

1952  
NEW ZEALAND

# REPORT OF ROYAL COMMISSION OF INQUIRY INTO THE WATERFRONT INDUSTRY

*Presented to the House of Representatives by Command of His Excellency*

*Royal Commission to Inquire into and Report Upon the Waterfront Industry,*

GEORGE THE SIXTH by the Grace of God, of Great Britain, Northern Ireland, and the British Dominions beyond the Seas, King, Defender of the Faith:

To Our Trusty and Well-beloved SIR ROBERT KENNEDY, of Dunedin, lately a Judge of the Supreme Court of New Zealand, THOMAS BLOODWORTH, of Auckland, Member of the Legislative Council, and JAMES SAWERS, of Wellington, Retired General Manager of Railways: GREETING:

WHEREAS we have deemed it expedient that a Commission should issue to inquire into the working of the Waterfront Industry in New Zealand, and to examine and report upon proposals that may be made for amending the law in New Zealand and altering the practices and customs current in the said Industry, in the public interest:

Now know ye that We, reposing trust and confidence in your impartiality, integrity, and ability, do hereby nominate, constitute, and appoint you, the said

Sir Robert Kennedy  
Thomas Bloodworth, and  
James Sawers

to be a Commission to inquire into and report upon all aspects of the Waterfront Industry in New Zealand and all matters connected therewith and in particular but without in any way limiting the scope of the inquiry and your powers relating thereto to inquire into and report on the following matters—

1. The adequacy and efficiency of the facilities provided at the various ports throughout New Zealand for the working of cargo with particular reference to—

- (a) The adequacy, efficiency, and suitability of existing wharf berthage space, shed accommodation, mechanical wharf equipment, and methods of working cargo for the present and immediate future.
- (b) The provision of facilities and amenities for waterside workers and other workers connected with the waterfront industry including the suitability and sufficiency of those now provided and your opinion as to the persons by whom and the means by which there should be provided such additional facilities and amenities as may be found by you to be required.

- (c) The efficiency of the measures taken for the prevention of accident the provision of first-aid facilities and generally safeguarding the safety and health of waterside workers and other workers connected with the waterfront industry.

2. The adequacy of the labour force now available to cope with the waterfront work which is now offering including—

- (a) The adequacy of the present membership of the New Zealand Waterside Workers' Union to handle the volume of cargo passing through each port and the variation between the nominal membership of the Union and its effective membership.
- (b) The justification for and effect of imposing a limitation on membership of the various branches of the New Zealand Waterside Workers' Union.
- (c) The availability and use of non-union labour.
- (d) The allocation of labour to various ships including particularly its allocation as between coastal and overseas ships.

3. The conditions of employment of all waterside workers including—

- (a) The rates of remuneration including any allowance for skill.
- (b) The application of the guaranteed wage as defined in clause 51 of the Main Order of the Commission dated 6th June, 1940, to all ports.
- (c) The provision of additional payments in respect of work which is dirty or is otherwise specially dangerous or unpleasant.
- (d) The desirability of the continuation or extension of the present system of co-operative contracting or of the institution of some other system providing for payment by results.
- (e) The desirability of providing for the engagement of labour on a permanent or semi-permanent basis instead of the present casual basis.
- (f) The efficiency of the Bureau system of engagement of labour; the imposition of Bureau penalties; the desirability of introducing a gang system for the engagement of labour.
- (g) The hours of work and the desirability and practicability of introducing a shift system.
- (h) The desirability of and necessity for providing reasonable "rest" or "smoko" periods and the present "spelling" practice.
- (i) The justification for stop-work meetings and the extent to which they should obtain.
- (j) The desirability of increasing weights of sling loads of cargo which is not hand-trucked on the wharf.

4. The adequacy and equitability of the means provided for the settlement of disputes, to that end and for the purpose of your ultimate general report giving consideration to any relevant disputes or matters of grievance between employers and employees in the Industry whether determined or not and whether occurring before or after the date of these presents: Provided that you shall not be required to furnish any interim report upon any particular dispute or matter of grievance.

