woolly thinking by the member for Ponsonby. He will soon become known as the Opposition's phonograph if he keeps playing the same record all the time—he followed his usual theme of class hatred, what the Tories were going to do, and what the Minister of Labour was going to do to the workers. We recall how he said before the last election that within six months of the National party becoming the Government wages would be reduced by some two or three pounds a week, social-security benefits would be reduced, and there would be many unemployed

Mr. HUDSON.—Have they not been reduced?

Mr. SIM.—Let the honourable gentleman keep his chipping to himself. Opposition members can say what they like about the Government as Tories, but we remember how Opposition members walked into the lobbies not very long ago and sang the "Red Flag." I should like to congratulate the mover and the seconder of the original motion. I should also like to endorse wholeheartedly the expressions of loyalty to our Royal Family and of pleasure at the forthcoming visit of Their Majesties. I am sure the people of my electorate of Waikato, which I have the privilege of representing in this House, would wish me to convey their congratulations to His Excellency on the high honour that has recently been conferred upon him by His Majesty. I do not know whether it has happened before in this House—it certainly has not since I have been a member—where the mover and the seconder in such an important debate as this have occupied the same bench. Whether it was by design or just a coincidence, I do not know, but the mover of the Address in Reply was one who served this country for four years in the Royal New Zealand Navy in the last war, and the seconder was one who served his country in the first world war and was also a member of the 2nd N.Z.E.F. We know that the Navy is the senior Service and generally takes precedence, so no doubt there is at least one member of the Opposition who will agree that the correct procedure was being followed on this very important occasion.

The mover of the Address in Reply, the member for North Shore, chose to use some of his time on the question of Communism. In doing so he brought before the attention of this House some of the real dangers that are with us to-day and some of the real dangers that will be facing us in the future unless the people are awakened to their responsibilities. The sources of those dangers we see to-day could take control. It could probably be said that some people feel there is no real need for alarm, on the ground that there is only a small number of known Communists in New Zealand, but I would like to remind honourable members that in Russia itself, with a population of some one hundred and ninety million, there are only two million members of the Communist party. The party does not wish to have a very big membership, fearing that otherwise it might lose control of its members. It is, I think, a known fact that the Communist party in Russia is mostly concerned with keeping its members subservient to the

masters of the party. That is the way in which control is kept. It is done by carrying out regular purges of the membership. To implement their policy the Communists are more interested in their fellow-travellers. It is this section that the Communists look to for the carrying-out of their insidious work, which is the overthrow of the democratic countries. The leaders of the Communist organization remain in the background in order to direct the methods. I think we should feel very indebted to the member for North Shore for the thoughtful and forcible speech he made on this question.

The seconder of the Address in Reply served in the 1914-18 war from the Gallipoli campaign to the end of hostilities and as I mentioned before he was also a member of the 2nd N.Z.E.F. He devoted most of his time to the world rise in prices and how it affects other countries, but more particularly as to how it applies to New Zealand. He showed very clearly and conclusively that we had no control over most of the articles that the Opposition said are increasing so rapidly in price. At the same time he made us realize how dependent we are on other countries for the supply of goods to keep up our standard of living. He also showed what the wreckers, to whom the member for North Shore referred, are doing to aggravate the situation. They carry out this organized policy in all the democratic countries by creating stoppages in industry and production and in transport generally. That has been their goal. These wreckers know that once industries are idle goods will not be produced, and therefore will become scarcer, and that the prices of the goods that are available will become dearer. That tends to foster discontent. The wreckers know that they must have a discontented community in which to spread their philosophy of Communism. It is a comfort to know that we have a strong Federation of Labour prepared to support a democratically elected Government, particularly when that Government is determined to stand firmly against wreckers or irresponsibles who have climbed into power among unions on the backs of the union members, merely for the purpose of misleading them and endeavouring to cause strife.

An Hon. MEMBER.—Friends of the honourable member for Ponsonby.

Mr. SIM.—Yes. In the recent industrial trouble it was necessary for the Government to introduce the Emergency Regulations, and I am sure that all thinking people agree with the Government in the steps it took. We must give top marks to the servicemen who manned the wharves, and who saved the day for us. Every loyal New Zealander will never forget the wonderful job they did. These young men were trained to fight with modern equipment, in the event of war. They have shown how versatile they are, because not only did they go on to the wharves, but also they went into the coalfields, and they took over the coastal shipping. We all owe a great deal to them. Opposition members have tried to make a great feature of the fact that among the

deregistered watersiders there were many ex-servicemen. I think the honourable member for Lyttelton said that there were one thousand ex-servicemen in the deregistered unions.

Mr. McCOMBS.—More like five thousand.

Mr. SIM.—That shows how inconsistent are members of the Opposition, because one quoted eight hundred the other day.

Mr. R. MACDONALD.—There are eight hundred in Auckland.

Mr. SIM.—The honourable member for Ponsonby says there are eight hundred in Auckland, and I accept that figure, because I know he is familiar with the deregistered watersiders there; we know how he tried to keep them out on strike, and how he led them up the wrong path. Whatever may be the number of returned servicemen in the deregistered unions, that is irrelevant, because that has been brought up to create the impression that the Government is not in sympathy with the Returned Services' Association. I would say that once a man serves his King and country against a foreign Power attempting to displace our democratic way of life, he should have a greater responsibility in obeying the laws of the country than one would expect from the average citizen. I consider that the Returned Services' Association members in the deregistered unions must be excused to a large extent. I believe that they are still loyal but that they have been poorly advised by their union leaders. One would expect the Opposition members to be quite fair in presenting their case. Members opposite should have mentioned that as soon as the strike started the leaders of the Returned Services' Association made a public statement asking their members to stand behind the Government in the steps it was taking. The R.S.A. leaders condemned whole-heartedly what the Opposition is supporting to-day. Later, at the annual conference of the R.S.A., the executive received overwhelming support for the statements it had made earlier. The Returned Services' Association by its action has proved conclusively that it placed our democratic system and our country first and foremost, while the Opposition has tried to measure things in terms of political advantage. There is no doubt it has failed miserably. I am satisfied that the country realizes this, because the Opposition and the deregistered union leaders are to-day placed in the same category by the people. As I have other subjects to discuss I do not want to carry this any further at this stage.

There is one matter of local interest I would like to bring before the Minister of Education. I am grateful to him for the visits he has paid to my district and for the prompt help he has given to educational matters affecting my constituents. His visits to Tokoroa, Cambridge, Putaruru, and Te Awamutu were greatly appreciated by the teachers, the children, and the School Committees. When one goes round a lot of these schools one sees that their needs are great. I hope the Minister will instruct his officers to do what they can about securing that land so urgently needed for school purposes at Putaruru.

Mr. Sim

Mr. KEARINS.—You will hope in vain.

Mr. SIM.—The honourable member says that I will hope in vain. He does not know what I am going to say, but I hope that he may see his way clear, before I am finished, to support me in certain matters. The real question I would like to ask the Minister of Education is this: when he was in the South Auckland area was he made aware of the intense desire of the people for a separate Education Board for South Auckland? This is quite a burning question in my district. I have good reason to think that there is a very widespread feeling over this matter. We all know that something in the vicinity of one-third of the people in this Dominion are located in the Auckland Province. It seems strange to me that one-third of the people should be under the care of one Board while the interests of the other two-thirds are managed by no fewer than eight separate Boards. In our case I feel that the Auckland Education Board has too big a district to look after properly. The administration is centralized in Auckland. The officers cannot be expected to keep in close personal touch with the schools and committees, and that, in my opinion, is necessary and desirable. It is true that the Board has recognized the difficulty by establishing an office in Hamilton—

Mr. JOHNSTONE.—Which is practically useless.

Mr. SIM.—It is a poor makeshift. The powers of the branch office are very limited, and the result is that it is just another link in the already long chain of communication. To me it does not make sense, and I know that there are a lot of people who hold the same opinion. If we had a separate Board it would be bigger and would do more work than a lot of other Education Boards in New Zealand. I do not want to be parochial, or critical, or ungrateful to the Board members or officials, but I think the facts speak for themselves. South Auckland is a large and populous area, highly developed, with post-primary colleges and schools and a very big primary system. But that is not all. The South Auckland District is not static; it is growing at a fast rate. Hamilton is now a city, and is leaping ahead all the time, and the surrounding towns and rural areas are also developing at a rapid rate. Sooner or later this division has to come. The problem will not be solved by establishing branch offices, for they would only bring delays and uncertainties. There has to be a division into two Boards. That was recommended years ago, I think by the Atmore report—and surely that is old enough. The division is justifiable on grounds of logic, efficiency, and sound administration, and I am sure I am voicing the opinion of the great majority of the South Auckland people when I say the time has come for separate Boards. The need is here now, and it should be met. I hope the Minister will do something about it during the lifetime of the present Parliament. I know the Minister has listened closely to the representations that have been made to him, and I hope something will be forthcoming.

I come now to another matter. Since this House adjourned New Zealand has been very unfortunate in losing one of its very fine Maori leaders, the late Bishop Bennett. His death was a double blow to the Maori people, following so closely, as it did, the passing of Sir Apirana Ngata. The late Bishop Bennett was Bishop of Aotearoa for twenty-two years, being the first man to hold that position. During his period in office he not only carried out his work for the Maori people, but he was also known and respected in other countries within our great Empire. He had the distinction of conducting a service at Westminster Abbey, and attended ecclesiastical conferences throughout Europe. Wherever he went he was held in the highest esteem, and was a most worthy representative of New Zealand. I think we can say with pride that the Maori and pakeha can live as one race, and that has come about chiefly through the religious teachings of our Churches. After all, Christianity is the greatest medium for bringing together the different races, and it is the only sound foundation on which to build world peace. Bishop Panapa, who has been chosen as Bishop Bennett's successor, has given distinguished services to his people, and I know he will carry on worthily as the second Bishop of Aotearoa. There will be few people who will not be conscious of the responsibilities Bishop Panapa will be carrying out, and I am sure he will discharge those duties with credit and distinction. I would add my congratulations to him on his appointment.

In the passing of the late Sir Apirana Ngata we lost a great leader. Tributes have already been paid to him, but I would remind the House that he and Bishop Bennett were great friends. Their work was devoted not only to cementing the two races together, but to encouraging the younger Maoris to take up productive occupations—to work on the land and to follow skilled trades—thereby playing their full part in the general welfare of our country. We know that Sir Apirana Ngata was responsible for a lot of successful land-development in various parts of New Zealand. His idea was to consolidate a lot of the Maori land interests so that we could get down to some satisfactory basis and make some progress in settlement on that land. I am happy to say that we have as Minister of Maori Affairs a man who is carrying on that work. The Minister has met the Maoris of the various tribes on their marae, and has discussed their problems with them from a practical point of view. I know the Maoris realize that in the Minister they have a man who is not only practical and sympathetic, but, above all, fair and just. The Maoris appreciate his approach, they know that he is familiar with and understands their problems.

We are very fortunate in this country of ours in having good climatic conditions, highly productive land, and good home-living people, both Maori and pakeha. On the other hand, we are unfortunate in that we have no basic raw materials, and have to depend on imports for machinery for the development of our land and the operations of our factories. Therefore, if

we are to maintain our high standard of living it is essential that none of our land should be allowed to remain unproductive. I know that there is at the present time a lot of undeveloped Maori land, but it is the policy of the Government, through the Minister of Maori Affairs, to see that such land is brought into production with the minimum delay. There are many difficulties facing the successful settlement of Maori land. We have seen that in the past. Where you have a block of land with, perhaps, one hundred or two hundred owners, you cannot expect a young Maori to take over that land and try to farm it. As soon as he brings it to a state of production all the Maori owners want a share of the profits, and the man who does all the work receives no reward whatever for his labour. There is now provision for the consolidation of those interests. It is now possible for one Maori to buy out the remaining interests, or to lease a separate section. That will help to settle individual Maori farmers. We have Maori farmers on their own units in many parts of the country, and a lot of them have proved to be good, sound, practical farmers.

Under the new legislation, when Maori land is taken over any one of the owners has the opportunity of acquiring that land, either by leasehold or by buying out the others. If none of the owners want to take over the land, the option goes to another member of that tribe. If no member of the tribe wants to farm the land, then it can go to any other Maori farmer who wants to take it on. Failing that, and rather than see it lying idle, it can be, and is being, leased to Europeans on fair terms and conditions. However, I feel that land which can be easily developed and brought into production is not our greatest problem among Maori lands. Our greatest problem is the land that is too costly to bring into production because it is too steep or too poor. That land should be used for afforestation. There is a lot of that land in the Gisborne area, and much of it is treeless. Timber has to be hauled three hundred to four hundred miles. It might well be that afforestation blocks could be established on that country, thereby providing a means for rehabilitating some of our young Maoris back on the land.

