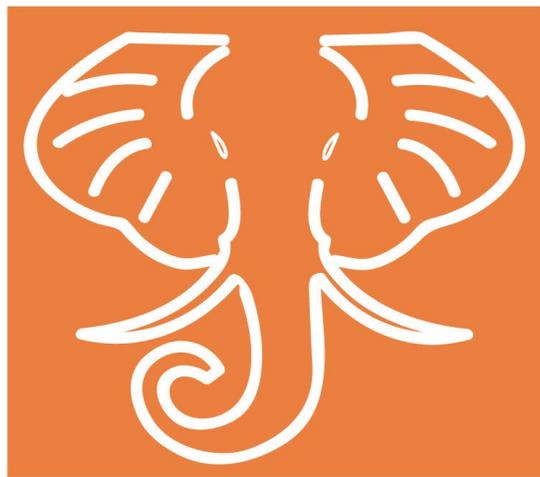


Parliamentary debates.

New Zealand.

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Regulations 1951 (Serial No. 1951/24), the Waterfront Strike Emergency Regulations 1951, Amendment No. 1 (Serial No. 1951/76), the Waterfront Strike Emergency Regulations 1951, Amendment No. 2 (Serial No. 1951/94), and the Waterfront Strike Emergency Regulations 1951, Amendment No. 3 (Serial No. 1951/100)."

AYES, 42

| | | |
|-----------|--------------|----------------|
| Aderman | Hanan | Rae, D. M. |
| Algie | Harker | Rae, J. |
| Bodkin | Hayman | Ross |
| Bowden | Holland | Roy |
| Broadfoot | Holyoake | Shand |
| Cooksley | Johnstone | Sheat |
| Corbett | Jones, S. I. | Sim |
| Doidge | Kidd | Sullivan |
| Eyre | McAlpine | Tennent |
| Fortune | Maher | Watts |
| Gillespie | Marshall | Webb. |
| Goosman | Massey | <i>Tellers</i> |
| Gordon | Murdoch | Gerard |
| Gotz | Neale | Sutherland. |
| Halstead | | |

NOES, 30

| | | |
|-----------|---------------|----------------|
| Anderton | Kent | Omana |
| Armstrong | McCombs | Osborne |
| Chapman | Macdonald, R. | Paikea |
| Combs | Macfarlane | Ratana |
| Freer | McKeen | Semple |
| Hackett | Mason | Skinner |
| Howard | Mathison | Walls. |
| Hudson | Moohan | <i>Tellers</i> |
| Jones, F. | Nash | Connolly |
| Kearins | Nordmeyer | Cotterill. |
| Keeling | | |

PAIRS

| | |
|------------------|----------------|
| <i>For</i> | <i>Against</i> |
| Herron | Tirikatene |
| Macdonald, T. L. | McLagan |
| Smith. | Parry. |

Majority for, 12.

Motion agreed to.

The House divided on the question, "That this House approves of the Government's administration of the regulations passed under the Public Safety Conservation Act and the Proclamation of Emergency, and of the Government's handling of the industrial dispute."

AYES, 42

| | | |
|-----------|--------------|----------------|
| Aderman | Hanan | Rae, D. M. |
| Algie | Harker | Rae, J. |
| Bodkin | Hayman | Ross |
| Bowden | Holland | Roy |
| Broadfoot | Holyoake | Shand |
| Cooksley | Johnstone | Sheat |
| Corbett | Jones, S. I. | Sim |
| Doidge | Kidd | Sullivan |
| Eyre | McAlpine | Tennent |
| Fortune | Maher | Watts |
| Gillespie | Marshall | Webb. |
| Goosman | Massey | <i>Tellers</i> |
| Gordon | Murdoch | Gerard |
| Gotz | Neale | Sutherland. |
| Halstead | | |

NOES, 30

| | | |
|-----------|---------------|----------------|
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| Hackett | Mason | Skinner |
| Howard | Mathison | Walls. |
| Hudson | Moohan | <i>Tellers</i> |
| Jones, F. | Nash | Connolly |
| Kearins | Nordmeyer | Cotterill. |
| Keeling | | |

PAIRS

| | |
|------------------|----------------|
| <i>For</i> | <i>Against</i> |
| Herron | McLagan |
| Macdonald, T. L. | Tirikatene |
| Smith. | Parry. |

Majority for, 12.

Motion agreed to.

ADDRESS IN REPLY: WANT OF CONFIDENCE

Interrupted 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. OMANA (Eastern Maori District).—Sir, unfortunately I did not know I was going to speak now. I do not know who the previous speaker was on the other side, and I hope he will forgive me for not referring to his speech. I join with previous honourable members who have taken part in this debate in congratulating the mover and the seconder of the Address in Reply. They made a good job of their speeches. It is not an easy task to move or second an Address in Reply. Those two honourable members join others who have had that experience and can now look back upon it. The seconder of the motion, the honourable member for Wairarapa, stated that butter was cheaper in New Zealand than in any other part of the world.

An Hon. MEMBER.—It will be cheaper still when the Labour party gets in again.

Mr. OMANA.—That may be all right. The housewife looks at it from the point of view that she now has to pay 6d. more for a pound of butter. That is only one item in the cost of living that has gone up during the eighteen months the National party has been in office. I join with other honourable members in expressing joy and pleasure at the elevation of our Governor-General to the peerage. It is a well deserved honour, for we all recollect the services rendered by Lord Freyberg in World War I and in World War II. May I mention, too, that in the recent war Lady Freyberg played her part in the Middle East. It is perhaps not known to many, but I have met many returned servicemen who have told me of the kindnesses of Lady Freyberg to our soldiers overseas. When their term of office ends in New Zealand, wherever they go they will carry with them the best wishes of us all.

The visit of Their Majesties next year will bring great joy to New Zealand. We sincerely hope that His Majesty's health will continue to improve, and that this time the visit will take place. Tours such as these are no easy matter for those who undertake them. The routine, generally, is receptions and functions day after day, and I am pleased to learn that this tour of Their Majesties will be somewhat curtailed. When it was proposed that Their Majesties should visit this country last year, the Maoris were going to see the King and Queen at many meetings throughout the Dominion. Next year, however, I understand there will be only the one central place for the Maori people to meet Their Majesties, and I believe that Rotorua is most suited to be that place. I do not say that because it happens to be in my electorate, but when other members of the Royal Family have visited New Zealand they have been received in Rotorua. The visit of Their Majesties next year will be a source of great joy to all the people of New Zealand.

I support the amendment, moved by the leader of the Opposition, to the Address in Reply, that this House has no confidence in the Government. There are many reasons for the present industrial trouble. It could have been settled much sooner, but we know, from the National party's manifesto in 1949, that it was the Government's intention to discipline the worker at the first available opportunity. I believe that, when this present trouble started, the Government had no intention of allowing an early settlement. The Government, by being stubborn and prolonging the strike, made it clear that it was out to discipline the worker. This trouble has cost the country millions of pounds. How can the Government say that there will be no more industrial trouble? Unless the Government can guarantee that there will be no more industrial trouble, its handling of this strike will have been in vain. The removal of subsidies, with the consequent sharp rise in the cost of living, has been responsible for our present industrial trouble. Government members have said that the Labour Government removed subsidies. Admittedly it did, but at the same time it provided for an adequate increase in wages to meet the increased cost of living.

Mr. MASSEY.—Who paid for the subsidies?

Mr. OMANA.—Who pays for the removal of subsidies now? Everybody pays in the higher cost of living. That is the National Government's way of thinking. Never mind the other chap who is unfortunate enough not to be able to buy the necessities of life. As for housing, Government members say that last year and this year more houses have been built than ever before. They do not say, however, that that has only been possible because the Labour Government, when it went out of office, had planned its housing programme for several years ahead. The present Government took office at a time when large numbers of houses were being built and large numbers of contracts had been let for further houses. Under Labour's regime sections were prepared and all that the National Government had to do was

to carry on with the work. Every one recognizes that a family should have first, a good home, and second, reasonable cost of living. I regret that the Government has failed in respect of both those essentials. Despite its various claims, rents have risen, and while that is not of much moment to people of means, it hits the workers severely. We recall how National party members were continually complaining of so-called inflation under the Labour Government, but although things have gone from bad to worse under the National Government, the former critics are silent.

It is extraordinary that no Government member has seen fit to discuss the economy of the country or to suggest ways and means of stopping inflation. When the National Government, soon after coming into office, destroyed the land-sales legislation, which a humane Labour Government had placed on the statute-book, mainly for the sake of the returned servicemen, the only reason given was that the alteration in the law would benefit old couples anxious to sell their farms and retire. The truth is that such cases are rare. In most instances the land is handed down to the children, as is evidenced by the fact that most of the land acquired by the pioneers is still in the hands of their descendants. But what about the returned serviceman who needs land, or the civilian who wants to go on the land and be our future producer? Those are the people we want to help, by enabling them to obtain land at reasonable prices; not inflated prices. The honourable member for Hauraki referred to the question of liquor and the Maori race. The remarks of the honourable gentleman were reported in the *Dominion* of the 11th July as follows:—

“Mr. Sutherland (Hauraki) in the House of Representatives last night criticized the Labour Government's attitude toward liquor and the Maori race. He was speaking in the Address-in-Reply debate. The Labour Government, he said, had committed one of its biggest blunders when it altered the liquor laws and allowed Maori women to drink in hotels and Maori men to take liquor away from hotels. ‘It has put back the progress of the Maori race fifty years,’ Mr. Sutherland claimed. He was pleased that the Minister of Maori Affairs, Mr. Corbett, had told the Maori people that their liquor rights would cease if they abused them. ‘If the Minister wants to alter the law he has my full support.’”

We know there are Maoris who perhaps take a glass or two too many. I would say, however, that those cases are in a minority, and why should the majority of Maori people have to suffer for the faults of the few? The Labour Government removed the restrictions on Maoris to give equality between Maori and pakeha in the liquor laws and also to abolish the underground methods by which Maoris were obtaining liquor. That was a very bad feature when the restrictions applied. The Maoris would use any back-door method to obtain liquor. The liquor was kept in dark corners and sold on a black market at perhaps double the ordinary price. By removing the restrictions, all those underground methods of

obtaining liquor were abolished. A trial was given to the Maori people to see how they would get on with the new laws. About two months after the restrictions were lifted, the police and some Welfare Officers went round the Wairoa District to see how the Maoris were using the liquor laws, and they reported that the use of the laws by the Maoris was quite good.

. The Hon. Mr. CORBETT.—It is not good now.

Mr. OMANA.—It has not gone from bad to worse. In the Maori Social and Economic Advancement Act provision is made for dealing with Maoris who may take one or two glasses too many, but that provision has not been used so far. Why not give it a trial before putting the restrictions on the Maoris again? There are many Welfare Officers and wardens who take a hand in seeing that there is no abuse of the drinking of liquor. The wardens occupy a purely honorary position, and if they are asked to help, I think some sort of encouragement to them to do the job should be given by way of remuneration. The tribal executives have wardens throughout New Zealand who occupy honorary positions, but they have their jobs to attend to, and I suggest they may be able to help in preventing abuse of the liquor laws by the Maoris by going round the pas or villages. But we cannot expect them to do those jobs for nothing. There are also tribal committees everywhere in New Zealand, even in the small communities. They could help, too, under the direction of the Minister of Maori Affairs. I believe it would be quite a simple matter for certain people to go about giving advice. At present no advice is given at all. The Maoris just go ahead, but if those few who are abusing the drinking of liquor were to take advice from the wardens, the Welfare Officers, or the tribal committees there would be an improvement. It would go a long way towards improving things if the Maoris were given advice in this way. They would then know how to behave themselves and how to take liquor as it should be taken.

The Hon. Mr. CORBETT.—Does the honourable member suggest that the Welfare Officers do not do that to-day?

Mr. OMANA.—I believe they could do a lot more. They may be doing something in a small way. If the Minister gave his advice about how liquor should be taken in a proper manner, and the wardens and tribal committees passed it on, it would go a long way towards what we in this House call abuse of the liquor laws by the Maoris. I do object to all this talk about the abuse of this privilege by the Maoris. When the restrictions were about to be lifted many Maoris who did not take one glass of liquor were in favour of the proposal, not because it would make it easier for the Maoris to get liquor, but because there was to be a removal of some sort of bar on the Maori people. In conclusion, I support the amendment moved by the leader of the Opposition.

Mr. HERRON (Awarua).—Sir, at this stage in the debate the various subjects are getting somewhat threadbare. But I was very interested

Mr. Omana

in certain statements made by the honourable member for Eastern Maori District. He referred to the aged people in country districts who wished to sell their properties. I do know, in confirmation of what he stated a few minutes ago, that many aged people do hand their properties down to their families, and that the families thus remain in occupation of the farm for one generation after another. I do not know of anything more calculated to assist the prosperity of the country as a whole than families retaining possession of land for generation after generation. Moreover, that obviates the practice indulged in in some cases of land gambling. But the honourable gentleman went on to refer to aged couples who really wish to sell their properties. I have thought of a scheme, and have been waiting for an opportunity to discuss it with the Minister of Lands. In the Southland area, for instance, there are several instances—I could mention eight—of very old people who have got beyond the stage of farming their land efficiently. Their difficulty, however, is to get a suitable house on the outskirts of a town or city, for those people do not as a rule enjoy living in closely built-up areas. It is a real difficulty for these people to obtain a place where they can live in reasonable comfort, and, rather than go to the bother, they remain on the farm.

My scheme envisages the Government taking over the land and cutting it up into small sections, say, of a few acres, and asking these old people whether they would be agreeable to settle on these sections if a comfortable house, designed to their own specifications, were built for them. They could still have their cow, dog, and so on. They could exchange their farm for a section, with suitable financial adjustment, of course. If this arrangement could be carried out I am sure that there are many farms that would be made available for the settlement of returned servicemen. The scheme is well worth while, because, after all, all couples do not have a family. Some people who have been farming for years have no sons to whom they can hand over their properties, and those are the people to whom the honourable member was referring as wanting to sell their properties. The honourable member said that he would like to see ex-servicemen settled on the land, at a reasonable price. Every one agrees with that. These men played their part in defending New Zealand and they should get every possible consideration if they want to settle on the land. I do not agree with the policy of the previous Government in settling ex-servicemen, because the then Government wrote down the value of the farm before acquiring it for an ex-serviceman, which, in effect, meant that the farmer settled the ex-serviceman. The present Government pays a reasonable price for land acquired for closer settlement for ex-servicemen and then immediately writes down the value to the 1942 basis, and the taxpayer finds the difference. That is only fair and just.

I join with other honourable members in wishing success and the best of health to the King and the Royal Family. I was pleased to notice a press report a few days ago that the

health of His Majesty had improved considerably. We are delighted to know that this time the Royal visitors will come to New Zealand. I was disappointed that Southland was not included in the Royal itinerary. The Royal Family goes only as far as Dunedin, but the Princess goes to Invercargill for an hour. We are not making any complaint about that, because the people of Southland know that arrangements will be made so that they, and particularly the children of Southland, will have an opportunity of travelling to Dunedin to see the King and Queen. The Southland people realize that the itinerary has been curtailed for health reasons. I should like to add my humble congratulations to the Governor-General on the honour recently bestowed upon him by His Majesty the King. No one has earned the honour more thoroughly. I should also like to congratulate the mover and the seconder of the Address in Reply, and to compliment them on their thoughtful addresses, which were obviously made after a great deal of consideration. They touched on many subjects, and their views are worthy of much consideration. It is a great credit to new members to be able to make two such very good speeches.

The honourable member for Auckland Central, to the surprise of many honourable members, bemoaned the fact that the farmers had lost a lot of money as a result of the postponement of the wool sales. That is correct, but the farmers are not the only ones who lost money. It is surprising to me that the honourable member for Auckland Central should want to support the farmers. The honourable member said that the Mayor and Councillors of Auckland had prohibited some one and himself from using the Town Hall. He read a telegram running into several pages which he had sent to the Prime Minister appealing to the Prime Minister to assist him. The Prime Minister telegraphed the Mayor of Auckland and did everything humanly possible to assist the honourable member. The business was cleaned up as far as I know, but, as one might expect of the honourable member, he did not give the Prime Minister any credit at all for the work he had put in. The honourable member for Waimarino stated that strikers and women and children had been starved through the regulations imposed by the Government.