5. The desirability of providing means for the imposition of adequate and enforceable penalties on both employers and employees for causing an unreasonable stoppage of work.

6. The practicability of co-ordinating the hours of work of all sections of workers employed in connection with the delivery and receipt of cargoes.

7. The causes of the delay in clearing goods from wharf and railway goods sheds.

8. The adequacy and suitability of railway rolling-stock, marshalling yards, and storage facilities.

9. The practicability of providing for the standardization of packages for shipment and for the limitation of the number of marks on packages with the object of simplifying and expediting the sorting and stacking of cargo in wharf sheds; the provision of means to reduce delays caused through the inadequate and indistinct marking of goods by shippers.

10. The steps (if any) which could be taken by the Customs Department to expedite the release of documents; and the practicability and desirability of abolishing or "staggering" the expiry date of Import Licences.

11. Any other factors affecting the speed and efficiency of cargo handling and the turn round of shipping in New Zealand ports.

12. The further steps (if any) which should be taken to reduce losses caused through damage to goods in their handling and through pillaging of cargo.

13. The desirability of continuing or abolishing the present form of Commission Control of the waterfront industry: If its abolition is recommended, the desirability of instituting some other industrial authority to deal solely with the waterfront industry or alternatively of bringing the industry within the provisions of the Industrial Conciliation and Arbitration Act, 1925; the scope of the powers and authorities to be conferred on any special industrial authority instituted for the waterfront industry; and possible methods of improving industrial relationships in the waterfront industry.

14. The desirability of retaining Cargo Control Committees:

And to make such proposals as you yourselves think fit for the amendment of the law and the alteration of any practices or customs current in the said Industry with the object of ensuring that the work of the said Industry shall be carried on with the maximum efficiency and the minimum delay to shipping having regard to the reasonable interests of all those engaged in or in connection with the waterfront industry:

And generally to inquire into and report upon such other matters as may come to your notice in the course of your inquiries and which you consider should be investigated in connection therewith and upon any matters affecting the premises which you consider should be brought to the attention of the Government.

And we do hereby appoint you the said

Sir Robert Kennedy

to be Chairman of the said Commission:

And for the better enabling you to carry these presents into effect you are hereby authorized and empowered to make and conduct any inquiry under these presents at such time and place as you deem expedient, with power to adjourn from time to time and place to place as you think fit, and so that these presents shall continue in force, and the inquiry may at any time and place be resumed although not regularly adjourned from time to time or from place to place:

And you are hereby strictly charged and directed that you shall not at any time publish or otherwise disclose save to His Excellency the Governor-General, in pursuance of these presents or by His Excellency's direction, the contents of any report so made or to be made by you or any evidence or information obtained by you in the exercise of the powers hereby conferred upon you except such evidence or information as is received in the course of a sitting open to the public:

And we do further ordain that you have liberty to report your proceedings and findings under this Our Commission from time to time if you shall judge it expedient so to do:

And, using all due diligence, you are required to report to His Excellency the Governor-General, in writing under your hands and seals, not later than the thirty-first day of March, one thousand nine hundred and fifty-one, your findings and opinions on the matters aforesaid, together with such recommendations as you think fit to make in respect thereof:

And, lastly, it is hereby declared that these presents are issued under the authority of the Letters Patent of His late Majesty dated the eleventh day of May, one thousand nine hundred and seventeen, and under the authority of and subject to the provisions of the Commissions of Inquiry Act, 1908, and with the advice and consent of the Executive Council of the Dominion of New Zealand.

In witness whereof We have caused this Our Commission to be issued and the Seal of Our Dominion of New Zealand to be hereunto affixed at Wellington, this twenty-first day of September, in the year of Our Lord one thousand nine hundred and fifty and in the fourteenth year of Our Reign.