Mr. KEARINS (Waimarino).—Sir, I offer my congratulations to the mover and the seconder of the Address in Reply. Also, I express my sincere wishes that His Majesty's health may improve, and that the King and Queen will be able to make their projected visit to New Zealand next year. To Lord and Lady Freyberg I offer my congratulations on Lord Freyberg's elevation to the peerage. The House at the moment is discussing a no-confidence motion attached to the Address in Reply, and I think it is only right that we on this side should give at least some reasons why we have moved that no-confidence motion. In the short space of half an hour which we each have it is impossible to give all the reasons for the motion. We say that the National party policy is deliberately designed to place an unfair share of the national income into the hands of not more than 20 per cent. of the people. We

charge the members of the party with having deliberately flouted their pledges. We say emphatically that their actions are the main cause of the industrial unrest in the Dominion. Further, we say that their actions and the bringing down of the Emergency Regulations are the greatest allies that the Communist party has. The Labour party has always opposed Communism and consistently opposes it now, but we are equally opposed to Fascism and Nazism. We challenge the Government party members to make the same case against Fascism as they are making against Communism. We of the Labour party stand for the free and unfettered right of the people to elect their Parliament by a democratic vote every three years. In the last four months at least we have seen some form of the Fascist police State in New Zealand.

I have in my hand a little book containing a list of forty-five pledges that have been broken by the National party. It would be futile to read them out, because forty-five does not cover anything like the number of pledges that the National party has broken. To the Prime Minister I would say at this stage that the National party had a lot to say about the previous member for Palmerston North, because, in explaining how the British Empire was dwindling, he unfortunately used the phrase "the liquidation of the British Empire". I want to know what is the difference between that statement and the statement made by the Prime Minister, as reported in the press, that the British Empire was in a process of disintegration. I would say that if the Prime Minister thought that, at least he should not have said it. The Tory policy of the past has been given even greater momentum by the present Government. The present Government has "improved" on the policies pursued by previous Tory Governments. The Government's legislation is deliberately designed to place an undue proportion of the national income in the hands of not more than 20 per cent. of the people, and I shall prove that as I proceed with my address. The economic position of 80 per cent. of the people is deteriorating month by month, due mainly to the economic policy of the Government.

Rugged individualism, racketeering, and all the vices of unrestricted capitalism have full sway to-day. All controls have been removed by the Government so that the wealthy section of the community can exploit and batten on the great mass of the people. We have a very good example of that in the so-called strong protests made by the Government against the increase in shipping freights. I would remind the Government that it was told very quickly by the leaders of Federated Farmers that they would not help the Government break the strike on the waterfront—that they had learned their lesson in 1913. The farmers remember that in 1913 the shipping companies rewarded them for their help in breaking the then strike by substantially increasing freights immediately the strike was over. On this occasion the shipping companies have not waited until the strike was over.

Mr. Kearins

They have already increased freights by 64 per cent. They would have increased freight rates by 64 per cent. even if there had been no strike at all, because they represent one of the pillars of capitalism for which this Government stands. Let me deal now with the Emergency Regulations. In this we are dealing with simple, common facts. Were it not for the Government bringing down the Emergency Regulations this strike would have been confined solely to the waterfront. Government members have had a lot to say about the handling of the waterfront by the previous Government. This much can be said for the previous Government, however, that in not one instance did it allow a strike to spread.

Mr. HARKER.—Unconditional surrender.

Mr. KEARINS.—We shall just see about surrender before very long. As to the cost of the strike, through the stubbornness of the Government in refusing to settle the strike early in its history when there was ample opportunity to do so, many of the Government's friends will have to pay dearly. I am wondering what a third of the wool-growers are going to say to the Government—the third who have not sold their wool but could have sold it at from 12s. to 13s. a pound in the March sales and will probably get no more than 5s. a pound, and perhaps considerably less, in the August sales.

An Hon. MEMBER.—Did the honourable member sell his.

Mr. KEARINS.—Yes. I hope that the sections of the community who have to make this enormous sacrifice will not, for the Government's sake, think that the price they have to pay is too high, because this strike, at a conservative figure, has cost the country at least £30,000,000. In addition, the Government will lose the revenue it would have derived from that sum—possibly £10,000,000. That will reflect itself on the old-age pensioners, returned servicemen, and all others who are on pensions. The Government will be saying later on that it has no money; in fact, it has been saying that for a very long time.

I want to deal now with the question of the so-called "Red" bogey. Before the National members go to bed I am sure they have a good look under their beds to see whether some big Communist is under it. It is just as well to remember that the Government realizes that, prior to the strike, its stocks had slumped very low. Every housewife knew it and still knows it. Unfortunately for the country the Government grasped at the strike with both hands, saying, "Here is something by which we will show the people what strong men we are." That was the little group of fourteen that the Prime Minister has had so much to say about. They brought in the Emergency Regulations. That was the first time they had been brought in since 1913. With all the strikes and industrial unrest that have occurred during that long term of years, no other Government deemed

it necessary to invoke those regulations. Protests were made about the undemocratic nature of those regulations. The Churches protested, and the Prime Minister told them to mind their own business and keep their noses out of it. I have a copy in my hand of a protest by the Wanganui Electors' Association, a National party outfit, I understand. It says that under these regulations a citizen may be arrested without a warrant, and the police may search private premises without a warrant. I saw they are already doing that in Wellington. The protest also says that a citizen may be convicted and sentenced by a Magistrate without the right of trial by jury. The document goes on to say:—

“Evidence not normally permissible may be used in a trial. In many instances the accused is guilty unless he can prove his innocence, an absolute reversal of the recognized British method. Freedom of speech, both oral and written, may be suppressed. The freedom we have inherited from Magna Charta and the Bill of Rights, which has been confirmed by the United Nations Charter of Liberty, is in grave danger while we have laws like the Public Safety Conservation Act on the statute-book.”

Mr. SHEAT.—Who wrote that?

Mr. KEARINS.—The Wanganui Electors' Association. The Government was not prepared to tell them to keep their noses out of it, because that would have been disastrous for the member for Patea. In my district, where the miners have been on strike and where a considerable amount of coal is produced, the miners at Benneydale are very well satisfied with the actions of the police of the Hamilton District. Unfortunately, I cannot say the same about the actions of the police in the handling of the Ohura dispute. The police arrested the president of the Ohura Miners' Union, and brought him before a Magistrate, who refused to convict. The arresting of this man immediately brought the miners at Kamo out on strike. Now, at Ohura there is a group of Polish miners, towards whom the miners generally are very sympathetic. I charge the Government that under the Emergency Regulations these Polish miners were told that they had to continue to work in the mine, or they would be deported to the country whence they came.

The Hon. Mr. SULLIVAN.—They were not. Prove it.

Mr. KEARINS.—I challenge the Minister of Labour to prove that the immigrants working on the wharves have not been released from their bond to work for two years under Government direction.

The Hon. Mr. SULLIVAN.—That is false, too.

Mr. KEARINS.—I want to ask the Minister whether the Polish miners requested the Government to send them back to the Pahiatua camp until the strike was over? Answer that question. There is no answer. Everything I have said is true, for I have been in close

touch with the miners in my area as I considered that to be my duty. I further resented that I, a member of Parliament, had to get police permission before I could speak to the miners in my electorate.

Mr. R. MACDONALD.—You were lucky; I could not get permission.

Mr. KEARINS.—Well, I must pay my compliments to the police as far as that goes, but a member of Parliament should not have to ask any one's permission to address his constituents under our democratic rights. I want to make a very serious charge against the Government. For months the miners have been out on strike, and their wives and families have been short of food, yet under the Emergency Regulations the Government made it a criminal offence for any one to give any aid or succour to the wives and children of the striking miners, or of the striking watersiders. The question of whether they were right or wrong should not come into the picture in a matter of this sort. This is the only Government I can remember that ever invoked a regulation like that. I tell the Government that in spite of the Emergency Regulations, thousands of decent people in this country saw to it that assistance was given to the women and children, and if the Government wants to make an arrest under the regulations it may arrest me right here and now. That is one of the black marks that the National Government will have to efface, because the rights and wrongs of the strike should never have been allowed to come into a humanitarian question of this sort. I will leave the subject of the strike, because Government members appear to have had all they can take on this matter.

On the question of inflation, the Minister of Agriculture said recently that the Government had not of its own volition issued any fresh credit. Is that right? It is not convenient for him to answer. I have before me a press clipping with the headline, “Manufacturing Money is New Zealand's Busiest Industry.” Instead of being manufactured by the Reserve Bank it is being manufactured by the trading banks. Fancy a responsible Minister of the Crown making a statement like that! Bank advances now total £137,000,000. In December, 1949, eighteen months ago, the figure was £84,000,000, so that since November, 1949, bank advances have gone up by £69,000,000. “Funny” money is being created in New Zealand at the rate of £4,000,000 a month in spite of the fact that the Government has made a big song about making the pound go further. The Minister of Justice had a lot to say about the stable pound, but he never mentions that now. I want to deal with the question of wage rates.

An Hon. MEMBER.—When are you going to deal with the strike?

Mr. KEARINS.—I have dealt with the strike. I have only half an hour in which to speak. Many honourable members may disagree with me but I consider that the

Court of Arbitration will not work under a Tory Government. The first increase of 7s. a week was an insult to every intelligent person, because even at that time one did have an indication of the enormous increase in the cost of living. The subsequent increase of 15 per cent. in no way covered the enormous increase in the cost of living. I charge the Government with not allowing an increase of more than 15 per cent. when that was not in any sense in line with the proportionate increase in the national income. Since the Government assumed office the national income has increased by at least £160,000,000, and yet the most the Court of Arbitration would allow to the workers was a miserable increase of 15 per cent. I have no confidence in the Court of Arbitration under a Tory Government, and Government members can make what they like of that statement. It is not a rash statement; it is a well-considered statement. I think the same view applies among the rank and file of the workers. Few of them receive heavy overtime rates. Those who do, receive wages that look quite satisfactory, but there are thousands of workers who do not work any overtime. How they live on the basic rates of pay awarded by the Court of Arbitration, goodness only knows.

It is the Government's duty to ensure a fair and reasonable distribution of the national income among all sections of the people. The Labour Government brought about a more reasonable sharing of that income than did any previous Government in the whole history of this country. In the short space of eighteen months what the Labour Government obtained for the mass of the people this Government tore to shreds. This Government is pursuing an unrestricted immigration policy. It is designed deliberately to bring about the position of more workers than jobs. It is tied up also with the Government's policy of attacking the manufacturers for the same purpose—to displace thousands of workers in the manufacturing industries. The Government's ruthless immigration policy is limited only by lack of shipping. Immediately the Government can get shipping—it is well for the workers to take note of this—it will flood this country with immigrants. It also intends to displace some of our manufacturing industries, which will flood the labour-market further. It also intends to replace the goods those industries are manufacturing, with cheap Asiatic-Japanese goods.

An Hon. MEMBER.—That is absolutely incorrect.

Mr. KEARINS.—One of the Government members says that is absolutely correct.

Hon. MEMBERS.—He said "incorrect."

Mr. KEARINS.—I hope the workers will take particular notice of that. This Government has slowed down house-building. Unfortunately, I have not time to deal with the Minister of Works. I would say that this country has never had a more incompetent Minister of Works. I have files of papers here from public bodies complaining about the roads in my area, but I am not dealing with

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local problems at the moment. I will have another opportunity. Not one single State house is being erected in the whole of that large territory which I have the honour to represent.

Mr. EYRE.—You won't represent it next time.

Mr. KEARINS.—The honourable member need not worry. He had better look to his own seat. He will have a tremendous job to hold it. The Government, with all the money at its command, is determined that while this income is coming in—and there are signs it is beginning to peter out—that its wealthy friends, those who have supported it through thick and thin, through the period of fourteen years when it was out in the cold, are going to be well rewarded. The Government's policy is operating to that extent. Take last session, when the Government made certain reductions in taxation. All those reductions were designed deliberately to benefit the wealthy section of the people.

An Hon. MEMBER.—Rubbish.

Mr. KEARINS.—Every one of them. We will have a lot more to say about that later on. Rugged individualism has full sway. We to some extent did manage to control all the racketeers and all the rackets. They are having a completely free run now. Just take, if you will, motor-cars. A relative of mine bought a cheap English car. It was priced at £1,130. He had to pay £250 extra to get it. All these things are going on. The cost of living is continuing to rise, and before next election the people can expect that it will rise by another 20 per cent. at least. It will not be until about the end of the year that the full effect on the price of imported articles of the increase of 64 per cent. in shipping freights will be felt, and unless something unforeseen happens the workers will be making a case to the Court of Arbitration for a further increase in wages. I prophesy that the Court will grant the workers a further few shillings a week to cope with these exorbitant increases. The whole thing is a sorry tale.

Mr. SPEAKER.—In making that statement, is the honourable gentleman in any way casting an aspersion on the Court of Arbitration or on its administration?

Mr. KEARINS.—Not on the Judge of the Court.

Mr. SPEAKER.—What does the honourable gentleman mean?

Mr. KEARINS.—I am just expressing my opinion of the inadequate wage award that was made by the Court in regard to the facts of the cost of living that were put before the Court and which every housewife is only too fully aware of.

Mr. SPEAKER.—The honourable gentleman is entitled to say that, as a matter of fact, the award was inadequate, but he is not entitled to go beyond that.

Mr. KEARINS.—I feel confident that the people are taking the full measure of the Government. The Government has only one

reed to hang on to, and that is the waterfront dispute—the industrial unrest that is fortunately just about over. Apart from that, the Government's record is a sorry one, and in endeavouring to handle the dispute by bringing in the Emergency Regulations it earned a black mark. We admit that the watersiders could have done a better job, but, at the same time, when the railway men went on strike the Government treated with them at a conference round the table, and the same step should have been taken in the handling of this dispute.