Mr. KEELING.—Attempted to starve them.

Mr. HERRON.—That is just too foolish for anything. If that did happen, and I very much doubt it, it was the strikers who starved them and not the Government or the regulations. It reminds me of the story of an Irishman who was charged with murdering his father and mother. He pleaded for mercy because he was an orphan. I would like to refer to the strike and to the attitude adopted throughout by the Opposition. The leader of the Opposition has undoubtedly stood on the fence. Everybody, I feel sure, realizes the difficulty he was in because of his experiences with the watersiders when his Government was in power. He thought that there was no chance of a new Government holding these

people at all. He must have felt that his experience with the watersiders over the last few years had been very useful to him.

He knew the power and the push these people had all along. He thought—this is only my own idea, but I do not think I am very far wrong—that a brand-new Government would have no chance with them whatever. For that reason he concluded it would be wise to stay well out of the trouble until the Government collapsed, then he would have a marvellous opportunity of stepping in and taking a lot of the kudos for straightening out things. Unfortunately, the leader of the Opposition stays on the fence too long.

A little while ago I was at the Port of Bluff when the biggest steamer ever to visit that port was there. This was just before the strike. I had a long conversation with the captain, a very good specimen of a strong Scotsman. He praised New Zealand and the people of New Zealand. He said that our rural population per head produced twice as much as any other rural population in the world. He went on, "Production in New Zealand is the reason we are building bigger ships and coming more often to this country. At the present time these ships would not be coming here except for foodstuffs." He went on to say, "But there is one thing you people should not be proud of, and that is you have the worst watersiders in the world. I have been all over the world, and no other watersiders are as bad." I wanted to try to hold up New Zealand, and I immediately said, "What about Australia?" He said, "The position in Australia is also bad, but when they do work in Australia, they work. What it takes your watersiders a week to load into a ship, the watersiders in England can discharge in a day. What it takes your watersiders six weeks to load, the British watersiders unload in six days." And he concluded, "Unless you do something about your watersiders your country is doomed." That was just about a week before the strike began.

There is no doubt that the difficulties we have had on the waterfront in the past have been a serious drawback to us, and it is surprising to see members opposite at last coming out quite openly in favour of the deregistered union. The leader of the Opposition complained about the Government offering to sell 5,000 tons of meat to America. I thought at the time that, had it not been for the quick action of the Government in putting the servicemen on the wharves, England would have been a great deal shorter of meat than 5,000 tons. I suppose members opposite recall that about two Christmases ago a great many parcels of foodstuffs had been packed by our people to send to Britain, and that the Auckland watersiders refused to load the parcels, and even refused to allow the crew of the ship to do so. The ship finally had to sail without them. That does not fit in well at all with the complaint of the leader of the Opposition about selling 5,000 tons of meat to America.

I have many friends who are supporters of the Labour party, and during the strike I heard them say quite openly, "What the mischief"—to use that expression in place of the one they actually used—"has happened to the Labour party members of Parliament?" The National party, they said, was getting all the credit for handling the strike, and they thought that, if the Opposition members assisted the Government in some way, they would share in the credit. They said, "These people the Labour party members are supporting are the main ones that put us out of power, and if the Labour Government had been strong enough to 'take them on' as the National party has done now, I think we would still have been the Government." There is something to be said for that. The ordinary people do think that the Opposition, because it sat back during the dispute, lost a wonderful chance of sharing in the credit for the settlement of the strike.

In conclusion, I would say that we now have the best waterside workers that we have had for a long time. I have had something to do with waterside workers. With the honourable member for Invercargill, I have had close contact with the new waterside workers at Bluff. Bluff has always been looked upon as one of the best ports in New Zealand for the handling of cargo. The waterside workers there have compared more than favourably with waterside workers elsewhere, because they did the job and did it well. However, because of the visit their representatives made to Wellington and the visit made by the Wellington people to Bluff, it was a long time before a new union was formed at that port. We have workers now at Bluff and other ports who are doing a first-class job. There is no doubt that the watersiders, as a whole, have not always been to blame for troubles which have occurred in the past, but I think it can be fairly said that they were to blame for the way they set about fixing up those troubles. At various times five different Commissions were set up, but if the ruling given by a Commission was unfavourable to the watersiders they immediately wanted to get rid of it. In that way it can be said that they were to blame for not going about settling their troubles as they should have. I would point out to the new waterside workers that the Government is very anxious that they should carry on with their work and build up the reputation of our ports to what it used to be in the years gone by. It is the Government's responsibility to see that the men on the waterfront get fair and reasonable treatment, but, at the same time, it is up to those men to play the game. There are bound to be difficulties and differences of opinion, but they should be settled through the committees set up for that purpose, instead of upsetting the whole country as has been done time and time again in the past.

The Hon. Mr. NORDMEYER.—Has not Bluff always been a good port?

Mr. HERRON.—Yes, it has. I admit that, and have said so all along. However, it was one of the last ports in New Zealand to form a new union.

Mr. Herron

An Hon. MEMBER.—What is shipped from there?

Mr. HERRON.—It is a pity some honourable members do not have a look around New Zealand before they go somewhere else. Finally, I compliment the Prime Minister and the Minister of Labour for the fair and just manner in which they have handled this strike. One honourable member said, the other night, that Federated Farmers had refused to do anything towards the settling of the strike. I can assure the House that there were not hundreds, but thousands of people who were willing to do anything, but the Government said, "No, we want to run this thing fairly." The Government held the new unions open long enough to enable members of the deregistered unions to return to employment if they wanted to; they were given preference. Some of them did not join up in time, and the unions are now full. They have only themselves to blame. The Minister of Labour, the Prime Minister, and all others who have assisted in cleaning up the strike can look back with a great deal of pride on what they have done, because it has been done fairly and squarely.

Debate interrupted.

BUSINESS OF THE HOUSE: CONCLUSION OF SESSION

The Right Hon. Mr. HOLLAND (Prime Minister), with the leave of the House, moved, *That the Orders of the House made on the 11th July for the second reading pro forma of the Workers' Compensation Amendment Bill and the Minimum Wage Amendment Bill and the reference to the Labour Bills Committee be discharged, and that both Bills be set down for second reading presently.* It was necessary to pass this motion so that those Bills could reach the statute-book before the conclusion of the session. There was nothing controversial in either measure, and it would be regrettable if the course suggested was not pursued.

Motion agreed to.

The Right Hon. Mr. HOLLAND said that, with the leave of the House, he would indicate the remaining business of the session. There was some doubt about the date when the electoral rolls would be printed, but the general election would be on one of three Saturdays—the 25th August, the 1st September, or the 8th September. A special statutory provision would be necessary to enable the old rolls to be used, and, accordingly, the point would be covered in a Finance Bill that would come down next day. There would be no licensing poll, as one could not be held within two years of the previous poll. The leader of the Opposition would be informed immediately the election date was fixed. The Government had no desire to take an unfair advantage in the matter by booking up halls. It was proposed to introduce an Imprest Bill which would contain several provisions necessary in the present situation. There would also be the Minimum Wage Amendment Bill and the Worker's Compensation Amendment Bill already referred to,

and a Bill to be handled by the Minister of Labour dealing with registrations for a training scheme. There would also be an Agricultural Emergency Regulations Confirmation Bill. One or two other measures would also require to be dealt with, but he thought it would be wrong in the circumstances to pass any controversial legislation at the present stage. He would keep the leader of the Opposition informed as to any emergency provisions that might require to be passed in one sitting. The only remaining business for which urgency was taken was the Address-in-Reply debate, and he thought it not unreasonable that that should be concluded that night. If the other Bills mentioned could be taken the next day, he did not see why the session should not conclude the next evening.

ADDRESS IN REPLY: WANT OF CONFIDENCE

Interrupted 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.*

The Hon. Mr. SKINNER (Buller).—Sir, initiating a debate of this kind is always something of an ordeal, and I join with other members who have preceded me in congratulating the mover and the seconder on the way in which they opened the debate. I congratulate them on the painstaking way in which they prepared their speeches and the obviously sincere way in which they delivered them. I also wish to join with every one else in New Zealand in rejoicing that there is every possibility His Majesty's health will be sufficiently improved to enable him and other members of the Royal Family to visit New Zealand next year. We all pray that nothing will happen to prevent the visit from taking place, because we have looked forward to it for a long time now. It gives us great satisfaction to know that Lord and Lady Freyberg will be here to welcome the Royal Family when they arrive. Over the years that Lord and Lady Freyberg have lived in New Zealand and worked with New Zealanders they have endeared themselves to every one. Those of us who served under Lieutenant-General Freyberg, as he then was, in the Middle East know his worth. We also know of the work done by Lady Freyberg in the Middle East. She did everything possible to organize clubs and social functions, and to do whatever she could to make the life of the serviceman just a little better. We are very pleased indeed that Their Excellencies have had such high honour conferred upon them by His Majesty. It was well deserved. We all rejoice that the sterling worth of our Governor-General and his lady has been recognized in this way.

Now, even though there have been fifteen or sixteen speakers from the Government benches so far in this debate, there are still many questions left unanswered. It is strange that few Ministers have taken part in the debate. I would have thought that, from the questions asked by members on this side of the House,

the Government would have hastened to answer them. Instead, what have we had? We have had a tirade from the Prime Minister. We have heard just a rabble-rousing speech from the Prime Minister, not supplying the answers to the questions we want answers to. He gave a lot of reasons for the action taken by the Government—reasons which have not appeared until this late stage; they have not been mentioned earlier. We are entitled to know what the Government did to try to prevent this trouble which is besetting this country of ours. Has the Government done anything at all? We have had no indication of it as yet, either from the Prime Minister or any other member of the Government who has spoken. No member of the Government has mentioned any one thing done by the Government to prevent this dispute occurring, nor has any member of the Government said why a compulsory conference was not called.

Hon. MEMBERS.—Ha, ha!

The Hon. Mr. SKINNER.—That seems to raise a lot of smiles among Government members. A compulsory conference seems to have worked quite successfully in other cases, but in this dispute it was never tried, and the Government has not given any reason for not calling a compulsory conference. Why has it missed all the opportunities that offered for bringing about a settlement? There have been fifteen or sixteen Government speakers and every one of them has simply criticized all the unions concerned. They have also criticized the Opposition for its so-called lack of action, and criticized every one who has not spoken in favour of the Government, without giving any reasons for the action of the Government in preventing a settlement taking place. The Government has been vainly trying to prove that the Labour party is supporting the waterside workers in their strike action, if it can be called a strike. The first statement issued by the Opposition made it perfectly plain where we stand in the matter.

Hon. MEMBERS.—Neither for nor against.

The Hon. Mr. SKINNER.—That seems to raise mirth on the other side of the House. Obviously, members of the Government either cannot or will not reason. The Opposition has made its position perfectly plain and never lost an opportunity of saying that it does not support the waterside workers or any other union in direct action.

Mr. SMYTH.—Or any one else.

The Hon. Mr. SKINNER.—I thank the member for Hobson for saying that we do not support the Government in direct action. I agree with what the Prime Minister said during the election campaign—that there is ample machinery in the country to-day to settle any dispute, if that machinery is used. We want to know why the Government has not used it and has refused to allow it to be used. In a statement on the 1st March the Opposition stated its position in this dispute in these words:—

“Agreements when made should be faithfully observed. While opportunities were available

for negotiation, it was opposed to direct action to enforce demands either by employers or employees."

The statement goes on to say:—

"We are firmly attached to New Zealand's system of industrial conciliation and arbitration, and we are convinced that disputes are best settled by resort to reason and not by force."

Does that look as if we are neither for nor against, or on the side of the waterside workers in their strike action? We say we will not support direct action and that there is sufficient machinery in this country, if used, and if all parties have access to it, to enable disputes of this kind to be settled. Just as the Prime Minister said in the election campaign, we have to get round the table finally to settle these disputes. Driving men back to work is not bringing about a settlement. Just grinding the workers' faces in the dirt does not mean we are reaching a settlement of any kind. Obviously, the Government has to answer to the people for prolonging this dispute beyond at least the first week in March. Anyhow, the people want to know what the Government did to prevent the dispute occurring in the first place. So far we have not had any answer to that, although Government members are vainly trying to prove that we were responsible for the direct action taken by the unions. They are trying to convince the people that the Opposition is simply sitting on the fence and does not know where it stands. Well, thinking people have had it demonstrated to them quite clearly that the Opposition stands for conciliation and arbitration. We wrote that into the statute-book, and we stand by it. We feel that the machinery that is available for the settlement of disputes is sufficient, provided every one has access to it, and provided also that there is no abuse of the machinery. However, no one would ever accuse the Government of sitting on the fence. It is well on the side of the employers already, in the mud with them, and throwing as much mud as it can, to try and detract attention from its own shortcomings, its own muddlement, its own indecisions. If further evidence was required of the Government's indecision, it has been made available by the announcement of the Government that it is going to the people. It is so uncertain of itself that it is going to the people, and with a majority of twelve in the House, too! The Government finds it necessary to go to the people.

Mr. Gorz.—Not necessary, but desirable.

The Hon. Mr. SKINNER.—Yes, the Prime Minister said it was necessary. I am in very good company there. Perhaps the honourable member for Otahuhu did not hear his leader say that the Government considered it necessary to obtain the decision of the people on the action taken so far in this dispute. If the Government was sure of its position, it would not go to the people; and Government members say they are sure they are right in the way they have handled the dispute. Why go to the people? We welcome the opportunity of going to the people and putting the Government's legislation to the test. That suits us all right.

Hon. Mr. Skinner

But it is somewhat strange that all this change of face has occurred since the Prime Minister visited Australia. It does seem that the pattern of national politics in New Zealand conforms very closely to the pattern of national politics in Australia.

The Hon. Mr. WATTS.—The same enemy in both places.

The Hon. Mr. SKINNER.—As a matter of fact the Prime Minister, before he went to Australia, said he did not see any "Red" menace in this dispute.

The Right Hon. Mr. HOLLAND.—It was the leader of the Opposition who said that.

The Hon. Mr. SKINNER.—I am talking of what the Prime Minister said. He has no need to throw mud to distract attention from what I am saying. I repeat, that before he went to Australia the Prime Minister said that he did not see any "Red" menace in this industrial dispute?

The Hon. Mr. FORTUNE.—When did he say that?

The Hon. Mr. SKINNER.—That proves that there is one member opposite who cannot read, for the newspapers published the Prime Minister's statement. Yet when the right honourable gentleman returns from Australia we find that the whole thing is inspired by Communists, and we start on this "Red" baiting campaign. So we have to go to the people, just as they did in Australia. I would far rather have a Government in New Zealand that promoted its own policy than to have a Government following a line thought out by Nationalists in other countries. Surely the National party has enough ability on its own benches to formulate its own policy without going across to Australia and following the pattern of politics there. The Prime Minister also complained very plaintively that the Opposition had not helped him in the early days of this dispute. I gathered from what the Prime Minister told the House on one occasion, and from what he said in public elsewhere, that he was strong enough to handle these things. He told the people in Australia that he was running a strike here, and that he did not need any assistance from the Labour party. Now he complains bitterly that we did not give him any assistance. He also said that the Opposition was strangely silent in the early days of the dispute.

Mr. SMITH.—So it was—in the open, but not behind the scenes.