Witness Our Trusty and Well-beloved Sir Bernard Cyril Freyberg, on whom has been conferred the Victoria Cross, Knight Grand Cross of Our Most Distinguished Order of Saint Michael and Saint George, Knight Commander of Our Most Honourable Order of the Bath, Knight Commander of Our Most Excellent Order of the British Empire, Companion of Our Distinguished Service Order, Lieutenant-General in Our Army, Governor-General and Commander-in-Chief in and over Our Dominion of New Zealand and its Dependencies, acting by and with the advice and consent of the Executive Council of the said Dominion.

[L.S.]

B. C. FREYBERG, Governor-General.

By His Excellency's Command—

W. SULLIVAN, Minister of Labour.

Approved in Council—

T. J. SHERRARD,  
Clerk of the Executive Council.

*Extending the Period Within Which the Royal Commission on the Waterfront Industry Shall Report*

GEORGE THE SIXTH by the Grace of God, of Great Britain, Northern Ireland, and the British Dominions beyond the Seas, King, Defender of the Faith:

To Our Trusty and Well-beloved SIR ROBERT KENNEDY, of Dunedin, lately a Judge of the Supreme Court of New Zealand, THOMAS BLOODWORTH, of Auckland, lately a Member of the Legislative Council, and JAMES SAWERS, of Wellington, Retired General Manager of Railways:  
GREETING:

WHEREAS by Our Warrant dated the 21st day of September, 1950, issued under the authority of the Letters Patent of His late Majesty dated the 11th day of May, 1917, and under the authority of the Commissions of Inquiry Act, 1908, and with the advice and consent of the Executive Council, you were appointed to be a Commission to inquire into and report upon the matter in Our said Warrant set out:

And whereas by Our said Warrant you were required to report not later than the 31st day of March, 1951, your findings and opinions on the matters referred to you and your recommendations thereon:

And whereas it is expedient that the time for so reporting should be extended as hereinafter provided:

Now, therefore, we do hereby extend until the 30th day of September, 1951, the time within which you are so required to report:

And we do hereby confirm the said Warrant and the Commission thereby constituted save as modified by these presents.

In witness whereof we have caused these presents to be issued and the Seal of Our Dominion of New Zealand to be hereunto affixed at Wellington, this 28th day of March, in the year of Our Lord one thousand nine hundred and fifty-one, and in the fifteenth year of Our Reign.

Witness Our Trusty and Well-beloved Sir Bernard Cyril Freyberg, on whom has been conferred the Victoria Cross, Knight Grand Cross of Our Most Distinguished Order of Saint Michael and Saint George, Knight Commander of Our Most Honourable Order of the Bath, Knight Commander of Our Most Excellent Order of the British Empire, Companion of Our Distinguished Service Order, Lieutenant-General in Our Army, Governor-General and Commander-in-Chief in and over Our Dominion of New Zealand and its Dependencies, acting by and with the advice and consent of the Executive Council of the said Dominion.

[L.S.]

B. C. FREYBERG, Governor-General.

By His Excellency's Command—

W. SULLIVAN,  
Minister of Labour.

Approved in Council—

T. J. SHERRARD,  
Clerk of the Executive Council.

---

*Extending the Period Within Which the Royal Commission on the Waterfront Industry Shall Report*

GEORGE THE SIXTH by the Grace of God, of Great Britain, Northern Ireland, and the British Dominions beyond the Seas, King, Defender of the Faith:

To Our Trusty and Well-beloved SIR ROBERT KENNEDY, of Dunedin, lately a Judge of the Supreme Court of New Zealand, THOMAS BLOODWORTH, of Auckland, lately a Member of the Legislative Council, and JAMES SAWERS, of Wellington, Retired General Manager of Railways:

GREETING:

WHEREAS by Our Warrant dated the 21st day of September, 1950, issued under the authority of the Letters Patent of His late Majesty dated the 11th day of May, 1917, and under the authority of the Commissions of Inquiry Act, 1908, and with the advice and consent of the Executive Council, you were appointed to be a Commission to inquire into and report upon the matters in Our said Warrant set out:

And whereas by Our said Warrant you were required to report not later than the 31st day of March, 1951, your findings and opinions on the matters referred to you and your recommendations thereon:

And whereas by Our further Warrant dated the 28th day of March 1951 the time within which you were so required to report was extended until the 30th day of September 1951:

And whereas it is expedient that the time for so reporting should be extended as hereinafter provided:

Now, therefore, we do hereby extend until the 31st day of March 1952 the time within which you are so required to report:

And we do hereby confirm the said Warrant and the Commission thereby constituted save as modified by these presents.