Mr. SPEAKER.—The honourable gentleman's time is exhausted.

Mr. SUTHERLAND (Hauraki).—Sir, it is my sincerest hope that the King's health will be sufficiently restored to enable him to visit New Zealand next year, for we are all looking forward to the visit of Their Majesties and Princess Margaret. May I extend my congratulations to the Governor-General on his elevation to the peerage, and express my pleasure at the fact that he and Lady Freyberg can remain in New Zealand until after the visit of Their Majesties. I would also like to express my congratulations to the mover and the seconder of the Address in Reply, who carried out their difficult task with dignity and ability. I come now to the remarks of the previous speaker, who talked about there being a police State in New Zealand. That is nonsense. I have yet to meet the man who was affected by the Emergency Regulations in any way. The honourable gentleman was just trying to draw a red-herring across the path.

Along with the leader of the Opposition and the political Labour party, the member for Waimarino has to take his share of the blame for the surcharge of 50 per cent. on shipping freights. Had the leader of the Opposition and his political party come out into the open and backed the Federation of Labour and the Government, the strike would have been over in a fortnight and there would have been no surcharge. It is all humbug for the honourable gentleman to try to put the blame on the Government. It is members opposite who must carry the blame for the surcharge, and the public know it. The member for Waimarino also said that the Government had had plenty of opportunities to settle the strike. Of course it had; if it capitulated. We remember the day when the Opposition was in power, and how it used to go along to the watersiders with a gun. But the gun was always empty; that was the trouble. We had a loaded gun. The member for Waimarino had a lot to say about the regulations. We took the regulations out of the pigeonholes of the Opposition; they were the Opposition's own regulations, but the Opposition was afraid to administer them.

The Hon. Mr. WATTS.—It had them all ready, though.

Mr. SUTHERLAND.—You bet it did. The member for Waimarino said that the Polish miners were instructed to get back to work. The Minister has emphatically denied that,

and it is now up to the member for Waimarino either to prove what he said or retract it—and he cannot prove it, because it is not correct; he should, therefore, apologize for making that statement. He also said that he had no confidence in the Court of Arbitration or in conciliation. Now we can understand why the Opposition was against the settling of this strike. The member for Waimarino spoke about the unemployed. There is not one man unemployed in New Zealand. The member was just talking nonsense. He should have more sense. I can tell the member for Waimarino that no licences have been issued for goods from Japan where those goods can be imported from sterling sources. It is interesting to note, incidentally, that Great Britain herself is a large buyer of Japanese goods. Opposition members, including the member for Waimarino, know that. Only materials such as cotton, cement, basic slag, and so on, are coming into the country from Japan. The member for Waimarino talked about a racket in cars. Last year we had twenty thousand more cars than ever before in our history. I have no more time to spend on the member for Waimarino.

I have a few words to say now about my own electorate. I am interested in land-development, and I am pleased that the Minister of Lands is making farms available for ex-servicemen on the rich land of the Hauraki Plains. I have been pressing for many years to get a block of 12,000 acres in the Pomarua Block made available for soldier settlement, and I am now beginning to see some daylight under the present Government. The Minister said that last year twenty sections were balloted for, and ultimately, when that block is fully developed, there will be 132 dairy-farms there. I am also pleased to see that the Minister of Lands is tackling the unimproved land question. I have been bringing that forward for some time. I endeavoured to get the previous Government to open up for selection undeveloped land—I was not successful. However, I have been successful in getting the present Government to open up some of the unimproved land and offer it to ex-servicemen and others. Land-development to-day is not such hard work as it used to be. With the aid of modern machinery it is quite congenial work, and the Government could well advance money against the improvements as they are carried out. Many ex-servicemen feel that they would like to create an equity in their own farms, and they could do it that way. At the same time it would help to finalize the settlement of our ex-servicemen and increase primary production.

Major drainage-works on the Hauraki Plains are a big problem, but good work is being done by the drainage section of the Department of Lands and Survey. The Minister of Works is in his seat. I am pleased to see that he is pushing on with the Piparoa Bridge. I have been endeavouring for years, without success, to get that bridge on the main highway between Thames and Auckland constructed. The approaches to the new bridge are under way, and I hope the job will soon be completed.

I commend the Minister of Maori Affairs for his advice to the Maori people about alcoholic liquor. One of the most tragic blunders by the previous Government was the alteration in the law which allowed Maori women to drink liquor in hotels and Maoris to take liquor away. That has put back the progress of the Maori people by at least fifty years. I opposed it at the time, and I was sorry to see it done. I observe that the Minister has been speaking to the Maori leaders and elders about the abuse of alcoholic liquor by the Maori people, and has said that if it does not stop he will consider reverting to the old law under which Maori women were not permitted to go on to licensed premises and Maori men were not allowed to carry liquor away from licensed premises. I have many Maori friends, some of whom have worked for me, and I have their interests at heart. If the Minister should decide that the law ought to be altered, he would have my support.

I am pleased to see that the people of Auckland are at last coming into their own. For ten sessions, strive as I might, I was unable to get anything accomplished for Auckland. For instance, when I urged railway electrification I was howled down by the Labour Government. I am glad that after all these years many of the schemes favoured by the Aucklanders are being pushed ahead. Under Labour, Wellington was getting everything. To-day Auckland is represented by a lively bunch of young National members who will keep the Government alive to the necessity for pushing on the various projects that are necessary for the further development of Auckland. Thanks to the energy of those same young fellows we have the harbour bridge project taking shape, and steady progress being made at Whenuapai and Mangere with improvements to the aerodromes. The southern outlet of the city is also being pushed ahead. That is going to be of great value to the northern part of my electorate, for it runs close up to Auckland. When the electrification of the railways is undertaken I hope that it will first cover the route out to Papakura. That will be of distinct advantage to my electorate as well as to the City of Auckland, for in that area there is plenty of room for housing and for industries. I am satisfied that Auckland is coming into its own, for the young National party members will keep the Government up to the mark.

I support the appeal made the other evening by the honourable member for Roskill for the establishment of a cement-works to meet the needs of the farming community in the Waikato. The raw materials, as well as ample coal-supplies, are available, and transport facilities by road and rail are handy. If a company establishes cement-works in the district, I trust that the farmers will have a say in the control and management of the undertaking. I was astounded to hear the leader of the Opposition talk about the freedom that the Labour Government gave to the people. The fact of the matter is that the Labour Government had the people in strait-jackets

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for fourteen years. The people were regimented, and very few of the freedoms formerly enjoyed were left to them. That is one reason why the Labour Government was put out of office. The Labour Government had interfered with the freedom of the people, and the people wanted their freedom restored.

I was disappointed at the attitude of the leader of the Opposition concerning the strike. I was also disappointed to hear him the other night criticize the sending of 5,000 tons of meat to America when, by his action in supporting industrial wreckers and others of that type, about 100,000 tons of foodstuffs, including five hundred thousand cases of apples, was withheld from Britain, where the people were hard pressed and needed the food. There was no assistance from the parliamentary Labour party towards getting that food to Britain. On a recent tour of my electorate the workers, farmers and business people and others, all expressed the satisfaction that Labour was at last out of office. They said they were lucky that Labour was no longer in power.

Mr. KEELING.—A garden party.

Mr. SUTHERLAND.—No garden party. The member for Auckland Central, who must be out speaking on the telephone at the moment, did me the honour of paying me a visit in my electorate. This is what he had to say on that occasion, in Te Aroha; that things under the National Government were not quite so good as under the Labour Government, and the reason, as given by him, was that the National Government had not learned to take money from those who had it and give it to those who had not. Members can tell from that that he stayed only the one day in my electorate. I say that the leader of the Opposition has been blowing hot and cold over this industrial dispute on the waterfront. He said the Government could have settled the strike on four different occasions—yes, by torpedoing the loyal watersiders who came to the assistance of the Government and loaded the ships for Britain. The new watersiders are being well paid and are working efficiently. What would the leader of the Opposition do with the new watersiders? Would he torpedo them? Would he throw them on the scrap heap and allow the old industrial order under Barnes and Hill to return? That just would not do. I ask the leader of the Opposition to tell me which he prefers—the old order of industrial turmoil with the slowest turn-round of ships in the world, or the new order with peace and harmony on the waterfront and the ships being turned round quite swiftly? Which order does he want? What would he do with the watersiders? I shall expect an answer from some one on the other side.

From what we have heard from members opposite about the industrial dispute and from this amendment now before the House, it looks to me as though the grapes are sour. The National party has succeeded in doing what the Labour party failed to do in fourteen years—it has brought peace and harmony on the waterfront and put industrial wreckers

"on the spot." For years the Labour Government was the tool of the industrial wreckers. As I have said before, it often pointed the gun at the watersiders, but the gun was never loaded. We heard for years, too, that if the miners and watersiders put their heads together New Zealand would be ruined in a month. That day is gone. The day that the watersiders and the miners can hold this country to ransom is gone, I would say, for all time. There has not been one Opposition member in this debate who has supported law and order in the industrial strike. Not one. So far as I can see, Opposition members would have been pleased if the strike could have gone on indefinitely. However, the strike has been brought practically to a close, and there has been no hardship, the people have had food, the people have practically gone without nothing, and the strike has been settled on quite good terms. I was surprised at the honourable member for Waitakere when he said that he did not know whether it was a lock-out or a strike.

The Hon. Mr. MASON.—I did not say anything about it.

Mr. SUTHERLAND.—Well, the honourable gentleman said that the watersiders did not know whether it was a lock-out or a strike. He cannot tell me that the watersiders are that slow on the uptake. I repeat that a large section of the people are very pleased with the way the Government has handled the strike. The leader of the Opposition will have great difficulty in persuading the people that the Government has lost the confidence of the voters. Fourteen years of Socialist planning, fourteen years of a Labour Government led by the industrial wreckers, has taught the public of New Zealand a lesson that they will not forget, and they feel that the Opposition is on the "outer" for all time. No country can afford a Socialist Government which spends its time planning, instead of working. Those theoretical schemes do not work out in practice. New Zealand was not developed by Socialist planners and cranks but by the hard work and thrift of our forefathers. Every country in the world in which Socialist Governments have ruled has been brought to its knees. I have always maintained in this House that there is no difference between socialism and Communism. The Socialist Government had to admit leading Communists to its party recently. I have stated before that it is very hard to part old lovers. The Socialist party and the Communist party may have their quarrels, but when it comes to a fight they stick together like glue. A friend of mine who has travelled abroad sent me a clipping from the *Yorkshire Post* of October, 1950, in which an article from a daily newspaper in Prague was published. It backs up what I have been telling members of this House for years—that if there is any difference between socialism and Communism they are both the same! The article reads:—

"Since our last meeting, in the Cominform great progress has been made in our march to a communistic world. In those countries controlled by Socialist Governments the results

have been what we sought. Socialism is placed to-day in its proper sphere, that is, as a softening-up process. In the battle the artillery guns put down a barrage, so that the infantry may advance. So with Communism—we put down the Socialist barrage to soften those nations that hang to capitalism. The outstanding example of this is England. You have her giving way, along the whole line, and to-day she has lost face with the Eastern peoples. Remember, the ultimate aim of all true Socialists is Communism."

The leader of the Opposition and other members on that side of the House are always talking about the ultimate aims of the Labour party being socialistic. As I say, there is no difference between Communism and socialism. The Socialists do the softening-up process, but the people of New Zealand have awakened in time, and so the Socialist Government was defeated. It is no wonder that the deputy leader of the Government was amazed at the decision of the Labour party conference to walk hand in hand with Communism. I was not surprised when I saw his amazement, especially as the Labour party would go to the extent of embracing Communists in its ranks. The political Labour party has agreed to become the tool of the Cominform, and it no longer has the confidence of the workers.

Mr. FREER.—Cheer up.

Mr. SUTHERLAND.—I am all right. I look happy, but the honourable gentleman never looks happy or is happy. The leader of the Opposition has been supporting industrial "Reds." When the member for Riccarton was Minister of Labour, he and I had many brushes in the House, but we know what he says about the watersiders and where they are dominated from; and we know what the late Mr. Fraser said. I have not time to quote a cable message that was published as emanating from behind the "iron curtain," but there is not the slightest doubt about it that the Communists are infiltrating and getting well into the Labour party of New Zealand. I would like to say a word or two now about the high cost of living. I say there are four different causes for it—first the fourteen years of Socialist Government, second the war in Korea, third, the stock-piling by all nations, and fourth, the fact that the people have more food to eat nowadays as a result of rationing being abolished. There are more goods in the shops to buy. What is more, the people have more money to buy the goods with. It has been estimated that every person who went to the races at Trentham on Saturday had £12 in his pocket, and that is a lot of money being spread over a great number of people. The fourteen years of socialistic rule has been the main cause of the rise in the cost of living. In England there is a Socialist Government, and the Socialist Government there and the Socialist Government here worked to the same pattern. I read that in England the people have been very hard hit, for there have been increases by the score in the prices of articles. I will quote the following:—

"At the beginning of the month of June, bread went up ½d. a loaf, butter went up 6d.

per pound, soap 1d. a cake; then at the beginning of the last rationing period, three hundred grocery items shot up in price. Taxation on a small car which cost £654 amounted to £234. No one will relate the current surge of price-increases either to wages or to the cost of living last year, but Britons are acutely aware that living has become very expensive under a Socialist Government."