The Hon. Mr. SKINNER.—Not one single meeting was held until it was quite obvious to every one that the Government did not want to settle the strike. When members on this side of the House started to address public meetings it was quite obvious to us that the Government did not want a settlement. The Minister of Health interjected earlier saying, "I thought we were not allowed to hold meetings." We have never said that. We will say that on many occasions many of our speakers were prevented from holding meetings. We had lots of public meetings. The Opposition cannot "laugh that off." The police definitely prevented members on this side of the House

from addressing public meetings. There is no earthly use members of the Government trying to contradict that. As the deputy Prime Minister said on another subject, "We have documentary proof of something, and I will refer to that in a moment. Of course we were silent in the early days of the dispute. Negotiations were taking place at that time, and our only anxiety was to see that this dispute was settled. That seemed to be far from the minds of members of the Government. We would not do anything or say anything to jeopardize the delicate negotiations that were under way at that time. That seems to cause amusement to the honourable member for Otahuhu; apparently the matter is so unimportant to him that he can just laugh about it. We were anxious to see this dispute settled, and we did everything we possibly could in negotiation with the parties concerned to try to bring about that settlement.

The leader of the Opposition was determined that nothing should be said or done, no matter how much the party would suffer, to jeopardize the settlement of this dispute by means of conciliation and arbitration. We have stood for that always. That is written into our policy, and we shall always stand by that, in spite of the amusement of the honourable member for Otahuhu who considers the matter so unimportant that he can joke about it. The Government continued to make all kinds of statements that were certainly not designed to bring about a settlement. It used the "big stick" from the start and came out in the open on the side of the employers, not as an impartial Government, but right out on the side of the employers. The Government put out press statements aimed at aggravating the position rather than trying to bring about a settlement. The conditions were changed almost daily under which the unions were to agree to return to work. One day a statement would be made, and the next day fresh conditions would be added, while a day later more conditions would be announced and these conditions had to be agreed to before negotiations could be commenced. That made it almost impossible for a settlement to be negotiated. I would say that the Government missed three and possibly four good opportunities of bringing about a negotiated settlement to this dispute. Or each occasion it has deliberately dodged away from it.

An Hon. MEMBER.—On whose terms?

The Hon. Mr. SKINNER.—Some one interjects, "On whose terms?" A negotiated settlement is a negotiated settlement; on no one's terms at all. It is a negotiated settlement. How can you have a negotiated settlement on certain terms? The Government laid down conditions. They were agreed to. The Government again and again laid down fresh conditions—more conditions. As soon as one lot was agreed to, more conditions were laid down. At one stage the Minister of Labour said the only condition was that the watersiders had to submit their wage claims to conciliation and arbitration if necessary. When the watersiders agreed, what happened? Seven conditions were laid down. When they were

agreed to, still further conditions were laid down. So it has been going on ever since. One would almost think that the Government was deliberately creating conditions making it impossible to negotiate a settlement. Why the different methods in handling disputes since this major dispute started? The Government carried out long and lengthy negotiations with the railway men. Why was that if it was not prepared to negotiate with other sections of the workers? Why did the Government call a compulsory conference with bus drivers and their employers in Auckland? As a matter of fact, it called two compulsory conferences. Why was that? That was written into its policy, I agree, but why did not the Government do that in this major dispute? If that had been done this dispute would not have lasted a fortnight. It would not have lasted a week had the Government done with the watersiders what it did with the Auckland bus drivers. Why the difference? Why did the Government implement its stated policy when dealing with the Auckland bus drivers and yet was not prepared to do it with other sections of the workers? Why discriminate against certain sections? The Government was determined to smash the Waterside Workers' Union.

The facts of the case are being manipulated just as the facts about the public finances were manipulated last year. It is done for only one purpose—to try to discredit the Opposition, to try to discredit the Labour party. The Government knows quite well that what it has done in the case of the watersiders is wrong, definitely wrong, otherwise why did it not do the same with the Auckland bus drivers? Why call a compulsory conference in that case if it was not prepared to call compulsory conferences with disputes concerning other sections? It hastened to call two compulsory conferences in that instance. I would say the country would want to know just why this action was taken in one case and not in another. Just as the Prime Minister disclosed only one side of the country's balance-sheet, that is the debit side, last year, when he made various statements over the air, so he and his henchmen are disclosing only one side of this dispute. The people are hearing only one side. The Government determinedly has taken sides against the workers in this case. We have heard a lot about appeasement. That is the catch-cry on the part of the Government. We did not hear anything about appeasement before we heard of Hitler. It was only since the Nazi regime in Germany started to spread its tentacles throughout the world that the newspapers were full of talk of appeasement. We say that the Nationalists here in New Zealand have taken up this catch-cry of appeasement. Any negotiated settlement with the watersiders would be appeasement. Were negotiations with the railway men appeasement? Were negotiations with the Auckland bus drivers appeasement? Were the negotiations with the watersiders last year appeasement?

The Hon. Mr. WATTS.—Have a look at the record of the railways.

The Hon. Mr. SKINNER.—Their record is good. It is one of the best organizations in the country. The Government says that any negotiated settlement with the watersiders would be appeasement. Are these other negotiated settlements appeasement, too? Speaking in an earlier debate, the Minister of Labour said that the negotiations with the watersiders last year were appeasement. I do not know who appeased the watersiders then, because the shipowners negotiated with them. All we asked the Government to do on this occasion was to implement its policy and call a compulsory conference—not to make a decision of any kind, but only to get the employers and the employees together to settle the matter as the dispute last September was settled. The Government refused; it said it would have been appeasement to do that. I suppose, then, it was appeasement last year when the employers and the employees got together and settled their dispute. The merit of the union's case on that occasion is shown by the fact that the employers agreed to give them more than they had asked for. They had asked for an extra 2s. 6d. for handling lampblack, and the employers agreed to 4s.—and that after a discussion of only a few hours at a compulsory conference. Yet the Government hastened to declare a state of emergency on that occasion, just as it declared a state of emergency on this occasion. This time it was determined to smash the union. It was quite prepared to negotiate with other unions, but not with the Waterside Workers' Union. The Government has very definitely shown its hand. It has sought out one particular group of workers, and it is determined to go ahead with the job of smashing that group. The whole of our arbitration system is based on negotiation, and if the Prime Minister says that negotiated settlements are simply appeasing the parties concerned, that is an indictment of the whole of our arbitration system.

Let us go a little further—into the realms of international affairs. Would the Prime Minister join with some of the prominent reactionary politicians in other parts of the world and condemn as appeasement the negotiations at present proceeding in Korea? That is just taking the matter to its logical conclusion. I feel the Government has not done its job as a Government. It has taken sides in this dispute; it has not been prepared on this occasion to implement its policy; it has refused to call a compulsory conference, and yet previously it has tumbled over itself to call not one compulsory conference, but several. And the country has been asked to foot the bill. We do not know what we are getting for what we are being asked to pay. It is a pig in a poke. Millions of pounds have been paid by New Zealand in endeavouring to find a solution to a dispute which, in my opinion, has been deliberately prolonged by the Government. I wonder what it will cost the country? We have heard a lot about what it has cost the woolgrowers and the orchardists. Could the Government tell us what it did to try to effect distribution of apples? Half a million cases of apples were dumped in Nelson. What

did the Government do to try to distribute them? There were fewer cases of apples carted out of Nelson this year than in any previous year.

Mr. S. I. JONES.—Why?

The Hon. Mr. SKINNER.—Yes—why? Trucks were going empty to the rail-head at Blenheim and the rail-head at Inangahua Junction. The transport companies were asking the Internal Marketing people for apples to take to the rail-head, and they were told "No." The orchardists themselves went to the Apple and Pear Marketing Board for permission to give the apples to schools and hospitals, but they were told that they could not do that. They were prevented from giving the apples away. The previous lowest quantity of apples carted out of Nelson was 250,000 cases. This year the quantity was under 110,000 cases. Would the Government tell us why those apples were not transported out of Nelson? Could not some effort have been made to distribute those apples? No, the Government preferred to see them dumped; it would rather let them lie on the mudbanks of Motueka, Nelson, and other parts of the district, so that Government members could stand up in the House and blame the watersiders for the shocking waste. That waste was brought about by the inability or reluctance of the Government to make any special effort to distribute the fruit. Fewer apples were transported out of Nelson this year than ever before in the history of the apple industry in that part of New Zealand. I should like the Minister of Agriculture to tell us why that was so. Why was not some effort made to distribute that good food? Why were orchardists prevented from giving those apples to school-children? Why were they prevented from giving them to the hospitals? They could have been distributed to school-children with no additional cost to the country. The School Committees were prepared to collect the apples and cart them to the schools for distribution to the children. But no, the Government would rather let the apples go to waste so that it could come here and make a political point out of it.

Mr. GILLESPIE (Hurunui).—Sir, first of all I offer my sincere felicitations to the mover and the seconder of the Address in Reply. They must have had a very difficult task preparing the speeches which they delivered, but there is no doubt that they acquitted themselves in a manner which must have given great satisfaction, not only to them, but to the people they represent, particularly in view of the way this debate has developed. On behalf of the people of the Hurunui Electorate I express heartfelt gratification at the continued improvement in the health of His Majesty the King, and voice the hope that on this occasion the projected visit of Their Majesties will take place. I trust that their visit will give as much pleasure and satisfaction to them as it will to the people of New Zealand. I also offer my warmest congratulations to His Excellency the Governor-General on his elevation to the peerage. During Their Excellencies' term of office they have endeared

themselves to the people of New Zealand, and I trust that they both will have many years in which to enjoy the honour which has been bestowed upon His Excellency.

The member for Buller, who has just resumed his seat, said that Government speakers during this debate had not answered one of the questions put to them by the Opposition. The Government has no questions to answer. There is only one issue at stake in regard to the amendment moved by the leader of the Opposition to the Address in Reply, and that is whether we are to have a Government which will support law and order, or whether we are not; and whether we are going to have an Opposition that is going to support the Government in seeing that law and order are maintained. Judging by the speeches we have heard from members on the Opposition benches, it appears that the Government is not going to have the support of Opposition members in maintaining law and order. It was evident in the Labour party conference at Auckland last year that a split was developing in the Labour movement. The split was between the moderate element and the extremists. Some of the moderate members had something to say at that conference, and I shall quote Mr. C. R. Parker of New Plymouth. Mr. Hill had said that there was no one big enough in New Zealand to be a dictator, whereupon Mr. Parker said:—

“I agree, and that even applies to presidents and secretaries of industrial unions. When they boasted of hold-ups the watersiders' leaders forgot that those who suffer are the rest of the workers, for the tremendous demands of the so-called militants have to be met out of the pockets of the people. Are we to be led by a rabble?”

That is what Mr. Parker said amidst applause. It was apparent that the moderates were accusing the others of losing the last election. It is true that Labour was denied the Treasury benches because Labour members had not supported law and order. It was evident later in the conference that there were other elements present, because Mr. James Roberts, who said that he had been a member of the Waterside Workers' Union for forty years, and secretary for thirty years, advised the conference in these terms: “Let us get back to earth and heave bricks at the other fellow, and this country will be ours.” Judging by the speeches we have heard from the Opposition benches, that is just what the Labour members are doing. That is their psychology—heave bricks at the other fellow, and the country will be theirs. The Labour members are not concerned with the economy of the nation. The honourable member who has just concluded his speech in this debate accused us of following the pattern of Australian legislation, but I would remind him that we were elected first, and maybe Australia is trying to copy our example.

I wish to quote a statement issued by a previous Minister of Labour in the Labour Government. In that statement there is a

reference to a deputation to the then Prime Minister, the Right Hon. P. Fraser, and the Minister of Labour, the Hon. Mr. McLagan. Those present were Mr. Barnes, Mr. Hill, Mr. Drennan, Mr. Wells, Mr. Panther, Mr. Whitford, Mr. Hunter, Mr. Sargentine, Mr. Vella, Mr. Dellaway, Mr. Thomas, and Mr. A. E. Bockett, the last-named representing the Waterfront Industry Commission. The document from which I am quoting consists of several pages, and refers to an address given by Mr. Barnes. Let me quote what the Right Hon. P. Fraser said in reply to that deputation:—

“I have to convey to you the decision of the Cabinet that the Government will not arrange or 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, are resumed at all ports—on full working-hours including overtime. The Government cannot remain still. The Government must and will take action against any person or persons who are trying to prevent the people from getting food supplies and other necessities. That is imminent! When such action is taken it will be very bad for all concerned; indeed, it might be very tragic. We do not want that to happen.”

Those were brave words, were they not? Were they supported by members on the other side of the House who were then being led by the late Right Hon. Peter Fraser? Is not that just the issue at the moment? I am very glad that it is over, but that is the issue which we tackled. We have been accused of locking the workers out. If it was a lock-out, was it not that which Mr. Fraser was suggesting in the instance I have quoted? The point is that the Labour Government talked, while the National Government acted. Are members opposite going to repudiate these good, honest statements made by the late Right Hon. Peter Fraser? Some of the logic which has been used by Opposition members reminds me of that used in the argument on whether the moon was made of green cheese—“either it is, or it is not; well, we all know it is not, so it is.” Members opposite certainly look green. I took from statements made last night that the member for Buller was to-night going to produce evidence of letters which had been opened. In the representations he made to the Prime Minister he said he knew of dozens of cases. We had the leader of the Opposition saying, “The member for Buller has never let me down.” The member for Buller was going to prove these cases to-night. We have not had one word from him. Not one case has he brought forward of letters being opened. It is all right to accuse the Government of allowing these things to happen, it is all right to make representations about there being dozens of such cases, but it seems to be quite a different matter when it comes to proving them.

I want to offer another word of congratulation, this time to the leader of the Opposition on his moving the amendment, because by moving that amendment he has shown the

House and the country exactly where he stands. I think we should thank him for that. He has shown conclusively, and the tenor of the speeches made by other Opposition members has proved conclusively, that they support the Trade Union Congress, that Communist-dominated world-wide movement. The people have wondered for a long time who is the real leader in New Zealand of this movement. They all know that it is not Barnes and Hill and their kind. They are only the trouble-makers; they are not the brains behind the movement. People are drawing their own conclusions and are saying, "We are now left in no doubt as to who is the leader of this unruly movement in New Zealand." We have all known that the leader of the Opposition has supported Russian principles for many years. I always remind myself of one that he made after a visit to Russia, when he said that he knew of no better economic planning in the world than that of Russia. I want to finish his statement to-night because I want to deal with some other matters which are tied up with that statement, in which he also said, "The fact that they are able to plan so well in Russia was because they owned all the land and they had acquired it by killing off the owners during the revolution."

The people are not, of course, going to be carried away by the arguments put forward by the members of the Opposition, but I believe that in the course of this debate those members have stretched their imaginations to the limit. The main attack has been on the Prime Minister. A few evenings ago I believe that from him we listened to the finest summing-up of a situation we have heard in this House, and the leader of the Opposition and his colleagues were left without a feather to fly with. I have heard Opposition speakers accusing the Prime Minister of being anti-British because he dared to pay a tribute to that great nation, the United States of America, but I say that the Prime Minister has proved by his actions that there is no greater supporter of Britain in this country than he. It is utter nonsense for members of the Opposition to twit the Prime Minister with being anti-British. I am reminded of many speeches I heard during the war from members on the other side of the House when they paid tribute to Russia and the part she was playing in the war, and not a word from some of them about good old Mother Britain and the part she was playing. The Government took the only honourable course it could take during the recent trouble. It was a course which the people expected it to take; in fact, they would be disappointed if the Government had not taken the stand it did. They would have said that the Government had betrayed the trust which they had placed in it as the National party at the last election. I believe that the action taken by the Government has the support of the great majority of the people, and they will have an opportunity and a right now to show that support.

During the course of this debate the cost of living has been drawn across the issue. I want to sum that question up in a very few

Mr. Gillespie

words. I will have more to say about it, I hope, on another occasion, but I will say now that the conditions have been brought about by the teachings of Labour philosophy in this and other countries over the years, and we are now reaping the whirlwind. Where did these regulations, on which the Opposition has seen fit to base its case and vent its displeasure, have their origin? I suggest that, in the main, they had their origin in the minds of members of the Labour party. They would have been used by a former Labour Minister if he had had the chance to settle a previous strike, but he was over-riden by members of his own party. I know what I am talking about when I make that statement. These regulations had their origin in the minds of members of the Labour party, as so many other regulations have.