In witness whereof we have caused these presents to be issued and the Seal of New Zealand to be hereunto affixed at Wellington this 19th day of September in the year of Our Lord one thousand nine hundred and fifty-one and in the fifteenth year of Our Reign.

Witness Our Trusty and Well-beloved Sir Bernard Cyril Freyberg, on whom has been conferred the Victoria Cross, Knight Grand Cross of Our Most Distinguished Order of Saint Michael and Saint George, Knight Commander of Our Most Honourable Order of the Bath, Knight Commander of Our Most Excellent Order of the British Empire, Companion of Our Distinguished Service Order, Lieutenant-General in Our Army, Governor-General and Commander-in-Chief in and over New Zealand and its Dependencies, acting by and with the advice and consent of the Executive Council of the said Dominion.

[L.S.]

B. C. FREYBERG, Governor-General.

By His Excellency's Command—

W. SULLIVAN, Minister of Labour.

Approved in Council—

T. J. SHERRARD, Clerk of the Executive Council.

*Extending the Period Within Which the Royal Commission on the Waterfront Industry Shall Report*

ELIZABETH THE SECOND by the Grace of God of Great Britain, Ireland, and the British Dominions beyond the Seas, Queen, Defender of the Faith.

To Our Trusty and Well-beloved SIR ROBERT KENNEDY, of Dunedin, lately a Judge of the Supreme Court of New Zealand, THOMAS BLOODWORTH, of Auckland, lately a Member of the Legislative Council, and JAMES SAWERS, of Wellington, Retired General Manager of Railways:  
GREETING:

WHEREAS by Our Warrant dated the 21st day of September 1950, issued under the authority of the Letters Patent of His late Majesty dated the 11th day of May 1917, and under the authority of the Commissions of Inquiry Act 1908, and with the advice and consent of the Executive Council, you were appointed to be a Commission to inquire into and report upon the matters in Our said Warrant set out:

And whereas by Our said Warrant you were required to report not later than the 31st day of March 1951, your findings and opinion on the matters referred to you and your recommendations thereon:

And whereas by Our further Warrant dated the 28th day of March 1951 the time within which you were so required to report was extended until the 30th day of September 1951:

And whereas by Our further Warrant dated the 19th day of September 1951 the time within which you were so required to report was extended until the 31st day of March 1952.

And whereas it is expedient that the time for so reporting should be extended as hereinafter provided:

Now, therefore, we do hereby extend until the 30th day of June 1952 the time within which you are so required to report:

And we do hereby confirm the said Warrant and the Commission thereby constituted save as modified by these presents.

In witness whereof we have caused these presents to be issued and the Seal of New Zealand to be hereunto affixed at Wellington, this 9th day of April in the year of Our Lord, one thousand nine hundred and fifty-two, and in the first year of Our Reign.

Witness Our Right Trusty and Well-beloved Bernard Cyril, Baron Freyberg, on whom has been conferred the Victoria Cross, Knight Grand Cross of Our Most Distinguished Order of Saint Michael and Saint George, Knight Commander of Our Most Honourable Order of the Bath, Knight Commander of Our Most Excellent Order of the British Empire, Companion of Our Distinguished Service Order, Lieutenant-General in Our Army, Governor-General and Commander-in-Chief in and over New Zealand and its Dependencies, acting by and with the advice and consent of the Executive Council of New Zealand.

[L.S.]

FREYBERG, Governor-General.