And it always will be. The standard of living of the people in New Zealand has never been higher than it is to-day. The total savings of the people increased by £12,613,000 during the year. The only decreases, as far as I can see, have been in bankruptcies. They have decreased by thirty-seven. Why, twenty thousand more motor-cars have been licensed. Then, when it comes to what the people eat, the honourable member for Pahiatua quoted some figures the other evening. It is astonishing to find that in the past year the people ate twenty-three thousand more cattle, seventeen thousand more calves, fourteen thousand more sheep, seventy-two thousand more lambs, and on top of that ate an additional 8,000 tons of butter. Yet the population only increased by nine thousand adults in that year. So the people have plenty of money with which to buy food, and generally speaking things are very good.

I see that my time is nearly up, so I shall sum up the position of the Opposition, by referring to the *Southern Cross* venture. I remember that when this paper was about to commence publishing, Labour Government members were waving their hands about, and talking of the money being made by the Blundell's, the Earl's, the Geddes's, the Horton's, and the Brett's, out of their newspaper ventures. Labour members said they were going to get some of that easy money. So this *Southern Cross* venture was launched with £200,000 of the workers' money, plus a few perks. All the brains of the Cabinet, and of the Labour party, were on the directorate. There was also the Government-controlled Bank of New Zealand at the back of the paper plus preferential assistance in the way of Government transport to deliver the paper throughout New Zealand. But with all these perks thrown in what happened? After a few years the number of subscribers dwindled, and the directors had a great korero, and decided to increase the price of the paper by 50 per cent.—that is, to 3d. a copy. After a short struggle, plus the futile assistance of the honourable member for Avon, who talks in this House with an air of condescension, the *Southern Cross* went out of circulation, and down the drain went almost £250,000 of the workers' money and of a few odd wool "kings."

The Right Hon. Mr. HOLLAND.—Did you say an increase in price of 50 per cent.!

Mr. SUTHERLAND.—Yes. A 50-per-cent. increase. They are the people who were going to put the *Dominion*, the *Evening Post*, the *Auckland Star*, and the *New Zealand Herald* out of action, instead of which out went the *Southern Cross*. So the easy money

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vanished into thin air. So we can understand what sort of mess New Zealand was in when our Government took office, for the people who ran the *Southern Cross* were the same people who ran this country for fourteen years. If they could not run a business like that, how could they run New Zealand? The whole thing was ridiculous, and the people will see to it that these people never get a chance again. In the fourteen years while they were in power, the members of our Socialist Government almost trebled the national debt. They allowed our assets to deteriorate, and on top of that they robbed the farmer of over £100,000,000 to balance the economy of the country. I maintain that not one farmer in New Zealand will vote for the Labour party, except perhaps the honourable member for Waimarino. The people of New Zealand will not again be gulled by the wreckers in the Socialist party.

Miss HOWARD.—Oh, yes?

Mr. SUTHERLAND.—The honourable member for Sydenham will find that I am absolutely correct. If we had an election to-morrow the National party would sweep the poll. The only thing that I would be frightened of is that the result would be a terrible strain on the superannuation fund. Many socialistic schemes have been wound into the economy of New Zealand, but the National Government, under good leadership, is managing to unravel them. The people of New Zealand appreciate what has been done by the Prime Minister, the Minister of Labour, other members of the Cabinet, and the rank and file of the Government, in handling the affairs of New Zealand during the past eighteen months.

Mr. MACFARLANE (Christchurch Central).—Mr. Speaker, the honourable gentleman who has just resumed his seat referred to a possible strain on the superannuation fund. I think that the honourable gentleman's speech was a great strain on the imagination of the House and the people. He talked about the deplorable conditions of New Zealand when the National party came into office. Every one knows what National party candidates said at the election regarding the national income and the finances of the country, and every one knows that when the National party was returned it found a completely different picture altogether. Instead of the finances being in a deplorable condition, as was stated by the honourable member, the National Government found a credit balance. Indeed, the National Government enjoyed a record taxation revenue last year, and it has tried to take credit for the prosperity that was really built by the Labour Government. If the honourable member fondly imagines that the masses of the people are getting more prosperous under the National Government, he is making a big mistake. Certainly the wealthy are becoming more wealthy, but the rank and file of the people are being hard hit by the policy of the present Government. I join in congratulating the mover and the seconder in initiating this debate. I join with other

honourable members in extending congratulations to His Excellency the Governor-General on the honour recently conferred on him by His Majesty the King. We, in Christchurch, sincerely hope with the rest of New Zealand that Their Majesties will be able to visit us next year.

During the debate, we have been discussing what Parliament has been unable to discuss for some considerable time, and that is the administration of the country, and particularly the Emergency Regulations enacted during the industrial disturbance. The questions at issue in connection with the industrial dispute are firstly the methods adopted by the Government in an endeavour to settle the dispute, and secondly the attitude of the Opposition on the matter. During the course of a question being asked by the honourable member for Avon, I heard an interjection by the honourable member for Selwyn, and another by the Minister of Health. The honourable member for Selwyn interjected, "That is because you have a Labour Mayor for Christchurch," and the Minister of Health interjected, "Why don't you have a decent Mayor in Christchurch?" I heard the honourable member for Hauraki say that not one member of the parliamentary Labour party did anything at all to help the Government or the country during the industrial crisis.

I want to make my attitude perfectly clear as to the regulations and the dispute. I have my personal views in regard to the handling of the dispute. So far as the regulations for food-supplies and other things deemed to be essential in the interests of the community are concerned, I did not hesitate to see that an emergency committee was set up in Christchurch. I have never brought politics into that committee; nor have the members of the committee done that. They have worked wholeheartedly with the object they have in view. As Mayor of Christchurch I have done that, too. We have some grievances with the Government which have not been aired except through official channels. We have had some argument about whether the supply of coal has been what we think we are entitled to. The same applies to shipping. Those arguments have not been aired in public. The questions have been taken up through official channels. I hope the member for Selwyn and the Minister of Health were not inferring that because Christchurch has a Labour Mayor it has not received its requirements of coal and shipping. If so, I say it is an indictment of their own Government. I want to know what the Minister of Health and the honourable member for Selwyn meant by those interjections. Candidly, I have not seen my way clear to do everything Mayors in other parts of New Zealand have done in this dispute. There were one or two things which I think Mayors were not required to do. I did not feel I should be called upon to do them, and I did not.

I do not know what the position is in other parts of New Zealand, but the Prime Minister found it necessary to call for a special force.

Two thousand volunteers reported at the Council Chambers in Christchurch. I did not think there was going to be the slightest outbreak of lawlessness in Christchurch. I considered that the call for that force in Christchurch was a reflection on the city. I had every confidence that the Lyttelton waterside workers and the Lyttelton seamen would behave themselves during this dispute, and, with the exception of one or two isolated instances, their behaviour has been excellent. I had every confidence in the ordinary Police Force to preserve law and order. I am confident it could have done so. I had no wish to be commander-in-chief of the special police force in Christchurch. A certain number was put into that special force—about three hundred. I had nothing whatever to do with it. I did not think the men would be required. They were not required. I did not think it right and proper to use the City Council Chambers to enrol members of the new union. I considered it was a Government responsibility, not a civic responsibility. That was my personal opinion. I wonder if the honourable member for Selwyn and the Minister of Health would have succeeded in persuading the Drivers' Union to handle goods when the railway men had not taken a national ballot and would not handle those goods. I had a meeting with the Drivers' Union and explained the position. In a secret ballot the Canterbury Drivers' Union decided by an overwhelming majority that they would operate transport to provide the people with necessities.

A Government member said no member of the parliamentary Labour party had done anything to assist the community during this crisis. That honourable member ought to repudiate that statement. One member of the Labour party and others did their best so far as supply was concerned. The difficulty about this dispute has been this: I am aware of the actions of the waterside workers over a long period, particularly their actions towards the Labour Government. I am aware that a big part of the industrial movement had very little sympathy with the leaders of the waterside workers; but I want to say that I am a Democrat, and that before any force or Emergency Regulations are brought to bear on any group of workers, we should examine the dispute in the light of the circumstances existing. The reason why this dispute has been drawn out is that the watersiders themselves definitely considered that they had a case, and so they backed up their leaders. They claimed that the increase of 15 per cent. awarded by the Court of Arbitration had not been offered to them by the shipowners. In his first broadcast the Prime Minister laid down seven points as a basis for settlement of the dispute, and the Minister of Labour said that he would not negotiate with Mr. Barnes or Mr. Hill. In the Prime Minister's broadcast there was no mention at all of the fact that the Government intended to negotiate only on the basis of port unions; the inference was that it would negotiate with some representatives of the national union other than Mr. Barnes and Mr. Hill.

Mr. GILLESPIE.—Has the honourable gentleman read to-night's *Star-Sun*?

Mr. MACFARLANE.—I am not concerned with the *Star-Sun* at the moment. The watersiders were solidly behind their leaders because they felt they had a strong case over the 15 per cent., and because the Government was making an attack on their union as a national union. And they were still further strengthened in their stand by the regulations which the Government brought in. The regulations merely served to lengthen the dispute, for they brought in other unions which considered the regulations an attack on a national union, and backed up the watersiders. In handling disputes such as these it is not a matter of what the past actions of a union may have been. The dispute must be considered in the light of the circumstances existing at the time, and the measures that the Government introduced to try to settle this dispute drew in other workers who disagreed with those measures.

Government members have been asking what Opposition members have done to help settle the dispute. It is the primary responsibility of the Government, not the Opposition, to settle any industrial dispute. Further, I would ask the member for Hauraki, and the member for Patea—who have been putting that question to us—what they did to help the Labour Government settle industrial disputes when they were in opposition. At every opportunity they got, those two members criticized the then Government in every way and never once attempted to help it. I remember that on one occasion I described them as rabble-rousers, which is exactly what they were. But that fact did not prevent the last speaker from having the audacity to ask what we did in this dispute. When we, as a Government, had a dispute with the waterside workers, they did all they could to fan the watersiders against the Government, and it is sheer audacity on their part to expect the Opposition in this dispute to discharge the Government's responsibility, or to help do so, particularly when the Government adopted the methods it did adopt. The mover of the Address in Reply, and other Government members, have endeavoured to link Communism with the present industrial dispute. They hinted that the Government had some plans to deal with Communism, perhaps by outlawing it in some way. The member for Marlborough gave us a dissertation on Communism. In fact, it can well be said that the subject has been fully dealt with in this debate. I recollect how the same gentlemen, who to-day are so concerned about Communism, defended a Communist with all the vim and might they could muster when the Labour Government was in power.

Mr. MOOHAN.—Their own president, Sir Wilfred Sim, defended him.

Mr. MACFARLANE.—That is so. I am referring to the Holmes case. Government members said then that, although the Communist party was a perfectly legal party, the then Government took action against Holmes simply because he was a Communist. Members opposite defended Holmes, and made political

capital out of the case. Now they come here and talk about outlawing Communism. I am a Democrat. No one has done more in the fight against Communism than I have. I want to ask Government members some questions. Is the record of the Government party such as to justify the powers of suppression at which Government members have hinted? Are Government members upholders of democracy? Have the Government's actions since assuming office shown it to be an upholder of liberty and justice? We shall deal with some of the regulations now. Whatever party is on the Treasury benches, in an industrial dispute such as we have at the present time, is it right that the leader of the Opposition should be attacked in the press and throughout the country for three months and a half without the right of reply? The leader of the Opposition was never given the opportunity over the air to state the Opposition's case or make any contribution towards a settlement of the dispute. He was locked out from the radio.

Mr. OSBORNE.—And from the halls.

Mr. MACFARLANE.—I am coming to the halls in a moment. Is the Government entitled to take the power to suppress the leader of the Opposition in that way? The leader of the Opposition was told at Hamilton by a Police Inspector that he could not discuss the regulations. Any member should be able to discuss any regulations at any time. Was the leader of the Opposition able to do that? Was not an attempt made in Auckland to stop the leader of the Opposition and Opposition members from Auckland electorates from addressing their constituents in the Town Hall? It is all very well to say that that was altered afterwards, but the attempt was made. Have not the newspapers, for the first time in New Zealand's history, been forbidden to publish an article setting out both sides of the dispute? Has any one been able to write a letter to a newspaper except in support of the Government's action? Did not the journalists see fit to issue a protest about certain regulations? Has one newspaper editor had the courage of his convictions and resigned from his position in protest against being told by the Government what to do? There are instances in history where men have done that, but not one newspaper editor in New Zealand has had the intestinal fortitude to defend his liberty in that way. Since the present Government came into power, newspaper editors have proved to be nothing but paid lackeys and hirelings of the Government.

The Prime Minister and his Government have done more to help the Communists than any other people in the country. The Communists were laughing at the whole situation. They say the Government played into their hands by prolonging the dispute and thereby destroying the economy of the Dominion. I repeat that the Communists are laughing at the action of the Government, because the results are benefiting the Communist party. In 1932, in the middle of the depression we had a tramway strike in Christchurch. Thousands of people were unemployed,

and all those unemployed people were able to hold meetings without any restrictions whatever. There was no attempt at suppression. Over this waterfront dispute I expressed my opinion freely in Christchurch regarding the holding of meetings. The Inspector of Police, on instructions from Wellington, would have stopped me, but I refused to be coerced. I said that I would not suppress one meeting called to discuss the watersiders' strike and the Emergency Regulations. My view is that by suppressing meetings the Government was contributing materially to the prolonging of the dispute. The Emergency Regulations relating to meetings were relaxed for a little while, but only for a little while, after the protest against them had been made by the Church organizations.