I am going to refer for a moment or two to certain Supply Regulations which were drafted in 1939. This, I believe, was the start of an attempt by the State to own all the land, or to dictate its use. The leader of the Opposition may laugh, but if it had not been for a good strong National party, which is now the Government, those regulations would still have been on our statute-book. For the benefit of the leader of the Opposition, who is smiling, I want to quote from some of these Supply Regulations, because the right honourable gentleman, I am sure, played a great part in the drafting of them. I refer to a regulation of the Wheat and Flour Emergency Regulations, under which the Labour Government took steps, if it thought fit, through the Controller, to take possession of any farming implements which were customarily used in the cultivation of land, and the growing, harvesting, and threshing of wheat, and to undertake the cultivation of land for the purpose of growing wheat. Could we go any further than that? That means that the Government could take possession of farming implements, and send them somewhere else if it so chose to be used for the benefit of the State. Of course, that is the Socialist Government's objective.

A further regulation took power to control all flour-mills within New Zealand, for the purpose of ensuring adequate supplies of flour by the most economical means. Well, this comes well from members of the Labour party—economical means! We have seen some instances of its economical running of New Zealand! There was power to close down any mill, or direct that the production of flour should be carried on only in certain mills within New Zealand, and to prescribe the quantity of flour which any mill should produce in any part of the year. If we want an example of the Labour party's desire to own all the land, we have it in those regulations. Then some of us know very well indeed that instructions issued by the Labour Government knocked the bottom out of our land-prices. Of course, the gentlemen on the Opposition benches wanted to acquire the land by more respectable means than the Russians did. They did not want to do it by killing, but by regulation.

Many references have been made to the cost to the Government of settling this strike. The people should remind themselves, and remind themselves very often, what was the cost to the country through people not pulling their weight before this strike began. We remind ourselves, too, that the actions of some people resulted in many items being turned away from this fair land, and shiploads of goods being diverted to another country. Shiploads of fertilizer were sent somewhere else. In fact, the Government not so very long ago arranged to get supplies of a certain type of fertilizer, but, because of the actions of people on the waterfront, the other country refused to send it. We have not as yet felt the serious effect that that is going to have on the economy of this nation. We had indeed reached a peculiar state of affairs through the teachings of the Labour Government. Recently, striking miners from the West Coast visited the freezing-works in Canterbury, and called stop-work meetings, and addressed the workers, notwithstanding that there were thousands of lambs and sheep standing in the yards waiting to be killed. They were holding up the economy of New Zealand industry and holding production of goods badly needed by the people of Britain so that they might enjoy a certain standard of living.

The people of New Zealand should remember most of all what the cost would be in future if this strike had not been settled on a sound basis. We can say, of course, that the trouble has not been caused by the good, honest, decent people; it has been caused by a few leaders who believe in the ideologies of a foreign country. These few militant leaders thought that they could dictate to the Government. Indeed, they did dictate the policy of the nation at one time, but that was under the previous Government. The present Government decided that it was going to govern, that it was not going to allow these troublemakers to continue holding up industry, and that it was going to see that the people would have industrial peace. I believe that with the support of that great organization, the Federation of Labour, we shall have some industrial peace for years to come.

The majority of the people are very thankful indeed that at last they have a Government which is prepared to govern, and which is not prepared to allow a few industrial wreckers, who have taken control of some unions, to go on making trouble. The Government decided that there must be a halt called to that sort of thing. I believe that a halt will be called and that the people of New Zealand will be thankful for years to come that we had a Minister of Labour who was prepared throughout the course of the trouble to stick to principles. After all, principles are the main thing. The Minister of Labour is supported by the good, decent wage-earners of New Zealand who stick to these principles. They are supported by a Government that is determined to govern, and I can say in conclusion that the Government and the Minister are not going to let these good, honest wage-earners down.

Mr. OSBORNE (Onehunga).—Sir, in accordance with the time-honoured custom I tender my congratulations to the mover and the seconder of the Address in Reply. I agree entirely with the honourable member for Hurunui, who has just resumed his seat, and who said that the mover and the seconder had a most difficult task. I desire also to associate myself with all other members in expressing pleasure at the continued improvement in the health of His Majesty the King, and to say how we all look forward, in this House, and in the country, to the visit of Their Majesties and Princess Margaret next year. I also extend my congratulations to His Excellency the Governor-General, Lord Freyberg, on the very well-merited honour recently conferred upon him. In the past we have paid tribute to him as a great soldier. We have paid tributes to him as an outstanding New Zealander, and to-night I want to express gratitude to him for the many acts of kindness that so many of our citizens have enjoyed at his hands.

As I listened to the reading of what is called the Speech from the Throne, but which is in reality a document prepared by the Government of the day, my immediate reaction was, "What an unimaginative and negative document it is." I think it is the most negative document of its kind ever placed before us. There was certainly little if any reference to those matters which are exercising the public mind to-day. There was practically no reference to the rapidly spiralling increase in living-costs, which is having a crippling effect on the average family man. There was absolutely no reference to the blundering of the Government prior to and during the last session of Parliament, which has led to the greatest era of inflation our country has ever experienced. There was no mention of the Government having abolished the stabilization policy initiated by the Labour Government early in the war period and which had operated with such conspicuous success during the war and the post-war period. There was no mention in the Address from the Throne of the Government's action in having to all intents and purposes abolished price-control, with the consequent spectacular increase in the profits of those people who control our goods, with a corresponding increase in living-costs to the consuming public, and more particularly to the family man. There was no mention of the Government's action in abolishing subsidies on a wide variety of commodities in daily use, and substantially reducing subsidies on many other items of food. The Government's action in reducing and abolishing subsidies prior to the last session of Parliament has resulted in spectacular increases in living-costs.

There was no mention in the Speech from the Throne of the Government's action in abolishing land-sales control, which has resulted in inflated land and property values, in many instances two and threefold. There was no mention of the virtual repudiation of the Dominion's responsibility to our returned servicemen desiring to settle on the land. The

skyrocketing of land-values, due to the Government's policy, has placed the average farm far beyond the reach of the average returned serviceman. But to-night I want to devote most of my time to the serious economic position the country is in. The honourable member for Hurunui commented that some members on these benches have talked about the cost of living in an attempt to side-track the industrial issue. I am not apologizing to the honourable member or to any one else on the Government benches for devoting most of my time to a discussion on the cost of living, because I remember that in November, 1949, the National party issued a publication by the name of "A Family Affair"—the most deceitful and lying piece of election literature that has ever been placed before the people of our country. I remind the Government that just as the election of 1935 was, in the words of honourable members opposite, a cost-of-living election, the election of 1951—just five or six weeks off—is also going to be a cost-of-living election. I want to make that very clear to the Government to-night.

The Right Hon. Mr. HOLLAND.—Don't run away.

Mr. OSBORNE.—The only person in this House I know who ever ran away is the Prime Minister, when he ran out of the War Cabinet. It ill-becomes the Prime Minister to talk about any one in this House running away. I wonder how many of the election promises he made in 1949 he has run away from? He ran out of the War Cabinet, while the late Gordon Coates stayed by the ship in the hour of danger. Not so the present Prime Minister. He scuttled when the enemy was practically at our door, and again I say to him that it ill-becomes him to say, "Don't run away." The serious economic position of the country to-day has been brought about by the failure of the Government to provide those checks which would effectively cushion us against inflation and consequent rising prices. To the contrary, the very effects of the cushions provided by the Labour Government—

Mr. Gorz.—What effects?

Mr. OSBORNE.—Price-control, stabilization, and checks of that kind. Stabilization had the effect of pegging prices more in this country than in any other country during and after the war. That has been frankly admitted by visitors to New Zealand from all parts of the democratic world. The pledges made in 1949 by members opposite have been broken one after another, regardless of conscience. The decision of the Government to hold a general election is about the only decent and honourable thing it has done during its term of office. We of the Labour party, and of the parliamentary Labour party, welcome the decision, and we look forward in a few weeks' time to again taking our places on the other side of the House. Last election—I am not sure just what the interjection of the member for Ashburton was, but I can only say this: he interjects again and again and again, and I would say to him that it he would only use his

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brain more, and his elbow less, I would understand what his interjections were. At the last election the Nationalists said that the election was a cost-of-living one, and they pledged themselves to make the pound go further. I again say that the coming election will be a cost-of-living one. The housewife will determine that. They will show how they resent being imposed upon; they will express their resentment at the substantial tax reductions that have been made to the wealthy people while, at the same time, the Government has allowed more rapid increases in prices and living-costs than have occurred at any time previously.

The Hon. Mr. WATTS.—I see the honourable gentleman is lifting his elbow.

Mr. OSBORNE.—And this is the strongest he ever drinks when he does lift his elbow. In my Budget speech last session I said that the sacredness of a promise means nothing to the Nationalists, and more particularly to the Prime Minister. I said last year that in the past people had rightly felt that they could rely on the word of a Prime Minister, but unfortunately that position has now gone. There were scores of cases of deceit in the Nationalists' propaganda at the last election. But the people will not be fooled twice in eighteen months. Nationalist members said that they would make the pound buy more. They promised to do that, and led the electors to believe that they possessed some secret formula which would enable them to carry out their promise. They said, "Give us a chance, and we will make your pound buy more." They published that lying election winner, "A Family Affair." That is all it could be called.

Mr. SPEAKER.—Order. The honourable member is using very violent language. Does he claim that the pamphlet to which he is referring was issued by the National party?

Mr. OSBORNE.—Yes, Sir.

Mr. SPEAKER.—Every member of the Government is a member of the National party. In that case, to impute lying to the National party imputes lying to the members of the Government, and I must ask the member to withdraw that statement.

The Right Hon. Mr. NASH (Leader of the Opposition).—Sir, I wonder if we could raise a point of order. This is the first time I have heard a ruling by Mr. Speaker that we cannot refer to an outside body, even though members of the House may also be members of that outside body.

Mr. SPEAKER.—Very well, if the right honourable gentleman wishes to dispute my ruling he knows perfectly well the proper course to take. I think there is a ruling by a previous Speaker—

The Hon. Mr. HOLYOAKE.—I wonder if I could help you, Sir.

Mr. SPEAKER.—I would be very grateful. I think there is a ruling, but I have not had the opportunity of looking it up. If any member can supply me with the reference I shall be very happy.

The Hon. Mr. HOLYOAKE (Minister of Agriculture).—Sir, the reference is in Speakers' Rulings, page 69, No. 8, in which it is laid down by Speaker Lang:—

"It is just as unparliamentary to apply an offensive term to members of a party as to apply it to members individually."

That has always been taken as the rule in this House. That ruling has been quoted again and again, and has always been accepted. What you said, without referring to the Standing Orders or to Speakers' Rulings, is the practice in this House.

Mr. McCOMBS (Lyttelton).—Sir, on the same point of order, this point has been raised with previous Speakers and it has been held that the party referred to in Mr. Speaker Lang's ruling is a party of members of this House. It may be that members of that party are, for example, members of the Labour party in Parliament, but the Labour party organization is a very much bigger organization. Members of the Labour party are not necessarily responsible for what the organization as a whole does. The same applies to the National party. Any accusation made about the quality of propaganda issued by either party surely does not necessarily apply to members or representatives of that same party in this House. Previous Speakers have considered this point. I am afraid that at the moment I cannot give you a specific ruling, because it is not quoted in Speakers' Rulings, as the point was considered disposed of previously.

The Hon. Mr. MASON (Waitakere).—Sir, I submit respectfully that it is entirely a matter of interpretation as to what is meant by the word "party." I remember quite well a Prime Minister disclaiming in this House any responsibility for election propaganda that had been put out by his party, and which, with much praise, exhibited a large-scale portrait of himself. That Prime Minister completely repudiated any liability or responsibility for anything of that sort. I suggest that that instance illustrates that there may or may not be a complete divorce between the gentlemen in this House and the party organization. It is entirely a matter of meaning and interpretation in every case.

Mr. SPEAKER.—That is probably true. Every case must be decided on its merits. If, for instance, the honourable member was specifically to exclude every member of the party sitting on the Government benches here, and if the honourable member will give me his assurance that in his statement he excludes specifically every member on the Government benches who is a member of that party from association with the party that has issued what he calls a lying pamphlet, then I shall permit him to use the expression. Otherwise he must withdraw it. Is he prepared to exclude every member of the Government from membership of the party that he referred to as having issued a lying pamphlet?

Mr. OSBORNE.—No, Sir, I cannot do that, because the Prime Minister said that he had approved of the issue of all the literature. I am sorry I cannot adopt the suggestion.

Mr. SPEAKER.—Then you must withdraw the word.

Mr. OSBORNE.—I withdraw. This pamphlet was issued by the National party in the 1949 general election. It was an election winner. It was full of untruths from front to back. It was a masterpiece of trickery and deception, but what a boomerang it will prove to be. They would pay a handsome sum to get back every copy of "A Family Affair." They would pay tens of thousands of pounds, indeed, hundreds of thousands of pounds to be able to recover every copy of that election document issued in 1949 under the title "A Family Affair." That pamphlet will be as valuable to the Labour party in the general election campaign of 1951 as it was to the National party when it proved an election winner in 1949. There is the reference to the election being a cost-of-living election. The deputy Prime Minister, when speaking in the Brooklyn by-election in the absence of the Prime Minister on one of his several overseas visits, was very careful to say that the National party had not been 100-per-cent. successful in carrying out its election pledge to make the pound go further. He went on to say that, for the first six months of the Government's term of office, there had been a falling tendency in the price of many goods.

The Hon. Mr. HOLYOAKE.—Did you believe that?

Mr. OSBORNE.—No, and no one else believed it. The electors of Brooklyn certainly did not believe it. The deputy Prime Minister gave a very ingenious excuse why the Government had not been able entirely to carry out its election pledge. The excuse was that there was a war in Korea. The Labour Government led New Zealand successfully through six years of the greatest war in the history of our country, and in those six years living-costs increased much less than they have done in eighteen months under the National party Government. The honourable gentleman declared that there had been a falling tendency during the first six months. I would say that no statement ever made by any responsible public man was further removed from the truth than was the statement made by the deputy Prime Minister.

The Hon. Mr. HOLYOAKE.—Let the honourable member give the whole statement there.

Mr. OSBORNE.—There is a column of it altogether and it would take up too much of my time to read it all. Every housewife knows that immediately following the election of 1949, when the National party became the Government, prices began to soar. The Government Statistician in the *Monthly Abstract of Statistics* has proved conclusively, month by month, that living-costs have been soaring under the National Government. The deputy Prime Minister's statement on that occasion was impudent and completely removed from the truth. His statement was in sharp conflict with the statement made by the member for Tamaki, the self-confessed economist of the House. We did not know that the member for Tamaki was an economist

until he told us. He told National party members at their luncheon party at Khandallah that the cost of living had got the Government very worried—"That is one of the pledges we have not kept; we have not made the pound go further." There seems to be considerable conflict among Government members, because we had it stated in the House a few nights ago that the member for Ashburton had been perambulating up and down his constituency claiming that the Government had made the pound buy more. I can quite understand his saying—"That's my story, and I'm sticking to it."

But for once the Prime Minister has admitted the facts. He admitted during the Budget debate last year that living-costs had increased considerably. He endeavoured to excuse himself for his inability to make the pound go further. He thought, prior to the elections, prior to the printing of this pamphlet, that they would be able to reduce the cost of living. This is the way he thought they would be able to do it, and it is not the mysterious formula they had to reduce the cost of living: "Our policy was written almost exactly a year ago. I want to admit frankly the error into which I fell, and I wonder if I will be blamed." He goes on to say, "A year ago everybody thought we had reached the peak in prices. I did. All the advisers, all the experts, all the economists thought we had reached the peak of world prices." And because of that they issued this pamphlet called "A Family Affair," criticizing the cost of living during the war and post-war period and leading the people into believing that they had some secret formula for reducing the cost of living. I want to refer to one or two of the statements in this pamphlet. On the second page we find, "Labour is the shortage Government. At one time in New Zealand all these things were plentiful and cheap—eggs, electricity, coal, cement, children's clothes, silk stockings, blankets, matches, and sewing cotton." It is a shame that time will not permit me to go through all these things, because in every case they are scarcer and dearer to-day. Double blankets, they said in this pamphlet, were £5 3s. a pair. What are they to-day? They are £16, £18, £20, and recently in Christchurch they were sold for as much as £32 a pair.

The Hon. Mr. FORTUNE.—What do you pay for wool?

Mr. OSBORNE.—That does not apply, because the high-priced wool has not come into production yet. Members opposite cannot blame that. I wanted to devote more time to that than I am able. You have just rung the bell, Sir. I am just wondering—

The Hon. Mr. WEBB.—Would you like an extension of time?

Mr. OSBORNE.—No, but I do not think the interruptions I have had have been taken into account in my time.

Mr. SPEAKER.—Yes, I gave the honourable gentleman an additional two minutes.

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Mr. OSBORNE.—I am sure it was more than two minutes, but it lies in your hands. I want to say a word or two now to the honourable member for Selwyn about the speech he delivered in this House last Tuesday when he protested about scurrilous strike pamphlets that had been circulated. I entirely agree with him. I have not had a whole budget sent to me, but I have seen two, and I agree that they were scurrilous and contemptible and that no decent-minded citizen would support them. The member for Selwyn then proceeded to attack the leader of the Opposition, and he reached even lower levels than did the authors of those pamphlets. He stated that the leader of the Opposition, when speaking at a meeting in Christchurch, publicly approved of those scurrilous pamphlets. I was at that meeting and heard what was said. Eight thousand citizens of Christchurch were there, too, and they heard it. The fact is that the leader of the Opposition said in plain, clear, unmistakable language that he condemned and disapproved of the writing or the issuing of documents of that kind.

The member for Selwyn says he was there, and so I say that politics in this country are coming to a record low level when an honourable member can get up in this House and make a statement against a fellow-member, as he has against the leader of the Opposition, that is not even remotely related to the truth. He is adopting the same technique as the Prime Minister. We have often heard the Prime Minister using that technique in this House. I cannot forget that last session the Prime Minister made a contemptible attack upon my honour and falsely charged me with organizing a hooting and booing campaign against him in Christchurch. I say the Prime Minister made that up. There was not a vestige of truth in the statement he levelled against me in this House during the last session of Parliament; and, despite my emphatic denial of the Prime Minister's assertion on that occasion, he has never taken the opportunity to withdraw the contemptible untruth that he levelled against me. The Prime Minister made that up, and then he came into the House and lied against me.

Mr. SPEAKER.—Order. The honourable member must withdraw that statement and apologize to the Right Hon. the Prime Minister.

Mr. OSBORNE.—I am not prepared to withdraw it; it is true. He made that up, and he did not have a vestige of truth or evidence in support.

Mr. SPEAKER.—Will the honourable member please resume his seat? I should be very loath to think that any honourable member would refuse to comply with a request or an order that I made. It is quite out of order, and most disorderly for an honourable member to refer to another honourable member and say that he has issued a lying statement and came into this House and lied. It is quite out of order for him to do that. I am just making these few remarks now in order to give the honourable member an opportunity to

think better of the position and to obey my instruction that he should withdraw that statement and apologize to the Right Hon. the Prime Minister. I am certain that a few moments' reflection will convince him that that is the proper and only course that he should adopt.

Mr. OSBORNE.—I am sorry, but the remedy is in the hands of the Prime Minister. Let him withdraw the statement that he made against my honour and reputation and I will do the right thing.

Mr. SPEAKER.—Will the honourable member please resume his seat? If he refuses to obey my instructions, he knows perfectly well that I have only one course to adopt—a course I am very loath to adopt and which I sincerely hope I will not have to adopt as long as I occupy this chair. If the honourable gentleman will not do as I say, then I shall have to name him; and, having named him, then I shall have to call on the Prime Minister to move the necessary motion. The honourable member will then have to withdraw from the Chamber. I am very loath indeed to do that.

The Right Hon. Mr. HOLLAND (Prime Minister).—May I just speak to a point of order here, Sir. I have always tried to assist in the maintenance of order. I know the honourable gentleman is speaking under some strain. I remember the incident quite well. I think I made a mistake at that time. I was satisfied, on his assurance, that a mistake had been made at that time. It was last year, and to the best of my memory I put it right on the spot. I accepted the honourable gentleman's statement. I cannot be too sure of what happened, because one cannot remember what happened last year as well as if it was yesterday. I have been in this House a few years, and no one can say that, after it has been pointed out to me that I have made a mistake, I have not accepted the assurance of an honourable member. I am hoping that what I am saying now will remind the honourable gentleman of the incident. We all make slips, and to make a slip is not the same as telling a lie. The honourable member can make mistakes. I have made mistakes, and will make them again. Members on the other side of the House will recall the incident, and that I admitted the error, and that I put the matter right; or, at least, that is what I thought I did. The honourable gentleman will at least give me this credit: that that is my practice, and the practice of every other member. We accept each other's words. Perhaps the honourable member for Onehunga will recall the incident, for I feel sure I did retract the statement, and accepted his assurance that I was in error.

Mr. SPEAKER.—I hope, in view of what the Prime Minister has said, that the honourable member for Onehunga will obey my injunction, by withdrawing the statement and apologizing to the Prime Minister.

Mr. OSBORNE.—I expressed my willingness to do that if the Prime Minister did withdraw the statement. He has now done that, but last year—

Mr. SPEAKER.—Order. We cannot go over that.

Mr. OSBORNE.—I do express regret. No one in this House has paid greater respect to the Chair than I have. I have made mistakes the same as any other member, but the moment I have been called to order I have paid the utmost respect to the Chair. I sincerely apologize to you, Sir, for what I have said to-night, and to the House.

Mr. SPEAKER.—The apology is due to the House and to the Prime Minister. I am only the servant of the House.

Mr. OSBORNE.—I said I apologize to you, because I realize you are holding an honoured position, and the authority of the Chair must be upheld. I apologize to the House, I apologize to the Prime Minister now that I have his assurance that he made a mistake when he made that allegation twelve months ago.

Mr. SPEAKER.—Will the honourable gentleman withdraw his statement?

Mr. OSBORNE.—Yes, Sir.

The Hon. Mr. MARSHALL (Minister in Charge of the State Advances Corporation).—Sir, it is difficult really to know what to say in reply to the last speaker, not because the argument that he used cannot be adequately answered, but because the language which he used is so extreme and so extravagant that I am satisfied that reasonable people would not have been in the least impressed by what he said. It is a well-known maxim in debate that a bad case needs to be overstated. A good case can be stated moderately. That is the way I propose to conduct my argument—to conduct it moderately and without overstating it.

An Hon. MEMBER.—Answer the case.

The Hon. Mr. MARSHALL.—I will be prepared to answer such part of the case as is worthy of an answer. The honourable member made some play on a pamphlet called "A Family Affair." He referred to it in extremely extravagant language. One phrase he used was that "It was a masterpiece of trickery and deception." He then went on to indicate that the National party had won the last election on that so-called masterpiece of trickery and deception and that the Labour party would use the same masterpiece in the coming campaign. The main claim of the honourable member for Onehunga was that there had been a rise in the cost of living. Every one knows that. But that rise has not been nearly as great as members of the Opposition have tried to make us believe. The causes are widespread, and world-wide, and largely outside the control of the Government. A point the Opposition conveniently forgets is that there has been an even greater rise in the incomes of the people, and it is for that reason the people are now better off than they have been before in the history of this country. That is perfectly true. The national income figures, if members of the Opposition understand them, will demonstrate very clearly that the national income has never been higher, and that it is spread among the

community. There are many points of evidence. The totalizer figures—which the Opposition regularly quoted when on these benches—demonstrate clearly that there is more money about.

The Opposition made great claims on the cost of living in the Brooklyn by-election, and fought the election on that issue. No doubt Opposition members will try to fight on that issue at the coming election, simply because they are afraid to face up to the real issue. If they had an answer they would face up to it. The people of New Zealand, however, will not be side-tracked by their arguments. The Brooklyn by-election was fought on the cost-of-living issue, and we know how disappointed the Labour party was with the result. In the previous general election they got 7,176 votes, but in the by-election only 5,287 votes, a drop of nearly 2,000 votes. The National candidate polled 4,220 votes in the last general election, and in the by-election 2,902 votes, a drop of just over 1,300 votes compared with a drop of nearly 2,000 by the Labour party, and that was in a Labour stronghold previously represented by the then Prime Minister. When the people really see what the position is they will not be misled by Labour propaganda.

The Hon. Mr. WATTS.—Will the honourable member for Brooklyn go back to Oamaru?

Mr. SPEAKER.—Order. The Minister is receiving far too much assistance.

The Hon. Mr. MARSHALL.—The honourable member for Onehunga also spoke at some length on what he claimed to be the failure of the Government to keep its election pledges. In this debate several of my colleagues have dealt with that argument most effectively. They have given the list in this piece of election propaganda, "The National Party and You," which sets out on the back twenty-seven points of the National party's policy, twenty-two of which have already been put into operation. The other five will no doubt be put into operation later this year. That is the complete answer to those who claim that this Government has not kept its election pledges. I could, of course, go through, as my colleagues have done, all these points and satisfy the House and the country of what I am saying. That has already been done effectively in this debate. I do not propose to do it, because I have something else I want to say.

In this debate and throughout this session the Opposition has lived up to its name. It has opposed the actions of the Government, but it seems to me that it has done it more from habit than from any great enthusiasm for its case. Members of the Opposition have put up a show of unity in condemning the Government's handling of the strike, which speaks more for party discipline than it does for the real opinions of its members, as they have been revealed outside the House. We have on the one hand the honourable member for Miramar who made an open and frank statement of his views and lined himself up, not with the Government, but with the Federation of Labour. On the other hand, we have members like the honourable member for

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Napier who lines himself up openly with the Trade Union Congress, the watersiders and the Communists, and in between we have the leader of the Opposition balanced precariously in the middle, trying to keep those conflicting elements of his own party together in one party.

The Hon. Mr. HOLYOAKE.—What is his slogan?

The Hon. Mr. MARSHALL.—Neither for nor against. Scattered throughout this debate there have been from the Opposition a few stray shots at the Government's housing programme and policy, and I hope to deal with that. What I have to say will, I hope, be of some encouragement to those for whom housing is still a problem, because, as I said yesterday—and I am going to repeat it again now, as I will no doubt on other occasions in the next few weeks—the National Government in housing has a story of record housing activity. More houses built. I am saying this quietly and deliberately because I want it to sink into the Opposition. More houses built—

The Right Hon. Mr. NASH.—Say finished.

The Hon. Mr. MARSHALL.—Yes, more houses completed, if you like.

The Right Hon. Mr. HOLLAND.—Places you can live in.

The Hon. Mr. MARSHALL.—Yes, exactly. More State houses completed.

The Right Hon. Mr. HOLLAND.—That is it.

The Hon. Mr. MARSHALL.—More houses bought and sold.

The Right Hon. Mr. NASH.—That is easy.

The Hon. Mr. MARSHALL.—Good. I am glad the leader of the Opposition approves and agrees. More housing materials produced. More of those things than in any previous year in the history of this country. I said those things deliberately—

The Right Hon. Mr. NASH.—Take that four thousand into account that were already started.

The Hon. Mr. MARSHALL.—I will not admit that figure. I will admit some were started.

The Right Hon. Mr. NASH.—Only 3,821.

The Hon. Mr. MARSHALL.—It is often said that the only worth-while test is whether more houses are built. I agree it does not matter so much who builds them, provided more houses are built for people to live in. If there had been fewer houses completed within the last financial year—that is, the first year of the National Government—the Opposition would have been loud in its condemnation of the Government. In fact, a substantially greater number have been built, for which I am prepared to give most of the credit to a great body of private-enterprisers—the building industry

In this debate last Friday the member for Petone, before he knew of the figures I gave the House yesterday, said that in the past eighteen months the Government's policy had given less houses. At that stage he was prepared to blame the Government for what

he believed to be a failure in housing. When, however, I gave the House the figures for a record number of houses completed, the member for Waitakere, who followed me, tried to take the credit for the Labour Government. Opposition members cannot have it both ways. They were prepared to condemn the Government if we had failed to make a record in housing, and when we do make a record in housing they try to take the credit for themselves. The exact figures of dwelling units completed during the financial year 1950-51, as supplied to me by the Government Statistician, were: houses completed by the Government itself, 4,508; by private interests, 11,869; making a total of 16,377. In round figures that is 16,400 houses completed in the first year of the National Government, while for the last year of the Labour Government the total was 15,800 houses completed.

The Hon. Mr. ALGIE.—Six hundred to the good.

The Hon. Mr. MARSHALL.—Yes. I would like to draw attention to the fact that three-quarters of the house-building is for private people, the great majority of whom are owner-occupiers; and that is a great stride forward to this Government's objective of a property-owning democracy. But it is not only more houses, but larger houses, because the Government has increased the allowable floor space from 1,300 square feet to 1,500 square feet. The same story can be told of State rental houses. In the last year of the Labour Government, 3,317 State rental houses were completed, and in the first year of the National Government there were 3,365 such houses completed. Now I am prepared to admit, as any reasonable person would, that some of those houses were started while the Labour Government was in office.

Mr. McKEEN.—A good many of them.

The Hon. Mr. MARSHALL.—Yes. And therefore the test would be whether in the present year the number of houses is being maintained. I am happy to say—and the Opposition will be unhappy to know—that it does appear that the number of houses to be built this year will be greater than last year.

The Hon. Mr. NORDMEYER.—How many State houses have been let in Wellington this year?

The Hon. Mr. MARSHALL.—I have not got that figure, but I will quite gladly get it for the honourable gentleman. I have, however, the number of houses completed this year throughout New Zealand since the 31st March, and that is 633. In addition, there are, in the course of construction, 2,130, and contracts let for 575, making a total of houses under construction, completed, or for which contracts have been let, of 3,338; and further contracts approved for letting number 1,592. Actually, that last figure was prepared some weeks ago. Each week I am dealing with further applications, and that figure would now be greater. Only last week I approved of the erection of twenty pensioners' flats at Gisborne; and other cases are being approved from day to day. So it may be said that at the present

moment there are over five thousand houses for State rental purposes under construction or for which contracts have been let or approved for letting. But it is not this Government's objective to build a greater number of State houses than are required to meet progressively the urgent demands. So long as there are people who want to build their own homes, all we aim to do is to provide State rental houses for those who, by reason of their income, employment, or other circumstances, cannot reasonably be expected to provide their own homes. That is why the Government set an income limit of £600 a year for State house applicants. That was a most significant policy change. It demonstrated in the most practical way that the Government is trying to help the genuine working-people with housing. It demonstrated, too, the fundamental difference between the Socialist and Liberal point of view. The Socialist would put any one and every one into a State house, and keep them there. The present Government is carrying out a Liberal policy which will put only those whose need is greatest into State houses, and will then help them to buy those State houses.

That brings me to another success story: the mounting record of the sale of State houses. Here are the figures to the end of last week: total sales, 1,546, making over £3,000,000 worth of houses sold to State tenants since the commencement of the scheme.

The Right Hon. Mr. NASH.—What is the profit?

The Hon. Mr. MARSHALL.—There would be very little.

The Right Hon. Mr. NASH.—But how much?

The Hon. Mr. MARSHALL.—We are not concerned about that. We are concerned to see that these people have an opportunity to buy their homes.

The Right Hon. Mr. HOLLAND.—There is no suggestion, is there, of a profit of £500,000? That is what the members opposite are thinking.

The Hon. Mr. MARSHALL.—Oh, no. In the past four weeks new applications to purchase have increased to over one hundred a week. There were 119 fresh applications to purchase last week, and there were eighty-six sales last week, the average for sales now being over seventy a week. The Socialists in the Opposition are, I know, bitter about the breaking-up of this Socialist dream of socialized housing. I have heard them describe it as the squandering of a national asset. It was a genuine Socialist asset with a genuine Socialist loss attached to it. I have heard them complain that in the selling of State houses we do not create one more house. That is a perfectly obvious statement to make, and only a member of the Opposition who was attempting to score a point would think of making it. We do say, however, that while it does not create houses it does create homeowners. A man who owns his own home has a quality of independence which we on this side of the House admire. The figures I have given show that the average price of

a State house is approximately £2,000, from which is deducted a suspensory loan having a maximum of £200, or 10 per cent. of the price if under £2,000. The actual prices range from £1,275 for part of a double unit and from £1,600 up to £2,500 for larger houses. The basis of valuation was fully explained when the scheme was announced, and while the leader of the Opposition may claim, as I think he did the other night, that we were making a profit—one of the major crimes in the Socialist calendar—I would ask him whether he would sell his house to-day for the price that he gave for it when he bought it?