Let me recall that in the depression times the Right Hon. George Forbes permitted thousands of unemployed workers and trade-unionists to march to Parliament to make representations to him. My opinion is that if the watersiders who were stopped by the police at Cuba Street had been permitted to go to Parliament and interview the Prime Minister and the Minister of Labour as a deputation, it would have contributed materially towards a settlement of the dispute. Instead of that taking place, however, a course was followed that embittered feelings. That was only to be expected when the watersiders were turned back by the batons of the police. When a march was proposed on Parliament, under Labour's regime, the Government made no efforts to prevent it taking place, but said that the procession could come along. Brigadier Rowe was going to head that procession, and the Federation of Labour said that if he did so then the federation would stage a demonstration in support of the Government. That was how the Labour Government dealt with the matter. There has been no justification for the National Government's suppression of meetings. The Government was not in any serious position. There was nothing unprecedented in the state of the country, politically or otherwise. Surely such suppressions could only be justified if the Dominion were engaged in an international conflict.

I knew every food depot that the watersiders had in Christchurch, and I believe that the police also knew them. And many people contributed, but there were many others who would not do so because they did not desire to break the law. In 1913, under the Massey Conservative Government, the miners received contributions from overseas to assist them in their industrial struggles, and contributions came from other unions also. This is the only Government that has ever prevented the giving of contributions in an industrial struggle. Who would deny food to the children of a murderer? Not even the National party. It is all very well to say that the Emergency Regulations were not administered strictly. The fact is that many people would not give contributions because it was against the regulations to do so. That is one thing that helped to extend the dispute by many weeks. A large number of people consider that the

Emergency Regulations should never have been put into force, and they asked themselves whether they were justified in supporting a Government responsible for putting those regulations into force. Parliament was never called together to discuss the matter. It was locked out, although it could have contributed much towards the settlement of the strike.

Are we justified in giving powers to the present Government when we know that the rank and file of the National party, the back-benchers and a cross-section of the party, exercise no power whatever, have no voice, and are, in fact, merely a collection of "rubber-stamps" in the present Administration? Last year when an Industrial Conciliation and Arbitration Amendment Bill was introduced, we had the spectacle of some back-benchers of the National party thinking it was merely some implementation of the National party's pledge on compulsory unionism; yet there were clauses in that Bill which would have made criminals of trade-union leaders. Not a back-bencher of the National party understood what the intent of that Bill was. The National party has had only one caucus to discuss the ramifications of the present dispute. Are we justified in giving powers such as those asked for to people who are prepared to listen to an inner circle and undoubtedly some interests outside who have said, "Smash them and carry on to the bitter end, no matter what faces the Government and the country"? More Orders in Council have been promulgated by this Government than were promulgated by the previous Government.

The Hon. Mr. WATTS.—Give us the figures.

Mr. MACFARLANE.—The figures were given the other day and were not denied. I return to this topic of the suppression of Communism. Reference has been made to Communists and "others". Fellow-travellers have been talked about. Judging by these regulations, there are a lot of people of radical outlook, a lot of people who are Socialists by conviction, a lot of people who are intellectuals, who could be suppressed as well as the so-called members of the Communist party if "others" are going to be brought in to this matter. We have a danger here. Mr. Chifley in Australia had very grave doubts about the legislation for the suppression of the Communist party there. Many have been driven into the Communist party by this dispute, and the task of getting them back again will fall upon members of the Labour party. The way to fight the Communist party is—as I and every other member of the Labour party have been doing—by pointing out the effects of Communist administration in other countries, by pointing out the dictatorial form of Communism, and by asking whether the people under Communism have freedom or otherwise. The way to fight Communism is to bring laws before Parliament to deal with matters as they arise. If the Communists are advocating violence or something of that kind, then this Parliament can pass the laws to deal with that.

The way to fight Communism is to aim at an equitable distribution of the wealth of the country, to build up the standard of living of the people, to assist the backward peoples of the world to attain a higher standard of living. That is the way to fight Communism. The Labour Government followed that policy. It is not the Tory policy. It has not fought Communism by its passing of these regulations and its handling of this dispute. I have not the time to quote it, but I have here the evidence of an American who has given utterance to these thoughts, and I say without hesitation that that is the way to fight Communism. I would not trust the Government with more powers to fight Communism. Already we have had one Cabinet Minister speaking in this House who, when an opposition member interjected "That is the way Hitler did it", said, "If that is the way Hitler did it then Hitler is right". If we have to adopt Hitler-Fascist methods in this country then we are only playing into the hands of the Communist party. I am a Democrat. I do not believe that certain measures taken in this dispute were necessary. The whole point is that the Government was determined that it would not only defeat the watersiders, but that it would inflict a humiliating defeat upon them, and break them down. But time will tell whether the Government has peace on the waterfront.

Do not let members opposite forget that the Federation of Labour protested against these regulations. Let me remind members of the Federation of Labour that the Prime Minister told the House that he does not believe in national unions, so that unions of railway men and seamen and other national unions in this country can be smashed by the present Government. I speak as a Democrat, and I say that this Government is not to be trusted with the powers that it has. We should fight Communism and handle industrial disputes in an enlightened manner and not in a way that is going to lead to bitterness. By all means have regulations, I say, to preserve the life of the community, but this Government is not satisfied to settle disputes by negotiation. There should have been a compulsory conference, and it would have been accepted by the watersiders, and then the other unions would not have had to come behind the watersiders and support them. For my own part I speak to-night in fear of the present Government, and I speak as a Democrat, and one opposed to Communism. I say that the present Government is slowly showing its hand in an attack on the mass of the people. The wealthy are becoming wealthier while the standard of living of the people is being reduced. While some people may support the methods of the present Government, I warn every one that they are a danger. Before the regulations were brought into force, Parliament should have been called together.

Mr. SMITH (Hobson).—Sir, I am wondering on what grounds the member who has just resumed his seat made a charge against the member for Hauraki that he was using his imagination, because if ever we have listened

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to a speech that is a result of imagination the speech by the member for Christchurch Central was one. He said he was in fear and trembling of what might happen to the people. What utter rubbish. I would like to join with other speakers in congratulating the mover and the seconder of the Address in Reply. I wish we could have had one resolution to cover our expressions of loyalty to the King and Queen and our good wishes to Lord and Lady Freyberg, instead of us all repeating those expressions, because it is obvious that we are proud of them, that we wish them well, and that we look forward to the visit of the King and Queen. I hope that if the Duke of Edinburgh and Princess Elizabeth come here in place of the King and Queen, they may extend their tour to the birthplace of New Zealand, the Bay of Islands. We in that area think that even if Their Majesties come here they may well come to that delectable spot and let the people have a look at them.

For an Address-in-Reply debate we have had and are having a most interesting time. I know it is boring to many people and to the press to have to listen to the same thing over and over again, but this time the amendment has meant a channelling of the debate into two main features—the cost of living and the waterfront strike. In the debate on the Imprest Supply Bill, we had an address by the leader of the Opposition, on the waterfront, but it was a damp squib, and for the first time in his many years in Parliament the leader of the Opposition refused to accept an extension of time. He was glad to sit down and have done with it. Having failed with a straight speech on this matter, the members of the Opposition decided to institute, with the present amendment, a half-and-half, or cocktail, or call it what you will.

The Hon. Mr. SULLIVAN.—A piebald.

Mr. SMITH.—Yes, a piebald, because the other way did not go so good. And the people of New Zealand thanked "Bill" Sullivan; they are proud of him as Minister of Labour. I would say, too, that 100 per cent. of the National members of Parliament are with the Cabinet in the actions that have been taken, and I think I am correct in saying that 95 per cent. of the people of New Zealand, quite independent of their political views or affiliations, are of the same opinion. We had this catch-cry—we have had it from the member who has just resumed his seat—of "Call Parliament together." Well, what have Opposition members done since Parliament was called together? What did the honourable member for Waimarino contribute in his half-hour when speaking of the strike? What did he say? I will tell the House. He said that our ruthless immigration policy was ruining New Zealand. Can any one understand an honourable member of this House speaking like that? Last year I think we brought nine thousand immigrants here. Would he deny a home to those unfortunate people who suffered the most terrible horrors that he and I have never dreamed of? I was amazed to hear such a statement from an honourable member. The honourable member who has just resumed

his seat, and the leader of the Opposition, too, dealt at some length with the regulation forbidding meetings. I went to a meeting in Auckland, addressed by Barnes, and Baxter, the former member for Raglan, held in the Town Hall. I heard a whole lot of half-truths which were circulated to incite the people. Frankly, my only complaint with the Minister is that he did not stop them from speaking long ago, because I would have.

Mr. HACKETT.—Do not cross that out of *Hansard*!

Mr. SMITH.—No fear! I want that to go into *Hansard*. Any person who, having heard Barnes and Baxter speak in Auckland, allowed them to go round the country and continue to speak in that way, would have something wrong with him.

I want to deal first of all with the cost of living, which has been used as a second string in this debate. I will come back to the waterfront trouble later on. The cost of living, and the amount of money in circulation, are to some extent tied up with the waterfront position, because the very fact of the waterfront strike taking place has put up costs and has created inflation through the greater bank overdrafts made necessary. We all know of the goods that were not available to the people, because they were lying in the ships and could not be sold to the public. Well, they had to be paid for. Then we had to carry many goods by air that in normal times would have been sent by land or sea. That all put up costs. And do not the hearts of the Opposition members bleed for the people! During the strike they did not move one finger to try and bring about a remedy. It is correct to say that, prior to the strike, costs were increasing, because of the actions of waterfront workers. In this connection it will be remembered that a surcharge was imposed on goods consigned to Auckland because of delay there in the turn-round of ships. The honourable member for Brooklyn, in particular, and also the leader of the Opposition, I think, dealt with the matter of subsidies, and averred that the taking off of subsidies had raised the cost of living. It is true to some extent that that raised the cost to the actual consumer, although it did not raise the real cost to the community.

The Hon. Mr. NORDMEYER.—What tax concessions were made?

Mr. SMITH.—I am dealing with subsidies at the moment. Either the price is paid as a price, or partly as a price, and partly as taxation. It is true that the previous Government was more concerned about concealing the real cost to the public, by hiding it with subsidies, than it was with the price at which the goods could be purchased. It is interesting to look at Government subsidies over the years. In 1943-44 the subsidies amounted to £3,000,000. The next year the total amounted to £4,500,000; in 1945-46 it was £6,500,000; in 1946-47 it was just on £12,000,000; in 1947-48 it was £13,500,000. At that stage the then Government decided that the country could not stand that financial strain and reduced subsidies by

£12,000,000. In spite of there being a reduction in subsidies, we find that in 1948-49 they were £11,000,000, and in the year when this Government took office they amounted to £14,500,000. This year, as a result of the Government's action, they will be £8,500,000, and it is estimated that next year they will be £11,500,000 because of increased consumption and increased prices.

Let us look at some of the individual items. The policy of the previous Government was to subsidize a large range of goods, with all the administrative problems and difficulties in checking accounts and payments that that involved, but this Government is more concerned with items of primary importance to the family. In some cases we have increased subsidies. We have increased them on items such as wheat, flour, bread, butter, milk, and eggs. Incidentally, the previous Government subsidized clothing, and the maximum in any one year was £1,064,000. This year, to offset the high cost of wool that is so distressing to the honourable member for Waimarino, the subsidy will be roughly £3,500,000. I think that that is a proper use of a portion of the money that will come to the Government, in the form of taxation, as a result of high prices of wool. That is to keep down the price of essential clothing to a reasonable level. There is no evidence of apathy on the part of the Government in keeping down the price of consumer goods. There is evidence that increased subsidies have been used to maintain prices at an economic level at a time when prices everywhere are rising steeply.

Mr. COMBS.—What about "Black Friday" last year?

Mr. SMITH.—I did not meet him. He was on the island, I presume, with the honourable member for Onslow. Figures have already been quoted in this House as to the increase in the consumption of consumable goods, particularly those used on the breakfast-table, and the figures for last year compared with increases in other Western democracies show that New Zealand is in a favourable position. Australia shows an increase of 11.9 per cent.; Canada, 9.9 per cent.; United States, 10 per cent., and New Zealand, 10.3 per cent., and that is in spite of the fact that New Zealand is placed in a worse position than any of these countries because we have only one raw material produced in this country, and that is wool, all the others having to be imported at prices demanded on the world's markets. Honourable members opposite know that during the past year the economy of the Western democracies has been strained because of rearmament problems, stock-piling, and all other things being done to try to prevent war. All honourable members have to ask themselves whether it is worth while making a real effort to try to prevent war or to just let it go, and if war comes it comes, and we will meet it then.

An Hon. MEMBER.—Insulation.