The Right Hon. Mr. NASH.—I would not sell it at any price. I want it as a home.

The Hon. Mr. MARSHALL.—And I am sure that the right honourable gentleman would not advise any one else to do so.

The Right Hon. Mr. NASH.—Would you sell your house?

The Hon. Mr. MARSHALL.—No, but I am not complaining about the present system whereas the leader of the Opposition is. I would remind the right honourable gentleman that when he was in charge of the State Advances Corporation he authorized the sale of properties at the then current market value, even although that meant that in some cases they were sold at a profit. I know that because I asked the Department to send me some files illustrating the point. I have them and I shall be happy to show them to the leader of the Opposition. They show that he himself did what he now says it is wrong for this Government to do.

The Right Hon. Mr. NASH.—I do not think that that is correct.

The Hon. Mr. MARSHALL.—I shall be happy to show the files to the right honourable gentleman.

The Right Hon. Mr. NASH.—I shall be happy to see them, but I do not think it is correct.

The Hon. Mr. MARSHALL.—I can assure the right honourable gentleman that it is correct. The terms of sale of State houses are fair to the tenant and fair to the Government. The tenants are aware of that fact, and increasing numbers are coming forward voluntarily to become homeowners without any prompting. A sales drive, which is in course of preparation and which will go into operation within the next few months, will greatly increase the present flow of purchases.

I could say much more, but I want to pass on to complete the housing review of the Government's first year, and to establish the statement I made that more houses were bought and sold in the first year of the National Government than in the last year of the Labour Government. That is clearly shown from the latest *Abstract of Statistics*, which came to hand to-day. In the last year of the Labour Government urban transfers, including sections of land and commercial buildings, but largely dwellings, numbered 33,000, whereas in the first year of the National Government the

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number was 49,800. Opposition members say that prices of houses have risen. That is true, but the increase is to a large extent the difference between the real price and the black-market price. Obviously the purchase price of houses is related to the cost of building houses, and the cost of building houses showed a steady rise throughout the whole of the Labour Government's administration, and has continued to rise under the present Government's administration. The figures were fully set out in the last annual report of the State Advances Corporation and showed that under the Labour Government there had been an increase of nearly 100 per cent. in the cost of building a house.

Mr. CHAPMAN.—Over what period?

The Hon. Mr. MARSHALL.—From 1938 until the end of the Labour Government's administration. The same applies to the prices of houses bought. Because the Labour Government tried to keep prices artificially controlled, many of those who were not prepared to go on the black market did not buy or sell. The removal of land-sales control has freed the property market and, as a result, 16,500 more urban properties have changed hands. People who wanted to buy sections to build on have been able to get them. People with land suitable for subdivision into building sections have cut up their land and are selling sections to those who want to buy them to build on. The State itself is selling building sections, and we cannot get enough to meet the demands. Houses have been bought and sold in much greater numbers, and the solution of many a housing problem has been found because people have been able to buy houses more readily. I should like to give the Opposition a little more to go on with.

The Right Hon. Mr. NASH.—Do not be too hard.

The Hon. Mr. MARSHALL.—This is not nearly as bad a blow as some of the others. It is a significant record, however. The number of loans made by the State Advances Corporation last year for the building of houses was more than double the number in the last year of the Labour Government.

The Right Hon. Mr. NASH.—So is the price.

The Hon. Mr. MARSHALL.—I shall give some figures on that, too, in a moment. In 1949-50, 2,202 loans were granted, while in the first year of the National Government 4,652 loans were granted. The total value of those granted in the last year of the Labour Government was approximately £3,000,000, and of those granted in the first year of the National Government, approximately £7,700,000. The average loan granted under the Labour Government, when the maximum loan was £1,500, was £1,372, while under the National Government the average was £1,667, which showed that the average home builder did not have to go to the maximum of £2,000 which the National Government fixed—the majority were well able to construct their own homes with less than the maximum loan. Here is another record that may interest the Opposition. This refers to the suspensory loan, which is assistance to small-home builders and to larger

families. Last year the National Government granted 4,272 suspensory loans. That is 4,272 more than the Labour Government ever granted, because the Labour Government did not grant a single suspensory loan. It is a fact that the cost of building has increased. It has been increasing, I think, since 1936, increasing at a fairly regular rate, and it is continuing to increase, and will increase. I wonder, Sir, if I have a minute left of my time?

Mr. SPEAKER.—No, I am sorry to interrupt the Minister, but his time has expired.

The Hon. Mr. MARSHALL.—Well, I shall make a press statement of the remainder.

The Hon. Mr. F. JONES (St. Kilda).—Sir, I want to join with other honourable members in extending congratulations to the mover and the seconder of the Address in Reply. I also want to join with other members in the gratification they have expressed at the recovery in the health of His Majesty the King and the prospect of his coming visit. Throughout New Zealand, and particularly in the part I represent—the southern part of New Zealand—we all look forward to the Royal tour, when Their Majesties with Princess Margaret will visit us. I would now like to extend my congratulations to His Excellency the Governor-General on his elevation to the peerage. I had a long association with His Excellency—Sir Bernard Freyberg as he was then—in the great work he did. We are all proud of the work he did as a member of the New Zealand Forces, not only for this country but also for the Commonwealth. I join with other honourable members in the good wishes extended to Their Excellencies, Lord and Lady Freyberg. We hope they will be long spared to enjoy good health and happiness.

Now, I would like to say a word or two about the position in Korea. I am sure that all members of the House are gratified to see that negotiations are taking place in that country. We hope that as a result of these negotiations peace will once more be restored in that country. We have seen something of the work of the Forces of the United Nations. We hope that these Forces will be strengthened, not for the purpose of waging war, but rather as a deterrent to those countries that want to cause breaches of the peace. Last session we discussed our draft in the Korean Forces, and we asked the Government to exempt these men from the payment of income-tax and social-security charge. What was the answer of the Government? It said, "No, these men are well paid." The Labour Government has previously increased the pay, and the present Government said that the pay included a sum for taxation. As a result of the death of the leader of the Opposition, the Right Hon. Mr. Peter Fraser, the Brooklyn by-election was held, and following the battle fought there the present Government decided, as a vote-catching measure, that the New Zealand Forces in Korea would be exempt from income-tax, and the social-security charge. The deputy leader of the Government was in charge of that campaign, and he thought that he could sway the people of Brooklyn by making these exemptions.

The Hon. Mr. GOOSMAN.—What did the Labour Government do?

The Hon. Mr. F. JONES.—The previous Labour Government did not charge servicemen income-tax or require them to pay the social-security charge when they served overseas. When one sees the large incomes made in New Zealand one can understand the attitude of the Minister of Works.

The Hon. Mr. GOOSMAN.—I said, "What did the Labour party do?"

The Hon. Mr. F. JONES.—The honourable gentleman's slogan is "lock, stock, and barrel." Whenever one asks him about something he says, "We will get rid of it lock, stock and barrel." Let the Government be a little more generous and exempt public servants serving overseas with the Forces from the payment of superannuation contributions. We did that in the previous war, and I do not think any member of the House condemned that decision. The Government has been tested at one by-election, and has failed. It was badly beaten, but it has not learnt its lesson, and now it is taking on the whole of the country. There will be a decisive vote at the election. In Dunedin we have had Labour members of Parliament for sixteen years, and we shall continue to have Labour members there. We invite Government members to come down to Dunedin to speak, because the people of Dunedin did not fall for the glittering promises made by them there at the last general election. The Dunedin people have no trust in the present Government, and will do their best to see the end of the National Government for all time.

The Government has been in office for eighteen months, and it thinks it will go to the country on one issue, but the Opposition will determine the issue, too. Government members say they are going to determine what this fight is going to be on. It is going to be on the record of broken promises by this Government. They said, "We will reduce the cost of living." The economist from Tamaki was disturbed at the fact that the cost of living had not gone down. They turned around and said it was due to the war. To-day, it is the waterfront trouble. They are using any excuse, but the cost of living had gone up prior to those things happening. Did they reduce the cost of living as the workers expected them to? What did they do? They took away the subsidies. When our late leader made a statement that subsidies would be reduced or done away with, that was denied by the present Prime Minister. Subsidies to the extent of £12,000,000 were removed; £8,000,000 was taken off foods. What is the position to-day?

The leader of the Opposition the other night gave some figures of increases in the cost of living. Let me quote them again to see how far the Government has carried out its promise to reduce the cost of living. Tea has gone up 51.6 per cent.; sugar, 24 per cent. from 1949 to 1951; bread, 36.3 per cent.; jam, 29.1 per cent.; bacon, 26.9 per cent.; meat and fish, 21.7 per cent.; fruit, vegetables,

and eggs, 12.1 per cent.; other foods, 25.6 per cent.; all foods, 21.5 per cent.; fuel and lighting, 20.8 per cent. All those increases have taken place between 1949 and 1951. This is reducing the cost of living! We do not want that sort of reduction. There is no reduction. There is an increase. The Court granted an increase of 15 per cent. in wages, but 15 per cent. does not meet 51 per cent. increase in tea. The 15-per-cent. increase in wages does not meet the increase of 36 per cent. in the price of bread. One could go through all these items. If you ask the mothers, they will tell you exactly what they think of the cost of living. No matter what they buy in the way of food, clothing, or woollen goods their money will not go further as was promised by the National party. We have a right to move a motion of no confidence in the Government. It has failed to carry out its promise. They promised to make the pound go further. They said, "There will be no more human packhorses when the National party gets into office." No more human packhorses! Some of the retailers endeavoured to provide deliveries. The Government allowed petrol to be increased by sixpence a gallon. It is more difficult for retailers to make deliveries to-day than it was previously.

There is another thing I am concerned about, and that is the fact that married women have to go out to work to supplement the earnings of their husbands. There is a great deal of that taking place in New Zealand to-day. I do not think that is good for the home life of our people. The husbands should be able to receive a wage to enable them to keep their wives and children in decency and comfort. No woman, unless she wishes, should be forced out into the employment market. No woman should be compelled to work. In some cases the children will be neglected because the wives have to go out to try to supplement the family income. What did the Government say about taxation? It was going to reduce taxation. Members of the National party believed that when the Right Hon. Mr. Nash was Minister of Finance there was £47,000,000 in reserves. We were accused of having large sums in reserve. They were going to reduce taxation. What have they done? All the taxation reductions have gone to the rich people. The 33½-per-cent. super tax on unearned income has been abolished. It is true they made a slight concession for those over sixty-five years of age, but there have been no reductions to the general taxpayer, and no promise of them in His Excellency's Speech, although they have a surplus of £9,000,000. They gave a bonus for children, but they have done practically nothing to ease the burden on the people generally.

The Labour Government was called a spendthrift Government by the Nationalists. They said we were spending far too much of the money belonging to the people. This Government, however, has received £22,000,000 more in taxation revenue in the last financial year than in the last year of office of the Labour Government—the increase in the revenue from

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income-tax alone being £14,958,000. Where does that money come from? Let us take the case of a man who has received an increase in wages under the Court's order of £1 a week. On that increase of £52 a year he will pay income-tax of £6 10s. and social-security charge of £3 18s., leaving him with £41 12s. net. Is it any wonder that as wages increase, and the incomes of business people increase, the Government gets an increased rake-off? But it is not prepared to share that with the people; it is not prepared to reduce the cost of living as it promised to; it is not prepared to decrease income-tax and make the burden easier for those on the lower incomes. Members opposite promised the electors that they would amend the Land Sales Act, but they said they would retain control over properties between £750 and £3,000 in value. Many people voted for them in the belief that they would honour that promise, but the Government refused to honour it, and to-day the prices that have to be paid for houses have soared, and land-agents, solicitors, and others have reaped the benefit in higher commissions and transfer fees. No doubt they have paid some of them into the coffers of the National party. I know of a case in Khandallah where a man bought a section for £250, while across the road another man paid £300. Later the man across the road sold his section at a profit of £900. Does the member for Remuera agree with that?

The Hon. Mr. ALGIE.—Yes.

The Hon. Mr. F. JONES.—Does he think that is right?

The Hon. Mr. ALGIE.—Yes.

The Hon. Mr. F. JONES.—Does he think a person should receive £900 for doing nothing but hold that section for two or three years? What chance has a man of building a house on that section and being able to pay his way? We know the promises that members opposite made about housing assistance for returned servicemen. What have they done? Let us have a look at Government valuations. In the Borough of St. Kilda the Government valuations have gone up by over 80 per cent., and recently the borough had to pay over to the Hospital Board £6,000 on the capital value of the property in the borough, and to the Drainage Board another £6,500, and with other payments charged on this basis the total is £20,000, or £8,000 more than last year. That has been brought about by the abolition of land-sales control. How can these local bodies carry on? Prices, freights, the cost of services, and everything else have gone up. How are people going to live? Where is the next increase in wages going to take us? There must be another increase in wages; there must be some attempt to adjust wages to costs, but any further increase in wages will simply mean another increase in prices. Can the Government indicate any way in which it intends to meet the position? Things have turned out all right for those who support the Government. No doubt they will be willing contributors to the campaign funds for the coming election. I have a word or two to

say to the Minister in Charge of the State Advances Corporation. From what he told us, a large number of State houses has been built during the last twelve months. I should like to see more of them in the City of Dunedin. Another thing I would ask is that larger contracts should be let to builders. In the past we have had a number of large contractors each building a large number of houses, but now all they can get is a few houses at a time. The result is that they have turned to other work such as industrial building, alterations, and maintenance-work. I hope the Minister before the election will give the order for a large number of houses to be built in Dunedin. If he does not, the Labour Government, when it takes office in September, certainly will. Let us have a look at the cost. I have here some figures which appeared in the *Evening Post*. No one would say that that is a Labour newspaper.

The Hon. Mr. ALGIE.—Thank goodness for that.

The Hon. Mr. F. JONES.—I am glad the Minister of Education agrees. This article says:—

“Anxiety last year but now despair faces home builders. Costs are approaching the limit beyond which it will be possible neither for industry to receive an economic return on capital invested in buildings nor for the would-be home builder to contemplate the smallest and most simple of homes.”

Then it says that in 1944-45 it cost £1,573 to build a home; in 1947-48, £2,033; in 1950-51, £2,575; and to-day over £2,800. I ask the Minister of Education how teachers will get on, especially the young ones who want to get married, with prices at £3 to £3 5s. a square foot for building? What about ordinary young men and women who want to build their own homes? If they enter into a commitment like that, how will they pay it off? They will have to stint themselves for years. The Minister of Education knows it cannot be done. He belongs to a Government, and he should be better informed and better educated than his colleagues. He has certainly received a good education, and ought to appreciate the fact that young people cannot build at to-day's prices.

Turning to State rental houses, I would ask the Minister in Charge of the State Advances Corporation why there are three different rents operating in State rental areas. First, there is the rent payable prior to the increase made by the Government; then there is the rent which has been increased by 10s. to 15s. a week; and lastly, there is the rent paid by public servants which is chargeable according to salary received. In most cases the rent paid by public servants is higher than the other rents, even taking into account the recent increase. I cannot see any reason for that differential treatment. I cannot see why public servants should be treated differently from ordinary civilians. I could give another instance. The Public Service Commission is reassessing the rents of public servants living in State houses, or, indeed, in any houses.

There is one such case in my own district where a man in charge of stores has to live near the stores in order to protect them.

The Hon. Mr. ALGIE.—Surely he does not need to protect a store.

The Hon. Mr. F. JONES.—It contains explosives.

The Hon. Mr. ALGIE.—Then he is living too close to the place.

The Hon. Mr. F. JONES.—Perhaps we would like to see the Minister there. At one time this man had his family living with him, but the family has married and left the home. Now, the Public Service Commission has had the house measured recently, and a letter has been received by the man stating that his rent of £1 2s. 6d. a week will be increased to £1 12s. 6d., but adding that if he likes to close one of the rooms and does not use it the rent will be reduced by 5s. Are those people going to take the furniture out of the room? Are they going to open the window and let the birds in? Are they going to lock the door and seal it? How will the Public Service Commission or the Government see that that man does not break his contract and use the room?

The Hon. Mr. MARSHALL.—Will the honourable gentleman produce the letter?

The Hon. Mr. F. JONES.—I shall give the name of the place.

The Hon. Mr. MARSHALL.—I should like to see the letter.

The Hon. Mr. F. JONES.—I shall get a copy of the letter. I do not know whether the Minister approves of that sort of thing, but there it is. The man is to have a reduction of 5s. if he closes a room and does not use it. What a ridiculous action on the part of the Government. I have something to say about our manufacturing industries, which Labour did so much to build up. Under its regime the number of factories increased between 1935 and 1950 by 2,757, and the number of employees rose by 64,951. If more workers were available they would be absorbed into the secondary industries. It has been splendid that our young people, since the depression, have had an opportunity of going into industry. More machinery is being used on the land, and therefore more opportunities are afforded to our people to work there. However, even the sons and daughters of farmers are going into the factories. The production from our secondary industries has been worth while, but what can our manufacturers think when they find to-day that the Board of Trade may decide whether a concern is economic, and whether it should receive materials from overseas?

The Hon. Mr. WATTS.—That is not so.

The Hon. Mr. F. JONES.—The Board of Trade has that power. I had notice of a resolution carried by the printing trade protesting against the way it was menaced by imports.

The Hon. Mr. BOWDEN.—Will the printers take a contract now? We shall be glad to give them work.

The Hon. Mr. WATTS.—They are months behind with their orders.

The Hon. Mr. F. JONES.—I know that the Minister does not like what I am saying. The fact remains that at the end of each season in overseas countries surplus goods of various sorts, clothing and boots among them, are sent out to New Zealand to compete with our own products. As one who worked in the boot trade I had experience of that sort of thing, and I should not like to see our boot-factories again suffering. Those who are in our manufacturing industries will have to decide whether they will vote for the Government or for the Opposition. The Government will not protect them, but the Opposition, if returned to office, will carry out its policy of seeing that our manufacturing industries are protected. Here is an editorial headed "Imports and Industry." It states:—

"What shall it profit a merchant if his store is stocked with low-priced merchandise from abroad if his customers through local unemployment lack the wherewithal to buy. The merchant who purchases the imported product at the expense of domestic goods is jeopardizing New Zealand's standard of living and imperilling his own future. Import what we must by all means, but do not bring here a single thing that keeps a foreign workman busy and New Zealand workmen idle."

That is taken from the *New Zealand Manufacturer* of the 15th March, 1951. That is what the manufacturers are thinking at the present time. We have heard a lot during the past week about the industrial trouble. We have heard very little about the 64-per-cent. increase in freights imposed by the shipping companies.

The Hon. Mr. ALGIE.—The British Labour Government agreed—

The Hon. Mr. F. JONES.—I do not know what the British Labour Government did. The point is that this Government agreed with the shipping companies to the extent of an additional 64 per cent. in freight charges. From what has been stated, it is going to cost the people £20,000,000, while by the time it reaches the consumer there will be another £5,000,000 to £10,000,000 on top of that. The Government did not face up to the shipping companies in the same way as it did the industrial trouble. The Prime Minister said the other night, referring to the industrial trouble, "The Churches should keep out of it." I say that the Churches have a right to express an opinion on these questions. We look back to what the Churches have done in days gone by. We recall the Reverend Dr. Waddell and the great part he took in combating the "sweating" that was taking place in New Zealand, and Dunedin in particular. He was justified in speaking out, even though it hurt the manufacturers of that day. We recall how, during the depression and since,

men of the Church have spoken out, even in face of the Government, demanding justice for the people. In the *Outlook* of the 10th April the following appeared: "The *Outlook* along with other publications and other meetings in New Zealand is under strict censorship, so strict that very few people suspect it exists. Such things are far more dangerous to democracy than many strikes." On the 15th May the *Outlook* stated: "Neither their wisdom nor their honesty has been absolute. For example, their deregistration of the Wellington Drivers' Union because the ballot went the way they did not want it to, requires some explanation or repentance."

The DEPUTY SPEAKER.—The honourable gentleman has exhausted his time.

Mr. NEALE (Nelson).—Sir, I want briefly to congratulate the mover and the seconder of the Address in Reply. They will realize that if my congratulations are brief it is because the matter has been so well covered by other speakers. I want also, for a special reason, to join in the felicitations which have been extended to Their Excellencies on His Excellency's elevation to the peerage. During the war I had the privilege of being Mayor of my city, and consequently came into contact with Their Excellencies perhaps to a greater extent than most people. I was greatly impressed, and always have been, by their courtesy and kindness to everybody with whom they came into contact. Now, the hour is very late and there is a great temptation to follow some of the speeches made by the members opposite. There have been some interesting speeches during the debate, and one could easily fill in one's time by simply taking statements made in those speeches and examining them. I want to do a little of that, but not very much, because the main themes of the debate have been thoroughly well discussed, and in view of what has happened in the last day or two some of it may be getting a little stale. In any case, we will be hearing a great deal about it in the next few weeks. With that in view, I completely rewrote my notes.

I wish to take almost an entirely different line, and I hope it will prove of some interest. First I want to examine some of the statements that have been made. I cannot quite resist the temptation to let them all go. I want to go back first to almost the last one that the member for St. Kilda mentioned, and that is the question of shipping freights. Once again, as other speakers have done, he inferred that this Government approved of the increased shipping freights or that we have done nothing to stop the increase. He must know perfectly well that these things are controlled from the other end. The correspondence that has been published has shown that the Government has done its best to get reconsideration of the shipping freights, and is continuing to do so. It is not fair for members of the Opposition to keep on inferring that we have approved of, or encouraged, those increased freights, when it is known that we do not have anything to do with them.

I wonder if the member for Mount Albert and one or two other members of the Opposition who spoke on the same lines realized just what a compliment they were paying to this Government. The member for Mount Albert the other day complained quite bitterly that we had not carried out our promise in regard to abolishing import control. We never said we were going to take it off overnight; one cannot do that sort of thing, but we have in eighteen months taken off more than 600 items out of 998. The business community cannot be disrupted by the removal of everything like that in a hurry. However, in the next breath the member for Mount Albert complained that we were imperilling the position of the manufacturers by removal of import control, very much as the member for St. Kilda said we were doing. Which way does he want it? He complains because we do not take them all off, and then because we take some off he says the manufacturers are imperilled. The procedure that is being followed is that the very capable Board of Trade is examining every single item in which the New Zealand manufacturer is concerned. The intentions of the Board are advertised and the manufacturers are invited, either singly or in groups, to submit to the Board evidence of what products of their particular industry should be protected. Every one of those cases is carefully examined with a view to seeing that the manufacturer secures proper protection—that is, if he is running an industry of value to the country.

The member for Onehunga spoke to-night about the abolition of price-control. Some of it has been removed, of course. However, I do want to mention in passing that sixty-four of the items included in the cost-of-living index are still controlled. In my work as assistant to the Minister of Industries and Commerce, who is in charge of price-control, I see instances every day in which people are trying to get some increase in their prices, but I can assure honourable members that they are having a difficult job to get any increases past the Price Control Division. I mean that things are being examined under a microscope. The amount of detailed information that is being demanded from the business concerns—and quite rightly—is amazing, before any increase can be obtained. Things are being watched very carefully. The same honourable member referred to subsidies. Any one would think we had taken off all subsidies, or conversely that we were not paying any. We are still paying £11,000,000 in subsidies.

It might interest members to have a look at what has happened in Norway under a Labour Government, which was elected at about the same time as we were. One of its main policies was subsidizing, but almost immediately, within a matter of months, it has had to remove something in the vicinity of £22,000,000 worth of subsidies. It found that the country could not afford it. One other point I feel rather strongly about is the reference to the Prime Minister's attitude towards the United States of America and the War Cabinet. I have been in this House for about five years, and I have never heard any other

member stand up for the British Empire in the way the Prime Minister has done; but, simply because he realizes what the United States has done and gives credit where it is due, he is accused in this House of being anti-British. The thing is just too ridiculous for words. As to his leaving the War Cabinet, I was asked the question during the last election campaign, by a very strong Labour supporter, at one of my meetings. The shortest and most direct answer I could give was that in the same circumstances I would have done exactly as the Prime Minister had done; and I would do it again.

The Hon. Mr. F. JONES.—The Right Hon. Mr. Coates did not, though.

Mr. NEALE.—I am not concerned with the Right Hon. Mr. Coates, but am merely saying that in similar circumstances I would have done exactly as the present Prime Minister had done. I believe that had the Labour Government shown any fortitude at that stage, about three-quarters of the industrial trouble we have experienced since would not have occurred.

The Hon. Mr. ALGIE.—“Fortitude” was a good word.

Mr. NEALE.—I could not use the other word, for I might not be allowed. A lot of the industrial trouble would have been avoided if the Labour Government had shown that it was determined not to allow people to make mischief of that sort. The honourable member for St. Kilda referred to taxation. He knows, or perhaps he has forgotten, that for several months past we have had a special committee of very capable men sitting on this very involved question of taxation. I know, as an accountant, that the taxation laws are full of anomalies. I think, in justice, that the previous Government recognized that. But it is a huge job, an enormous job, to complete the overhaul of the taxation system. That committee, I understand, will be reporting to the Government within the next few days. Its recommendations will take a great deal of examination, and I have not the slightest doubt—I have no advance information whatever—that as a result of its recommendations many of these things will be corrected. I feel certain—again I have no knowledge of it—that relief in several directions where it is most deserved will be made; at least, I will be very disappointed if that is not so.

Now, the Opposition set the tenor of this debate in the early stages by dealing mainly with the Emergency Regulations and the strike. I suppose Labour members had to do that as a matter of tactics, because attack may be the best method of defence. But actually it was about the weakest subject they could have picked from a practical point of view. I do not want to deal extensively with the regulations, because we have had a lot of the subject in the last few days. In view, however, of the fact that we have another general election ahead of us, the people should realize just how inconsistent the Labour party has been in its attack

on the regulations that have been in operation in the present industrial crisis. We all remember, those of us who were here, how, in 1947, two years after the war finished, and when there was no sign of any industrial crisis whatever, the Labour Government tried to make, as a permanent part of our statute law, the regulations which were passed during the war.

I have never heard anybody of any political opinion do other than agree that in time of war any Government must have power to do very drastic things—literally almost anything—but the attempt to put these things permanently on the statute-book was far worse than anything we have tried to do in the last few months. I do not want to go into that in any detail. But just remember that the regulations that the Labour Government tried to make a permanent part of the law of this country would have enabled the Government of the day to take possession of any property, any factory, and any farm; to sack all the employees if the Government did not like them, and to put on any one it liked, and to run the property as if the Government were the owner, without any reference to the mortgagee or any one else who had any interest in the property. The Government could even instruct owners what they were to do with their factories and their farms; it could instruct farmers what they were to grow, and no claim could be laid against the Government for anything that was done. Could anything in peace-time, in the absence of an industrial crisis be more far-reaching than what was done at that time. The industrial dispute has been well discussed during the last few days, and I do not want to go over that subject at any length. Obviously the Government must have some power to give instructions in certain emergencies, but I notice that, in the case of the powers taken by the Labour Government, there is power to delegate and that power includes delegation still further until almost the office boy could delegate to the office cat—could anything be more far-reaching? The power enabled almost anything to be done.

A great deal has been said about pamphlets issued by strikers. Many of the regulations were needed to deal with the sort of people who issued these pamphlets. One would think on listening to the Opposition that we regarded all strikers alike. That is unjust and untrue. One or two pamphlets have been quoted by the Minister of Labour. I wish every one in New Zealand could see some of the circulars that are going out. I gladly accept the word of Opposition members that they do not agree with these circulars. The regulations were necessary to deal with that type of person. Before I left home on Tuesday I was given a copy of a circular that had been put out at Wellington by the ex waterside workers' representatives. It is headed "Waterside Official Information Bulletin," No. 30, and is dated the 1st June. This issue happens to concern watersiders at Nelson. I hold no special brief for the waterside workers there, but it has

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always been considered a good port and to their credit that they never operated the spelling system, as presumably they were entitled to do.

I was talking to one ex waterside worker a few weeks after the strike started—a man I have known for many years—and he said, "A lot of us would like to go back to work but we are not allowed to." In this bulletin we read, "News from Nelson. In Nelson the position is that forty-six have gone back and thirty-eight remain loyal to the Nelson union. E. Locke, president of the Nelson branch, reported on the true position of the Nelson branch. The following are the names of the forty-six who have gone back and scabbed on the union." Then follows the names of the forty-six men who had the courage and commonsense to go back to work. After the names are given we read, "We will content ourselves with Jack London's words, and say 'the name of scab will go with you to the grave.'" In that list are the names of men whom I have known all my life. I went to school with some of them; I met some of them on the field of sport, and I know that they are decent fellows. It is disgraceful that that sort of thing should be put out. That is another reason why these regulations are necessary. In the same bulletin there is reference to the Wellington position, and it is stated, "They have rounded up fifty-eight from the sewers and garbage cans of Wellington, mostly beer bums and metho kings. These degenerates will soon drop out when they find that they will be under police protection for the whole time they are working." The regulations are necessary to try to stop that sort of thing in the interests of decent workers and the people generally.

Now, Sir, with regard to what this Government has done during the strike. We have had ample evidence from the other side that nominally, at any rate, they do not agree with a lot we have done. In fact, they do not give us credit for a solitary thing we have done from start to finish. I happen to have here a copy of a letter written to the Prime Minister by one of my own constituents. I do not think the Prime Minister even knows I have it, but it is typical of many similar things said to me by people who I know voted Labour or sympathize with the Labour party. It must have taken this gentleman a great deal of courage to write this letter, but thank God some people have courage to give expression to their opinions.

Mr. CONNOLLY.—Can we have his name?

Mr. NFALE.—No, certainly not. He writes:—

"As a heretofore uncompromising opponent of your political party and your philosophies, I write to most earnestly and sincerely congratulate you on the honour which the Sovereign has shown you. New Zealanders reserve the right to judge a man by his actions, and yours appear to be sincere and honest to the

utmost degree. Even viewed from my standpoint—that of twenty years of differing political thought—you are the man to lead the country at this time. You are gradually giving the New Zealander back his self-respect.”

I skip two or three paragraphs to save time. The letter continues:—

“I think many thousands of New Zealanders will be proud of your sane leadership. I am, and I know dozens like me who may not bother to write and tell you so.”

That comes from a man who opposed our party for twenty years. He has the courage to say so. Nearly every week-end when I go home I meet another member of the Labour party who is quite a good friend of mine. Probably he still votes Labour. I do not blame him for that. He said to me, “What on earth does the parliamentary Labour party think it is doing. I am sick of the way it is going on. Lots of us who have voted for it feel the same way.” That was from a man who told me he was a Labour supporter and who I know is a personal friend of one or two members opposite. He volunteered that—I did not ask him. Another who happens to be one of my closest personal friends, and who is a prominent member of the Labour party, said to me. “What the dickens do these people think they are doing? If they go on much longer I will write to Mr. Nash and tell him I have finished with the whole show.” That was a very capable business man. I give those instances to show that the Labour party need not be so complacent in attacking us for the way we have handled this business.