Mr. SMITH.—You cannot insulate wars, unfortunately, neither can we dare to have a repetition of 1914 or of 1939. I feel as a

citizen of the British Empire that the only course that can be taken is to make provision and suffer some hardship now rather than to be decimated later on by a major war. As a result, all these raw materials and textiles have shown substantial increases in prices. These have been reflected—we are not trying to dodge issues—and they will be reflected in the future in retail prices in New Zealand, because it is so obvious you cannot have high-priced basic raw materials and have low-priced retail prices. All these increased costs have, to a major extent, been caused by overseas prices. Do not forget also they are caused by our methods of working in this country. Do not forget that when you come to a forty-hour week, when you come to penal double time, and treble time, somebody has to pay for it. But let the people realize you cannot have these things for nothing. If any Government thought it could put on subsidies enough to reduce prices of commodities to what they were some years ago, it would be faced with such a colossal expenditure that it would be just financially impossible and would greatly aggravate the already inflationary pressures that are here and have been in this country for some years.

The Government has been at pains to ensure—again we are not dodging the fact that prices have gone up—that the income has been equitably distributed. I would not go so far as the honourable member for Sydenham went when she said, "What does it matter what costs are if you have the money to buy the goods?" I do not know if I would go that far—"What does it matter what costs are"—but having done all the things you can do to keep prices down, and having regard to the economy and welfare of the country if those prices are affected by subsidies, then the Government has seen that the people generally have an equitable adjustment of wages, salaries, and income.

Mr. COMBS.—Is that why you took off controls?

Mr. SMITH.—We have not taken off all controls. For the benefit of the honourable member, to offset this the national income rose from £508,000,000 to £600,000,000. Surely that is indicative of the fact that with prices up at least there is more money available for the people to keep going. It is a fact, is it not, that production has never been higher; that the expansion of industry, both primary and secondary, has never been greater; that records of consumption are being made; that there is not a man or woman in this country who wants work who cannot get it, and that our standard of living is the highest in the world? Will anybody deny those very elementary facts? It is true, of course, that inflation has a bearing on the cost structure; it is true that over the years there has been inflation, and the Opposition stands condemned in that when it was the Government it started rapid inflation. Some of it could not be helped, because there was a war on and it was spending money for non-producing services. We give all that in. But their method of doing it was to print money without any regard to the goods available for

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that money; and I would say that the methods adopted by the present Government—that is, the cessation of the printing of money, the taking of loans from money in existence—

Mr. CONNOLLY.—Humbug.

Mr. SMITH.—The honourable gentleman knows more about that than I do. Further the issue of bank advances has been mainly used for productive purposes.

Mr. COMBS.—Are you sure.

Mr. SMITH.—In the main, yes. The complete answer—and we all know it—is goods in relation to money; and moneys advanced by the banks have been for productive purposes generally—for the building of factories, for obtaining more goods, for breaking in more country, and so on. That in itself will do something to ease the position by creating more goods to equate with the money that is available. Then the Government has intimated that it is prepared to set aside a certain proportion of taxation revenue every year for possible war expenditure. That, too, will assist. These are some of the steps that are being taken by the Government, and I have yet to hear from any Opposition member—leader or "lance-corporal"—any suggestion of any better method. It is easy to criticize, but when a responsible member of Parliament does criticize he is expected to offer some constructive suggestion. But this is what Opposition members offer: "Give the people more; increase the family allowance and the old-age pension." That may be quite worthy, but if you do those things you cannot escape the fact that you do not decrease the effect of inflation, but directly increase inflation.

In the few minutes I have left I want to deal with what has been the main part of the no-confidence motion—the waterfront dispute. As I said previously, the main cry from members opposite was that Parliament be called together. I have noticed, however, that the member for Brooklyn, although he is the president of the Labour party, was completely silent for many months. We wondered if he was still sawing wood, and we are glad to have him back with us and to hear his voice again. Since Parliament has been called together there has been a lot of discussion about the dispute but I have not heard one useful comment by members opposite. They have contributed nothing that would help the country; on the contrary, we have had nothing but abuse and criticism of the action that was taken by the Government. That action was the only action possible, and there is not a member opposite who in his heart of hearts does not know that to be true. We took the only action that was possible if we were to survive as a democracy. I am wondering when this Jekyll and Hyde business is going to cease. I am wondering which is Mr. Jekyll and which is Mr. Hyde. The fact is that Opposition members do not know where they are. They are prepared to support the mob actions of a small section of the community as against law and order and the government of the community.

It is true, is it not, that the Waterside Workers' Union remained affiliated with the Communist-controlled World Federation of Trades Unions? And while members opposite, as members of the Labour party, give lip-service to opposition to Communism, it is a fact, is it not, that at their annual conference the secretary of the Federation of Labour moved this remit: "That the rules provide that no body or affiliated body to any section of the Communist-controlled World Federation of Trades Unions should be allowed to retain affiliation to the Labour party." That was moved by the secretary of the Federation of Labour. Did any member of the present Opposition vote for it? Not one. We know, then, that the members of the Labour party opposed that remit, and we can only assume that the leopard has not changed his spots and that the leader of the Opposition still holds the same views that he held when he told this country, upon his return from Russia, that Russia had the best system of government in the world. Of more recent vintage, he sent a cable of congratulation to Mr. Stalin on the fiftieth anniversary of the revolution. Having turned down that positive proposal which would have indicated beyond any doubt where the Labour party members stood, they then passed a pious and anaemic resolution confirming their opposition to Communism and its methods, and straight away admitted Communists and fellow-travellers to affiliation with the Labour party. What a sorry story, and where does it all end?

Opposition members have also been silent about the job of work that has been done by those who maintain essential services. I did not hear that from one speaker from the Labour party or read one word in the paper where any member of the party at any time suggested that those men were doing a real job of work in supplying essentials. I did not hear one word from those gentlemen opposite about the wreckers who attacked men, who wrote scurrilous pamphlets, who broke windows of homes, and who rang up a mother of young children and told her that her husband had been killed on the wharf, when it was untrue. I did not hear one voice raised against that sort of thing. Is that what members opposite stand for? If we do not hear, how can we judge? We heard no protest from them or from their organization, and we can only take it that they are behind the efforts of the wreckers. I would say, however, that, unlike the leader of the Opposition, the people of the Dominion have no difficulty in deciding whether they are for or against.

Finally, I want to give the member for Brooklyn a few more "won'ts" that he might add to his list. Members of the Opposition could have thanked the servicemen of New Zealand for maintaining the transport of the essentials of life. But "they won't." They could thank the transport workers who have helped us to supply the people, including members of the Labour party, with their daily bread. But "they won't." They could thank those who have seen to it that the aged, the sick, and the mothers of children were eased

in their suffering and discomfort so far as their services could do it. But "they won't." They could thank those who have protected their homes and who, with efficiency, great understanding, and patience, have preserved law and order. But "they won't." They could thank those—our soldiers, sailors and airmen—who made it possible for our kinsfolk in England to receive our meat and butter. But "they won't." They could decide to be bigger men, and put aside political differences for the sake of their country; they could play their part as His Majesty's Opposition by standing firmly against those who would wreck conciliation and arbitration and our democratic way of life. But "they won't."

Mr. ARMSTRONG (Napier).—Sir, I congratulate the mover and the seconder of the Address in Reply. They did very well in presenting in a clear way the point of view of the National party. I also congratulate Lord and Lady Freyberg on the honour bestowed on His Excellency. It was well merited and I am sure has met with general approval. The people of Hawke's Bay are disappointed that it is evidently impossible to arrange for Their Majesties the King and Queen to visit the cathedral city of Napier, but, of course, no one would desire to make the itinerary more arduous for the Royal visitors than need be. After listening to the honourable member for Hobson I am satisfied that the National party members are endeavouring to make as much as possible out of the present industrial troubles with a view to creating a smoke-screen that will cover up the many misdeeds of the Government, and enable it to conceal the fact that it has made no attempt so far to carry out many of its pre-election promises. That is why Government members keep to the one topic, rather than discuss economics as they affect the public as a whole.

Mr. SHEAT.—Tell us what you told the freezing-workers.

Mr. ARMSTRONG.—I shall make my speech as I think fit. I do not desire to be side-tracked by the tomfoolery of the honourable member for Patea. We are quite used to his uncouth ignorance in the House. Opposition members are concerned that the Government has made no move to reduce the cost of living. Yet, members of the National party went right through this country talking about high costs, and their determination, if they became the Government, to make the pound go further. We know just what they have done in that direction. Bus fares for the children in my electorate who travel from Taradale and Greenmeadows into the intermediate school have doubled. That is how they have helped the mothers. Most of the bus services in my electorate are run by private enterprise, and the fares have increased by 70 per cent., causing great hardship to those who work in and around Napier and Hastings. The prices of bread, butter, vegetables, milk and furniture have all increased markedly. The National party promised to stabilize rents, and told us when its tenancy amendment legislation was introduced that that legislation had nothing

whatever to do with rents. When members on this side asked the Minister of Labour whether that legislation would mean a general increase in rents, we were assured that it meant nothing of the kind. Yet we find that rents everywhere have been increased by from 5s. to £2 and £3 a week, causing great economic hardship to the people.

The National Government abolished land-sales control and allowed the prices of property to go up sky high. On the average throughout New Zealand, a £1,500 property has increased by £700. Just imagine that. It is the greatest boom the land-agents and the land "sharks" have ever had in the history of New Zealand. The lawyers, too, are having a real harvest, along with a lot of the Government's other Tory friends. The rentals of State houses have increased by from 5s. a week to £1 8s. a week. There are not so many applications now from citizens in dire need of large houses, because they simply cannot afford to pay the exorbitant rents the Government is asking. That is the way the Government is solving the housing problem. The Government has made it absolutely impossible for people, who have saved up for many years, to buy a home of their own, even with the increased loans. Prices have increased to such an extent that returned soldiers find it beyond their capacity to rehabilitate themselves on farms or to entertain the idea of building their own homes in which to raise their children. All that has gone by the board because of the mismanagement by this Government and the way it has gone back on the pledges it made to the people.

The Government's abolition of controls, its withdrawal of subsidies amounting to £8,000,000, which meant increasing costs by £8,000,000, and in addition allowing prices to soar—all these things have had the effect in the last twelve months, according to the best advice available to me, of taking £50,000,000 out of the pockets of the working-people. And then the Government wonders why there is a little murmuring in different directions; a little discord in the trade-union movement. The mothers whose job it is to balance the budget week after week and month after month wonder how they are going to get through. I wonder how honourable members who made eloquent pleas in this House prior to the last election feel about the cost of living now, and the fact that blankets have gone up almost 100 per cent. in price in the last nine months. One has to pay £30 now for a first-class pair of double blankets. I wonder how it is possible for the wife of the average working-man to buy the blankets she requires or the woollen clothing she needs for the children, particularly those that are ailing and need woollen clothing—woollen clothing that is produced in New Zealand. It is absolutely beyond the means of the average mother and father to provide these things.

The price of woollen clothing has gone up 100 per cent. in the last six or seven months. Every one knows it—the mothers perhaps better than the men. I never hear the Minister for the Welfare of Women and Children

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speaking about that now. She was a great critic, and a very consistent one, of the Labour Government, even when it was trying its best, with subsidies, to keep down the cost of the necessaries of life for the working-people on fixed and moderate incomes. We were doing what we could by subsidies to stabilize the prices of those things. We also tried to bring in standards, so that people, when they bought goods, knew they were well made and reliable and were worth the money. To-day, the prices of many foodstuffs have doubled, and so have the prices of furniture, homes, and children's equipment, including boots and shoes. Many of the children's boots and shoes that are sold are nothing more or less than rubbish. It is a heart-breaking thing for mothers who have paid exorbitant prices for children's footwear to find that when the children have knocked their boots and shoes about at school for two or three weeks the soles are worn out and they are left with rubbishy inner soles. The Minister for the Welfare of Women and Children should take some active steps to see that these gross injustices are rectified, I know she has the interests of the women at heart, and I hope she will confer with the Minister of Industries and Commerce to see if the standards cannot be improved so that when the mothers, and the fathers, too, have to pay the high prices they are compelled to pay for children's footwear and clothing they will find that what they buy is really worth the money. However, I would mention that the products made in New Zealand are better, so far as footwear is concerned, than many of the imported goods. But every one is embarrassed by the cost of living.

My little boy, aged eight years and a half, has been at boarding-school in Wellington since Mrs. Armstrong has not been too well, and last week-end when I was at home she showed me a letter which she had received from him. He says, "Thank you for the pocket-money," and then goes on to record that his football team has only been beaten once. Then he says, writing to his mother, "Tram fares and hair-cuts have gone up." Even the little ones at school now are learning something about economics. I am quite sure his mother is not cutting him down at all and that it will be absolutely necessary to give him more money because of the fact that tram fares have gone up, owing to the mismanagement of the City Council, and that the cost of hair-cuts for the children has gone up, too. However, the mothers know all about that. Last Friday morning, when this debate was under way, some attention was given to me by the Minister of Labour.

The Hon. Mr. SULLIVAN.—I have not spoken in this debate.

Mr. ARMSTRONG.—Some criticism was made of my actions, when the Minister of Labour was talking of the industrial position.

Mr. SPEAKER.—Order. Is the honourable member referring to another debate?

Mr. ARMSTRONG.—No, Sir, I am referring to information that was given to me with regard to speeches by the Minister and reported in our papers.

Mr. SPEAKER.—Outside the House?

Mr. ARMSTRONG.—Yes. The Minister said that the honourable member for Napier had done nothing at all, that he more or less gloried in the industrial trouble that prevailed.

The Hon. Mr. SULLIVAN.—You are referring to a previous debate.

Mr. ARMSTRONG.—The Minister stated that I had actually addressed strikers behind closed doors, and had encouraged them to continue to strike. I take that as a direct attack on myself, and as a gross misrepresentation.

The Hon. Mr. SULLIVAN.—So you did.

Mr. ARMSTRONG.—The Minister repeats the assertion. I did nothing of the kind. I spoke to the freezing-workers at Whakatu, in Hawke's Bay, at the annual meeting, just as I had done at every annual meeting. I was invited by the men to attend the meeting. The Minister has made a direct reflection on me in an attempt to blacken me in the eyes of my constituents, when all I did was to accede to a request to address the annual meeting, just as I had done in other years. Moreover, there was no strike on at that time.

The Hon. Mr. WATTS.—What about the meeting of watersiders?

Mr. ARMSTRONG.—Was I to run away from a section of my constituents when they were in trouble?

The Hon. Mr. WATTS.—I mean in Wellington.

Mr. ARMSTRONG.—Was I to run away from a section of my people in Napier? I regard it as my duty to do what I can for my constituents regardless of who they are. If a meeting were being held of employers, or farmers, or any other section of my constituents, I would deem it my bounden duty to give what advice and what help I could; and I did nothing more or less than that on the occasion in question. I went to a meeting of the waterside workers, and learned exactly the position, so am able to state some facts concerning our industrial troubles. I am in a position to do that far better than some of the honourable gentlemen who are interjecting, for they know next to nothing, first-hand of the dispute. They really only know what has been told to them or published by the Tory press, and that is the case with a lot more people. Some of the distorted reports come to them from the Prime Minister or the Minister of Labour. They have never heard the actual facts from the rank and file of the men on the waterfront.

Mr. MASSEY.—Well, let us have the facts.

Mr. ARMSTRONG.—Well, for the information of the honourable gentleman, a few months ago it would have been quite possible to settle the dispute on the waterfront, but the Government was talking of gazetting the regulations. But when the late Right Hon. Mr. Fraser as

leader of this party got all the parties together, and met the Prime Minister and the Minister of Labour in his room, he requested the people concerned to meet the shipowners, and there was no trouble about it at all. The Prime Minister on that occasion used his influence and got the shipowners together with the union representatives. The dispute was settled in a way satisfactory to both parties. I understand that they had a great session at Bellamy's afterwards shaking hands with one another and saying "We do not need the Court of Arbitration at all—we can get on in conciliation and make mutual agreements." The Minister of Labour laughs; he was there—he knows that that is true. The big bosses of the international shipping companies were there. They laughed over the whole thing.

At that time they paid a wage that the watersiders thought was reasonable, but they trumped up a fight later on after the Prime Minister had been for a trip abroad, including visits to the United States and Great Britain—after he had hobnobbed with all the big representatives of banking and commercial interests overseas. What a different story in conciliation it was then, when the employers would not give the 3d. an hour extra that the watersiders wanted. The argument was over an extra 3d. an hour. The watersiders union executive maintained that the 3d. an hour was paid to them after conciliation proceedings and that it had nothing to do with the basic wage at all. That 3d. was placed in the award as part of the hourly increase. It had nothing to do with the interim order given to other workers. It was an added 3d. an hour to the award wages of all waterside workers, and the request to the shipowners was that the 15-per-cent. increase should be given on top of that 3d. If that had been done there would have been no argument. Was it worth all this trouble? Other workers in conciliation a few months previously had received an additional 6d. an hour more than the watersiders. Their case was not unreasonable. It is no use trying to drag a red-herring across the stream at all. The argument put over by the watersiders was the same as that put forward before the Court of Arbitration by the other workers.

From the point of view of economics, the case placed before the Court of Arbitration by the Federation of Labour for an extra £2 18s. a week was unanswerable. Some of the best lawyers in New Zealand were engaged in marshalling the case for the Federation of Labour. The case, based on the increases that had occurred in the previous eighteen months—as I quoted a few minutes ago—was unanswerable. After six months the Court of Arbitration gave less than one third of what the men asked for. The case of the watersiders was exactly the same only that they received 3d. an hour more in the earlier stages than the other workers. But the Government had planned earlier, six months before, that it was going to fight the watersiders at the very first opportunity. This thing was organized overseas. The machinery was planned prior to the dispute. Every one knows that quite well. Every trade-unionist in New Zealand and every mother in

New Zealand—the mothers are real economists in New Zealand—know what increase was required to meet the marked increases in costs. They knew that the 4½d. that the watersiders asked for was absolutely inadequate.

All the means possible are brought forward to try to discredit the executive of the union when it is only trying to do what the rank and file asked it to do. It is easy to make scapegoats of a few individuals to try to crush the rank and file of the whole trade-union movement, who were wholly dissatisfied with the miserable pittance of an increase offered them by the Court. The Government singled out the watersiders because it knew they were on their own. It knew that they had had a disagreement with the Federation of Labour. It thought, this is the opportunity now for us to fight them on their own. We will single them out on their own and give them a darned good hiding on their own. It used the Tory newspapers to discredit them with statements about "Labour's political cowardice" and the Prime Minister's family being threatened, and all the rest of this nonsense. They never mentioned that the lives of some of the leaders of the freezing-workers and of the watersiders were being threatened—nothing has been mentioned in the newspapers about that. They have tried to blacken the watersiders because they tried orderly to demonstrate to Parliament and to the Chief Magistrate in Auckland. Surely to goodness men are entitled to do that if they believe that injustice has been done them. Surely they are entitled to demonstrate orderly to the Chief Magistrate in Auckland, to the Mayor, or to any other citizen. They should not have been castigated in the way they were.

They are described as traitors in statements by the Minister in Charge of Police and by the Prime Minister and all the rest of them. I say my watersiders in Napier are not traitors. A few years ago 75 per cent. of them fought for this country. Several of them were decorated for bravery on the battlefield. Some of those who demonstrated in Auckland and in Wellington were heroes a few years ago, but to-day, when they ask in the interests of the working-people they represent and of their wives and families, for 3d. an hour more, they are traitors. The Government is only satisfied with instructing the police, who are really good servants of New Zealand, to slaughter them and bash them down in the main streets of Auckland and Wellington. The Government does that in some stupid frame of mind. There is no need for it at all, because these people are quite orderly people. They are quite decent citizens, and when atrocities are being committed such as are being committed in this city and in Auckland, where the police are being instructed by the Minister to break into the homes of men, women and children in the evening hours, I think it is raising a heresy hunt. I am not ready to say that any trade-union movement has developed into that state. They are only decent, law-abiding people who want to protest. They wanted to work and were locked out by the shipowners. They were locked out by the shipowners because the shipowners would not

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accept the offer of the watersiders to work an 8-hour day and a 40-hour week. Let me say that if the shipowners in Napier had accepted that offer, the whole of the district of Hawke's Bay could have been provided with every necessity.

Mr. McALPINE (Selwyn).—Sir, I would like first of all to congratulate the mover and the seconder of the Address in Reply on the very excellent speeches which they delivered, and on the very high tone of debate they set for the ensuing session. I would also like to take the opportunity of wishing His Majesty a complete recovery of health, and to say how much everybody in New Zealand is looking forward to the projected visit of His Majesty the King, Her Majesty the Queen, and Princess Margaret. May I also take this opportunity of congratulating the Governor-General on his elevation to the peerage, and to wish him and Lady Freyberg well for the future. In this debate we have heard a lot of acrimonious things said, and a lot of praise bestowed upon some people who in my opinion have not done very much to help the cause of New Zealand or the cause of the people within it. On the other hand, we have heard very little of the sterling work that the Minister of Labour has done in piloting New Zealand through its most difficult period in recent years. The longest and most difficult strike this country has ever faced has been handled with patience, tact, forbearance, and diplomacy such as has never been seen in New Zealand before. A previous Minister of Labour—I refer to the member for Riccarton, who is unfortunately not here to-night—would have liked to settle this dispute, but I am afraid that a large section of his party would not allow him to. I am afraid that all the attempts that he made to discipline the watersiders and those who made agreements and then broke them—and he did make attempts—were frustrated by the people of his own party.

In the speech he has just concluded, the member for Napier made two main statements. One concerned the actual terms and conditions of the watersiders' strike, which I will refer to later; and in the other he condemned very roundly the shocking state of affairs which the mothers—the "little" mothers, I am sorry—of New Zealand had to put up with concerning the quality of boots and shoes, which he claimed were kicked to pieces in a few weeks. I would remind the honourable gentleman that the leather from which those shoes are made is manufactured in New Zealand by New Zealand workmen, the shoes are made by New Zealand workmen in New Zealand factories, and I would ask him this: Does he want us to throw over the New Zealand factories and the New Zealand workers, and import the leather or the shoes? I should be very pleased to know what he feels about that.

Mr. CONNOLLY.—Most of them are imported.

Mr. McALPINE.—The member for Dunedin Central has started to interject already, so it seems about time I had something

to say to him. Last Friday he sent a pamphlet over to me, and when he knew I had left the House he appealed to the Speaker to have it returned. He did not say what it was, but insinuated that it was some secret document. I returned the pamphlet to him this afternoon. I should like to draw his attention to the fact that the pamphlet about which he made such a fuss is a printed pamphlet and has nothing whatever to do with any secret document of any sort. Copies can be bought at two a penny anywhere in New Zealand. Here are two copies for anybody to see—they are dear at the price. The point is that I feel that the member for Dunedin Central was either trying to make a cheap political stunt or he had something to fear and to hide. Although I know the honourable member pretty well somehow I do not think that on this occasion he was trying to make a cheap political stunt; I rather fear that he had something to hide. For that reason, when I went home I went to my office and got my own copy of this pamphlet. I had a good look through it, and I found that there are some rather interesting things in it. I might be permitted to quote some of them. I am quoting from my own pamphlet. There is a very interesting telegram here which was sent by the member for Dunedin Central. It is addressed to the secretary of the Federation of Labour, and reads:—

“Reference your unwarranted personal attack at the Conference on Tuesday to which I gave unequivocal denial. Your statements reflect on my integrity and are damaging to my reputation as a Labour member of Parliament to such a degree that I propose seeking advice as to future action.”

That telegram is signed, “Connolly, M.P. Dunedin Central.” The Federation of Labour report goes on to say that the telegrams speak for themselves. Then, on page 28 of the same report—the report which the member for Dunedin Central was so anxious to get back—the secretary said that the Dunedin branch of the New Zealand Engineering and Related Trades Union had been addressed by Messrs. Connolly and some one else, whose name I shall not mention, on issues relating to the dispute. Apparently the policy of the Federation of Labour was under review, and the report of the meeting shows that “Mr. P. Connolly, M.P., had said that anti-Communist propaganda had split the workers.” The member for Dunedin Central seemed to be rather concerned about that, but then, as a result of the chastisement which he received for his statement, he threatens the secretary of the Federation of Labour with legal action.

Mr. HANAN.—He did not “go” him.

Mr. McALPINE.—No, he did not “go” him.

Mr. CONNOLLY.—That is a lie.

Mr. McALPINE.—All I can say, then, is that the pamphlet, which is signed by members of the Federation of Labour, is an untrue statement. This is the report of the fourteenth annual conference of the New Zealand Federation of Labour, held in Wellington on the

24th, 25th, and 27th April, 1951, and the member for Dunedin Central says that the minutes are not true. He says that the statement is a lie.

Mr. CONNOLLY.—I said that the honourable member's statement is a lie.

Mr. SPEAKER.—Order. Will the honourable member please resume his seat. The member for Dunedin Central must withdraw that remark.

Mr. CONNOLLY.—I withdraw, Sir. May I make a brief statement?

Mr. SPEAKER.—No.

Mr. CONNOLLY.—Thank you.

Mr. McALPINE.—No wonder the member for Dunedin Central was so anxious to try to make an attack on me when he had sent this pamphlet across.

Mr. CONNOLLY.—Why not read the telegram from the engineers' union?

Mr. McALPINE.—I have no further time to deal with the member for Dunedin Central—not at the moment anyway. The member for Napier a little while ago suggested that some members of the National party should take some interest in the proceedings of the strike which we have just concluded; he suggested that if they had gone to meetings of various sorts they might have learned something about the reason for the strike. The honourable member for Napier apparently has been addressing meetings along those lines. I should like to tell him that I, too, have attended a number of meetings. I was given an invitation to attend a meeting of the deregistered watersiders in Christchurch in the Trades Hall. I attended the meeting and listened with some interest. I admit that I wore my hat and my overcoat, but I went there. The meeting was presided over by the president of the deregistered Waterside Workers' Union in Christchurch, Mr. Flood. Those who took part in the proceedings were Mrs. Elsie Locke, Mr. A. B. Grant, a man called McNaulty, who was a Communist candidate for the last Christchurch City Council election, and Mr. Bergh, a miner from the West Coast. I listened for about three hours to the people at that meeting being incited by the speakers to continue the strike.

Mr. R. MACDONALD.—Did you introduce yourself?