Now, Sir, especially in view of the fact that we will have a general election within the next few weeks, and while the subject-matter I have been discussing is the main issue upon which we will go to the country, I think the time is opportune to remind the people that the basic difference between the two parties is a very serious matter. It may have been lost sight of in the hurly burly of the last few weeks. A few years ago we used to think it mattered very much which party got in. We have realized in later years that there was not then a very great difference between the parties. Probably land-tenure was about the only serious difference in those days. Now we have two parties utterly opposed in their aims and objects. I do not think that many people will be deceived by the nominal change in the objective of the Labour party. For many years on their membership-card appeared as the objective “The socialization of the means of production, distribution, and exchange.” In Christchurch the other day they decided to scrap that and adopt something else. I do not remember exactly what it is, but it is pretty non-committal, at any rate. Nobody is going to be deceived by that. Many of the members opposite have been here a good many years under the old slogan. That is the real one still, no matter what they call it. So the issue comes down still to socialization and nationalization against private enterprise. That is what it amounts to.

There have been some very radical changes, especially in the British countries, over the last few years. What has been accomplished over centuries of change in such countries as Britain has been burst like an explosion upon some other lands. For example, Russia, a country in which the old Czarist regime undoubtedly had sad drawbacks from the point of view of most of the people, has violently somersaulted to an even more extreme dictatorship, in which the State is glorified at the expense of the individual, and freedom does not exist any more. That is the extreme example, of course, but in many other lands the concept of State control, and even State ownership, has taken root to a greater or a lesser degree until the whole relationship between the Government and the individual has become a vital issue. Here in New Zealand we know something of controls. In the last two wars controls were forced on this country out of dire necessity. No one complains at any Government in time of war imposing controls and having very wide powers, but the war-time controls in our case were left operative by the Labour Government for much longer than the emergency justified, to the distress of the trading and industrial community, and with the effect of retarding the country's return to normal and the achievement of a higher standard of living.

It is not the easiest thing to determine the basic factors in the passion for controls that manifested itself in New Zealand in the fourteen years preceding November, 1949. That passion might have sprung from either of two sources, but probably embodies something of both. The first is the belief held by Fabian Socialists that a measure of State control whether it be in public services such as transport, or in industries which affect the whole community, is indeed in the best interest of everybody. The second source might well be the persistent inhibition that wage-earners have to be perpetually guarded against the depredations of employers; that private enterprise stands for nothing but exploitation, and that any successful business man is merely “grinding down the faces of the poor.” It is amazing how, if any man achieves any little success in his sphere, he is immediately regarded in some quarters as being a profiteer—as exploiting some one. He is given no credit for his initiative and energy, and no credit for the benefit he may be bringing to the people by his own inventions and enterprise.

The Hon. Mr. ALGIE.—Or to the people he lifts along with him.

Mr. NEALE.—That is perfectly true. That inhibition had some foundation in the bad old days of British industrialization. There are bad chapters in England's industrial history, but even in England those days are away back in the past, but it is very doubtful if they ever existed in Australia or New Zealand. This dogma of State control as a protection of the general community against the merchant, the industrialist, and the financier, was gradually dying out—a much less painful and prompt death than it deserved—when living-conditions were so adversely affected in New Zealand.

first by the slump of the early "twenties" and then, to a far greater degree, by the woeful depression of the "thirties." It brought the whole thing to the surface once more unfortunately.

It is probable that few countries were in a better position than New Zealand to withstand the effects of such a world-wide depression. It was very much worse, for example, in Australia, the United Kingdom, and America. In Australia, under a Labour Government, almost every State had things far worse than we had here. Unemployment benefits, pensions, and everything else were cut much more severely over there—not that we are defending the position here, but things were very much more severe in Australia. The whole matter was one over which no New Zealand Government could have any control whatever. Nothing that the country, its Government, its men of commerce or its industrialists, could have done would have affected the position at all. There were mistakes made in handling the position—I do not think anybody has ever denied that. But I do not think any of those mistakes would be made again, because the experience is too recent for the lessons ever to be forgotten. The point was that no Government could have done anything to prevent the impact of overseas conditions on New Zealand. Mistakes were made in the handling of the situation, and the way was paved for the great Socialist experiment with all its restrictions and controls. In fact, almost a whole generation of young New Zealanders knew nothing else until the end of 1949. In the short time at our disposal we have freed many of those controls, and many more are going off as fast as it can be done. The firm foundation and the solid construction that has been erected on it are the work of private enterprise from the earliest days. The work of the early pioneer industrialists, and private enterprise throughout the eighty-five or ninety years up to 1935, provided that.

The Hon. Mr. ALGIE.—The Socialists only take it over; they do not create.

Mr. NEALE.—That is exactly what happens. They take over the result of those long years of hard work. Even the organizations that sponsored the main settlements were privately inspired and backed. Take the New Zealand Land Company, even with all the trouble it got into later. Take Edward Gibbon Wakefield, Arthur Wakefield, and those who came here and laboured so hard to form a new nation—men who wanted a wider field for their activities, better opportunities for their children and a better chance in every way. What better examples could we have of private enterprise? I am afraid I shall have to cut out some of what I have prepared. I think the future for private enterprise in New Zealand is very bright. There are far greater resources here than we have been able yet to develop fully.

We have a growing population and an important place in the structure of the British Commonwealth and of the world. There is nothing in economic history to tempt us to believe that any factor other than private enterprise can fully develop the resources which

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can help us to a higher standard of living. A great responsibility rests on private enterprise. No Government can bring about that state of affairs of its own volition. Those who, for one reason or another, have been of the opinion that State control is necessary for the protection and well-being of the people generally, must be shown that private enterprise, far from being the boggy of the masses, can give all the people a better standard of living than any other system. Firms and individuals, trading, farming, or manufacturing, in the years ahead have a wonderful chance to show what they can do towards raising the standard of life. The Government now in office is pledged to private enterprise. It is shearing away controls as quickly as the general conditions imposed on it by its predecessors will allow. No Government can achieve that end by itself. The Government can help and advise, and, where necessary, it can protect; it cannot drive. Production must come from the producers themselves. While we have the reins we will only guide; we will not jump out and try to drag the horse, the cart, and everything that is in it.

The House divided on the question, "That the words proposed to be added be so added"

AYES, 29

| | | |
|-----------|---------------|------------|
| Anderton | Keeling | Nordmeyer |
| Armstrong | Kent | Omana |
| Chapman | McCombs | Osborne |
| Combs | Macdonald, R. | Paikea |
| Freer | Macfarlane | Ratana |
| Hackett | McKeen | Skinner |
| Howard | Mason | Walls. |
| Hudson | Mathison | Tellers |
| Jones, F. | Moohan | Connolly |
| Kearins | Nash | Cotterill. |

NOES, 41

| | | |
|-----------|--------------|------------|
| Aderman | Hanan | Neale |
| Algie | Harker | Rae, D. M. |
| Bodkin | Hayman | Rae, J. |
| Bowden | Herron | Roy |
| Cooksley | Holland | Shand |
| Corbett | Holyoake | Sheat |
| Doidge | Johnstone | Sim |
| Eyre | Jones, S. I. | Sullivan |
| Fortune | Kidd | Tennent |
| Gillespie | McAlpine | Watts |
| Goosman | Maher | Webb. |
| Gordon | Marshall | Tellers |
| Gotz | Massey | Gerard |
| Halstead | Murdoch | Smith. |

PAIRS

| | |
|-------------|------------------|
| <i>For</i> | <i>Against</i> |
| McLagan | Broadfoot |
| Parry | Macdonald, T. L. |
| Semple | Mrs. Ross |
| Tirikatene. | Sutherland. |

Majority against, 12.

Amendment negatived.

Mr. EYRE (North Shore).—Sir, in concluding this debate on the Address in Reply I thank all honourable members who have been so kind as to congratulate the honourable member for Wairarapa and myself for our part in

moving and seconding the motion. We both feel that honourable members have been indulgent to us, and we appreciate their generosity and the kind hearing extended to us. A variety of subjects has been discussed in the debate. It has been noticeable, however, that honourable members on the Government side have been consistent in their attitude on those matters of national importance to us—namely, our national security and our security against aggression. Each Government member has stated in no uncertain terms his full awareness of the danger in the world to-day to our way of life. Each Government member has been consistent in his advocacy of firm, stable and democratic government. Contrarily, honourable members of the Opposition have been consistent in belittling the danger that may threaten us both externally and internally. They have been neither realistic nor constructive with their criticism of the forces which threaten democracy to-day. To me as a new member the attitude of the Opposition has been disappointing. It has lacked force and character.

There have been many points raised by Opposition members during this debate which I should like to take time to answer individually, such as their casual approach to Communism, their oblivion apparently to the necessity for defence. However, next Parliament I shall have plenty of opportunities to answer some of those members in other debates—that is, those members who return here. I am sure the ones that do return will come back in a much cooler frame of mind. There is one point, however, to which I should like to refer. It was stated by the member for Grey Lynn and also by the member for Dunedin Central—and it was in the nature of an accusation, as if one should be ashamed—that the Prime Minister was pro-American. Surely the Opposition does not at this stage deprecate any one being pro-American.

Mr. CONNOLLY.—I did not mention the Prime Minister's name.

Mr. EYRE.—The honourable gentleman used the Prime Minister's name and used the term pro-American. I think the leader of the Opposition was New Zealand Minister at Washington during the war. Surely he has not forgotten lend-lease, Marshall Aid, and the generosity of the American people. Surely the Labour party does not intend to back down and say that it is not pro-American when both their present leader and their late leader did so much to foster Anglo-American and New Zealand-American relations. Surely they will not repudiate pro-Americanism now. This is just one more example of the political hopscotch being played by the Labour party to-day. It is disappointing, and I am certain it is an obvious symptom of the present policy of the Opposition, the policy of being neither for nor against. Members of the Opposition do not know where they are. I am sure they are still upset about not being on the Treasury benches.

The United States of America is the greatest force in the world to-day against aggression. The Opposition should be realistic and appreciate that the United States holds the balance of

power in the Pacific and the peace of the Pacific. After all, Opposition members were pleased in time of trouble that our country should receive arms, men, and other aid from the United States. I am sure they would be pleased again to be protected by the United States of America. They attribute pro-Americanism to the Prime Minister, but I do not think he has anything to be ashamed of in being pro-American. He is New Zealand born and he served overseas like many other Government members did. He is proud to be a New Zealander. He is also British and he is proud of that, too, and so are we. We are proud, too, of our American allies. The United States of America is a great democracy and we can learn much from the people of that country. I believe that the time will come when we will walk together with the great American democracy into a great union which will be the English-speaking commonwealth of the world. I am not ashamed to be pro-American, nor do I suggest that any member of the Government is, but we are proud to be of British birth, and also New Zealanders.

During this debate we have witnessed a great and glorious example of democracy at work, and, I believe, at its best. The debate was interrupted by a motion of no confidence moved by the leader of the Opposition, but the Prime Minister and the Government have given a truly democratic answer. This Government, only eighteen months old, and with a good majority, has chosen to resign. Such a thing has never happened before in the history of this country. The Government and the Prime Minister are giving the people a lead. They realize that the people will respect a Government which believes in conciliation and arbitration, which has been consistent in advocating it in all disputes, and expects the people to abide by it. Members of the Opposition have made serious charges about the way the Government has handled the strike, and have charged the Government in a British democracy with shouts of "Fascism" and "Nazism." They are charges never made by a responsible Opposition before in this country to a responsible Government.

The Government has the force and courage of its convictions. It has a full knowledge that the average New Zealander approves it, and it intends to prove the falseness of the accusations of the Opposition by allowing the people to decide. It is a Government which maintains, and insists upon, conciliation and arbitration in industrial disputes, and is willing itself to stand by the arbitration court of the people—the ballot-box. It is an act of courage and unselfishness and of service to the community. It is also an act showing the implicit faith the Government has in the good judgment of our people. It reflects the Government's honesty and integrity. The people will decide whether or not they will have a Government that believes in firmness, stability, decency, and law and order, or whether they would prefer another Government which believes in appeasement and running away. This is an act which is a glorious example of democracy working at its best. And when we see this happen I have

no fears for the future of democracy. We have a Government which can go to the electors, open its accounts as it were, and show its stewardship, and abide by the electors' decision. It is a Government which can accept the challenge of the Opposition in a true democratic spirit and can fearlessly go to the electors and ask that they shall arbitrate on the question of law and order or appeasement—appeasement to violence, which would ultimately lead to anarchy. Again, whilst we have the privilege of having such Governments we will have a democracy. There will always be a Britain, there will always be a free New Zealand—a New Zealand having the privilege of believing in God and honouring the King.

Motion agreed to.

MILITARY TRAINING AMENDMENT BILL

The Right Hon. Mr. HOLLAND (Prime Minister) said that he had had consultations with the leader of the Opposition in regard to the Military Training Amendment Bill, which had been introduced earlier. There had been a complete misunderstanding over that measure, and the Government did not propose to proceed with it. As soon as his attention had been drawn to the matter, arrangements were made accordingly.

The House adjourned at twenty-eight minutes past eleven o'clock p.m.

FRIDAY, 13 JULY, 1951

First Reading—Third Reading—Address in Reply—Treaty with America and Australia: Ministerial Statement—Search Without Warrant: Notice of Question—Broadcast of Election Speeches: Urgent Question—Joint Constitutional Reform Committee: Recess Sitings—Business of the House: Urgency Motion—Agricultural Emergency Regulations Confirmation Bill—Minimum Wage Amendment Bill—Workers' Compensation Amendment Bill—Business of the House: Urgency Motion—Electoral Amendment Bill—Roman Catholic Bishops Empowering Bill—Imprest Supply Bill (No. 2)—Workers' Compensation Amendment Bill—Valedictory—Adjournment

Mr. SPEAKER took the chair at half past ten o'clock a.m.

PRAYERS.

FIRST READING

Dunedin Waterworks and (Taieri River Supply) Extension Bill.

THIRD READING

Bank of New South Wales Amendment Bill.

ADDRESS IN REPLY

Mr. SPEAKER.—I have to announce that, accompanied by members, I attended upon His Excellency the Governor-General with the Address agreed to by the House in reply to

Mr. Eyre

His Excellency's Speech; to which His Excellency was pleased to make the following reply:—

“MR. SPEAKER AND MEMBERS OF THE HOUSE OF REPRESENTATIVES,—

“I receive with much pleasure the Address which has been adopted by the House of Representatives in reply to my Speech at the opening of the second session of the twenty-ninth Parliament of New Zealand, and I thank you for your assurance that the matters referred to will receive your careful consideration.”

His Excellency also asks me to convey to members of this honourable House the deep appreciation of himself and Lady Freyberg of the congratulations and good wishes that had been extended to them both by members of this House.

The Right Hon. Mr. HOLLAND (Prime Minister).—Sir, I move, *That His Excellency's reply be entered on the Journals of the House.*

Motion agreed to.

TREATY WITH AMERICA AND AUSTRALIA: MINISTERIAL STATEMENT

The Right Hon. Mr. HOLLAND (Prime Minister).—Sir, I desire to inform the House that a draft Treaty of Security between the Governments of the United States of America, New Zealand, and Australia has just been initialled in Washington by Mr. John Foster Dulles on behalf of the United States and by the Ambassadors of New Zealand and Australia. The document was initialled just one hour and a half ago. With the leave of the House, I propose that the Minister of External Affairs should now make a brief statement regarding the provisions of this draft treaty, the text of which will be laid before the House.

Mr. SPEAKER.—Is it the pleasure of the House that the Minister of External Affairs have leave to make this statement? There appears to be no objection.

The Hon. Mr. DOIDGE (Minister of External Affairs).—Sir, I am sure that the House will agree with the Right Hon. the Prime Minister that we can welcome and learn with the utmost satisfaction of the initialling of the draft of the Tripartite Treaty of Security between the United States of America, Australia, and New Zealand, which was initialled in Washington at nine o'clock this morning. I propose to give to members of the House a very brief outline of its main provisions. This agreement is important, of course, to the security of New Zealand. It expresses nothing new in the relationships of the three countries. Already there is a deep and firm understanding on security between the United States of America and ourselves. The conclusion of a treaty of this kind was first discussed when we began negotiations on the Japanese Peace Treaty. In those discussions New Zealand's primary concern was to guard against the resurgence of Japanese militarism.