Mr. McALPINE.—I did not need to do so. I had received an invitation to the meeting. I shall deal with the honourable member for Ponsonby later, and would advise him not to get too heated. On the invitation I received I went to the meeting and there I learned the technique used to keep the strike going. I listened to the falsehoods told to those men and women at that meeting, as an encouragement to them to maintain the strike. The suggestion was made that the Government was weakening. The history of trade-unionism from the time of the Tolpuddle martyrs down to the present time was trotted out before those people in no uncertain terms. I went to another meeting at which there was present the man who has

complained most bitterly of not being allowed to address public meetings. I refer to the leader of the Opposition. He and two Christchurch members of Parliament were present; the others, I noticed, were conspicuous by their absence. The leader of the Opposition and the two Christchurch members were on the platform. I took down as nearly as I could one remark made by the leader of the Opposition.

Mr. ANDERTON.—Only one?

Mr. McALPINE.—I have not time to deal with all the ramifications of the speech made by the leader of the Opposition.

Mr. SHEAT.—Was that the remark that he was neither for nor against?

Mr. McALPINE.—On the contrary, this time he was much more definite, for, speaking of "Jock" Barnes, he said that he was a better man than many of the people who had criticized him. The leader of the Opposition was not neither for nor against that time; he was definitely for.

Mr. SHEAT.—For the watersiders?

Mr. McALPINE.—Yes, for the watersiders. The honourable member for Avon and the honourable member for Napier to-night made impassioned pleas on behalf of the children who were being frightened by the police searching the homes of deregistered watersiders, looking for illegal pamphlets. I have a bunch of those pamphlets here, and I shall read some of them so that honourable members may see what the police were looking for. The leader of the Opposition has said that he is neither for nor against; he said that he is not concerned with the people who have printed those pamphlets, and at least two members of the Opposition have supported the printing of them by objecting to the police searching the homes of the people who were circulating them. The two honourable members I have mentioned made an impassioned plea on behalf of little children who were being frightened. Let me ask both honourable gentlemen this: What did they do when a member of Parliament was threatened in Christchurch recently, and whose home was rung up while he was away, and his wife and children threatened and frightened?

Miss HOWARD.—Oh, we have all had that.

Mr. McALPINE.—The member for Sydenham should keep her criticism until I have finished, when perhaps she will have less to say. Nobody bothered to ring her up, I suggest. When this happened my children were very frightened; they were my children that were involved, for the information of the member for Sydenham. I remember my child going to bed one night, a child of eleven years of age, and saying, "Daddy, if you want me in the night don't forget to call me." That is the impression this made on a small child. Now, the leader of the Opposition says he is neither for nor against. If he is not against that sort of thing—

The Right Hon. Mr. NASH.—I have condemned every one of those pamphlets, and the honourable gentleman knows it.

Mr. McAlpine

Mr. McALPINE.—I am not going to listen to the leader of the Opposition. He had an hour and a half the other night, when he talked a lot of twaddle, and he is not going to take up my half-hour.

The Right Hon. Mr. NASH.—This is untrue.

Mr. McALPINE.—The leader of the Opposition has supported inferentially the people who have done that sort of thing. If he is not against, he must be for. A few nights ago—and this is what I want the member for Sydenham to listen to—a man came into the room next to the one in which my daughter was sleeping, at one o'clock in the morning—a fairly serious matter. It is now in the hands of the police. But the child was not as frightened of the actual physical presence of that man as she was when she thought her father's life was being threatened. Now what has the leader of the Opposition got to say? Has he anything to say? Could he say anything?

The Right Hon. Mr. NASH.—I condemn that in every way possible.

Mr. McALPINE.—I do not believe he could say anything. I do not think he could attempt to justify his attitude of neither for nor against.

Mr. HACKETT.—Does the honourable gentleman know who the man was?

Mr. McALPINE.—I do not know who he was. If the honourable gentleman knows, let him report it to the police.

Mr. McCOMBS.—Nobody knows who he was?

Mr. McALPINE.—I do not know who it was—I was not there. That is the sort of thing that has happened. I do not know that the last incident had anything to do with the strike, but the other incident certainly did. I mentioned the last incident as an illustration of the fact that the actual physical presence of some one in the house does not frighten children as much as the threats which are made by friends of the member for Hutt who has been so vociferous in this debate in telling us that he is neither for nor against. Now, the member for Ponsonby this afternoon—

Mr. R. MACDONALD.—The honourable gentleman has only another two minutes.

Mr. McALPINE.—Yes, the honourable member has been waiting for it, and he will get it. The honourable member and many others on the other side have, during the course of this debate, made attacks on the Government, because they have not been allowed to speak in Auckland and other places. They said that freedom of speech was denied them.

Mr. R. MACDONALD.—Quite true, too.

Mr. McALPINE.—Perhaps the member for Ponsonby can help me in this dilemma; I am a little in a dilemma about this. I cannot quite follow the entire sequence of events, but the Superintendent of Police in Auckland was contacted some weeks ago and it was suggested to him that certain people were likely to ask for permission to hold a meeting, in which event the Superintendent was asked to see that

the permission was not given. Now, does the member for Ponsonby know who would be likely to do that? No, he does not know.

Mr. R. MACDONALD.—I asked for permission and I was denied it; so was the member for Auckland Central.

Mr. McALPINE.—The point was that the member for Ponsonby was asked to be a speaker at this meeting. I do not think that he very much wanted to face these people and explain his attitude, and so the police were asked by some one—of course, I would not know who it was—if they would see that the meeting was banned. I think the less we hear about the banning of political meetings in Auckland during this strike, the better for all concerned. The member for Dunedin Central has said fairly plainly where he stands in this matter, and I have a cutting here which enumerates a number of unions which protested to the Federation of Labour and gave full support to the watersiders. There was a combined meeting in Dunedin on the 4th April, 1951. Does the member for Dunedin Central remember the date? I have not time to read the names of all the unions, but a number of them met at a conference and deplored the action of the Government in the handling of the waterfront strike. They also accorded full support to the watersiders. The newspaper cutting which I have claims that the meeting was attended by the member for Dunedin Central. The item was published in the newspapers as having come from a bulletin issued by the waterside workers. The member for Dunedin Central, the leader of the Opposition, and others in this House have said that the present Government is not handling the waterfront strike as they would have handled it. When the member for Riccarton was Minister of Labour he issued a statement in the form of a pamphlet setting out the pros and cons and the difficulty he had had with Barnes and Hill. The pamphlet also contains a statement by the then Prime Minister, the late Mr. Fraser. The pamphlet was published by the Government Printer on the authority of the New Zealand Government, and on the last page Mr. Fraser said:—

“I have to convey to you the decision of the Cabinet that the Government will not arrange to take part in further discussions with the Waterside Workers' Union, its officers, its executive, or council, in regard to matters in dispute until normal working-hours, including overtime, have been resumed at all ports.”

Mr. Fraser was prepared to take that action. What about the present leader of the Opposition? He is neither for nor against. He has not associated himself with the position that was then ascribed to the Prime Minister. I am as sure as I stand here that, if Peter Fraser had been leading the Opposition to-day, the strike would have been settled long ago, because we would not have had to suffer the frustration of the prolonging of the strike by the present leader of the Opposition. I feel that there was ample opportunity for a settlement of this strike, if the leader of the Opposition had not chosen to allow it to continue.

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In the course of his speech of an hour and a half in the House the other day, the leader of the Opposition said that on the 3th March the waterfront strike could have been settled if the Government had accepted the letter written to him by the watersiders. I have not time to read the whole letter, but I will read a part of it—the letter in which they agreed to accept the seven points the Government laid down. But unfortunately an eighth condition was put in, which the leader of the Opposition chose not to take any notice of. The eighth condition was at the conclusion of the letter, and reads:—

“Unfortunately the dispute has now extended and now affects a number of other unions. We take it that a re-registration of all unions now deregistered and the return to work of all workers on the basis of no victimization and the abolition of the regulations would automatically follow a negotiated settlement of the waterfront dispute.”

The leader of the Opposition knew very well of the condition that was contained in the letter which Messrs. Barnes and Hill sent to the Government in acceptance of the seven terms the Government had set down.

The Right Hon. Mr. NASH.—They sent no letter on the 8th March.

Mr. McALPINE.—The letter is dated the 15th March—that is, the letter of acceptance. I have not time to go into the whole matter in detail, as the honourable member knows quite well. I have not an hour and a half in which to speak, as the honourable member had. He knows very well that that letter implied acceptance on the 8th March. They then said they would have to confirm it, and when they did confirm it—that is, on the 15th March, after they had met Mr. Bockett—they added the eighth condition, which was a complete negation of everything the Government had been asking for. The leader of the Opposition knows that; and he knew it when he made the suggestion in the House two or three nights ago that the Government could have settled this dispute, had it chosen to do so, without abandoning its seven points.

I think that if anybody can be blamed for the continuation of this strike, the blame can fairly be laid at the door of the leader of the Opposition. He has gone from one end of New Zealand to the other addressing public meetings, and never once, as far as I have seen reported in the press, has he advocated that the waterside workers should go back to work on the conditions which the Government laid down. He has deplored the fact that the waterside workers were without work, but I do not ever remember hearing him worrying about the flour, the meat, the bread, and so forth, that the servicemen handled, being eaten by the waterside workers, and, I presume, by members of the Opposition as well. He has consistently failed to do anything towards bringing about a settlement of the strike. I deplore the constant reference to the Churches by the honourable members opposite, and in the honourable member's speech. In the speech he made in this

House he quoted from a Church magazine purporting to show that he had so much right on his side that even the Church magazines were printing his case for him. I can only express contempt at the attitude of a man who is neither for nor against, but who holds the Bible in one hand and the hammer and sickle in the other, and I suggest to him that the Bible might be in the left hand.

The Right Hon. Mr. NASH (Leader of the Opposition).—Mr. Speaker, I have been misrepresented. I should like to correct the statement made by the honourable member for Selwyn.

Mr. SPEAKER.—Does the honourable gentleman claim to be misquoted or misrepresented?

The Right Hon. Mr. NASH.—Misquoted and misrepresented.

Mr. SPEAKER.—No, the right honourable gentleman must say either that he has been misquoted or misunderstood.

The Right Hon. Mr. NASH.—I say that what the honourable gentleman said is quite incorrect.

Mr. SPEAKER.—The right honourable gentleman knows that the word "misrepresented" was struck out of the Draft Standing Orders, and that two words were left—"misquoted" and "misunderstood." The right honourable gentleman was there and he insisted that they be inserted. I said at that time that I would have to ask each honourable member when he rose whether he had been misquoted or misunderstood. What does the right honourable gentleman say?

The Right Hon. Mr. NASH.—I have been misquoted. The honourable member for Selwyn said that I supported the issue of certain leaflets.

Mr. SPEAKER.—What does the right honourable gentleman say? Does he say that the honourable member for Selwyn has misquoted him?

The Right Hon. Mr. HOLLAND (Prime Minister).—Sir, on a matter of this kind I think the discussion should be finished at the same sitting, and therefore I should like to extend the sitting of the House beyond half past ten o'clock p.m. so that this point of order may be settled.

Mr. SPEAKER.—Is it the pleasure of the House that this course be followed? There appears to be no objection.

The Right Hon. Mr. NASH.—The honourable member for Selwyn said that I supported the issue of certain leaflets. I have at no time supported them. The honourable member said that he was there at the meeting, and he said that I supported the issue of certain leaflets. At that meeting I said that these leaflets were scurrilous leaflets and that they did more harm than anything else to their case. The honourable member said that I supported them.

Mr. McAlpine

Instead of supporting them I detest them. I say that with feeling because the honourable member said that I said—

Mr. SPEAKER.—Order. The honourable gentleman cannot go further into that matter.

Debate adjourned.

The House adjourned at twenty-seven minutes to eleven o'clock p.m.

WEDNESDAY, 11 JULY, 1951

First Readings—Minimum Wage Amendment Bill—Workers' Compensation Amendment Bill—Shops and Offices Amendment Bill—Wellington College and Girls High School Amendment Bill—Miners District Disputes Committee: Urgent Question—Mine Workers' Agreement: Urgent Question—Illness of Mr. W. J. Jordan, High Commissioner in London—Ministerial Replies to Questions—Adjournment: Questions—Business of the House: Urgency Motion—Industrial Dispute: State of Emergency.

Mr. SPEAKER took the chair at half past two o'clock p.m.

PRAYERS.

FIRST READINGS

Legislature Amendment Bill; Marriage Amendment Bill; Births and Deaths Registration Amendment Bill; Tobacco Growing Industry Amendment Bill; Public Trust Office Amendment Bill; Earthquake and War Damage Amendment Bill; Police Force Amendment Bill.

MINIMUM WAGE AMENDMENT BILL

This Bill was read a first time, and a second time *pro forma*, and referred to the Labour Bills Committee.

WORKERS' COMPENSATION AMENDMENT BILL

This Bill was read a first time, and a second time *pro forma*, and referred to the Labour Bills Committee.

SHOPS AND OFFICES AMENDMENT BILL

This Bill was read a first time, and a second time *pro forma*, and referred to the Labour Bills Committee.

WELLINGTON COLLEGE AND GIRLS' HIGH SCHOOL AMENDMENT BILL

This Bill was read a first time.

Mr. McCOMBS (Lyttelton) asked whether the Bill was to go to the Education Committee.

The Hon. Mr. ALGIE.—I have no objection, but it is really for the Prime Minister to say.

The Right Hon. Mr. HOLLAND (Prime Minister) said that it had not been his intention to refer the Bill to the Education Committee, but if there was a strong desire for that to be done he would be happy to have it referred.