By His Excellency's Command—

W. SULLIVAN, Minister of Labour.

Approved in Council—

T. J. SHERRARD, Clerk of the Executive Council.

*Extending the Time Within Which the Royal Commission on the Waterfront Industry Shall Report*

ELIZABETH THE SECOND by the Grace of God of Great Britain, Ireland, and the British Dominions beyond the Seas, Queen, Defender of the Faith.

To Our Trusty and Well-beloved SIR ROBERT KENNEDY, of Dunedin, lately a Judge of the Supreme Court of New Zealand, THOMAS BLOODWORTH, of Auckland, lately a Member of the Legislative Council, and JAMES SAWERS, of Wellington, Retired General Manager of Railways:  
GREETING:

WHEREAS by Our Warrant of date the 21st day of September 1950, issued under the authority of the Letters Patent of His late Majesty dated the 11th day of May 1917, and under the authority of the Commissions of Inquiry Act 1908, and with the advice and consent of the Executive Council, you were appointed to be a Commission to inquire into and report upon the matters in Our said Warrant set out:

And whereas by Our said Warrant you were required to report not later than the 31st day of March 1951, your findings and opinions on the matters referred to you and your recommendations thereon:

And whereas by Our divers further Warrants the latest of which is dated the 9th day of April 1952 the time within which you were so required to report was extended until the 30th day of June 1952:

And whereas no report was furnished within the time specified in Our said Warrant dated the 9th day of April 1952:

And whereas it is expedient that the Commission should continue in force with an extension of time for reporting your opinion as to the matters thereby referred to you:

Now, therefore, We do hereby re-appoint you the said Sir Robert Kennedy, Thomas Bloodworth, and James Sawers to be a Commission for the purposes set out in the said Warrant of date the 9th day of April 1952 with the powers and authorities and subject to the directions set out in the said Warrant save as modified by these presents:

And We do hereby re-appoint you the said Sir Robert Kennedy to be the Chairman of the said Commission:

And using all diligence you are required to report to His Excellency the Governor-General in writing under your hands not later than the 31st day of July 1952 your findings and opinions on the matters set out in the said Warrant together with such recommendations as you think fit to make in respect thereof:

And We do hereby confirm, republish, and re-enact the said Warrant and reconstitute the Commission thereby constituted subject only to the modifications appearing in and by these presents.

In witness whereof We have caused these presents to be issued and the Seal of New Zealand to be hereunto affixed at Wellington, this second day of July in the year of Our Lord one thousand nine hundred and fifty-two, and in the first year of Our Reign.

Witness Our Right Trusty and Well-beloved Bernard Cyril, Baron Freyberg, on whom has been conferred the Victoria Cross, Knight Grand Cross of Our Most Distinguished Order of Saint Michael and Saint George, Knight Commander of Our Most Honourable Order of the Bath, Knight Commander of Our Most Excellent Order of the British Empire, Companion of Our Distinguished Service Order, Lieutenant-General in Our Army, Governor-General and Commander-in-Chief in and over New Zealand and its Dependencies, acting by and with the advice and consent of the Executive Council of New Zealand.

[L.s.]

FREYBERG, Governor-General.

By His Excellency's Command—  
W. SULLIVAN,  
Minister of Labour.

Approved in Council—  
T. J. SHERRARD.  
Clerk of the Executive Council.



## CONTENTS

	<i>Page</i>
<i>Introduction to Reports</i> .. .. .	13
<i>Report by Sir Robert Kennedy—</i>	
PART I—	
Introductory note .. .. .	15
Bureaux .. .. .	15
Imposition of bureau penalties .. .. .	18
Terms and conditions of employment .. .. .	20
Some practices in the industry .. .. .	20
Spelling .. .. .	20
“Smoko” .. .. .	22
Early leaving .. .. .	23
Wet and windy weather .. .. .	24
Restriction of sling loads .. .. .	25
Sheeting .. .. .	26
Overmanning .. .. .	27
The job and other clauses .. .. .	28
6 p.m. starts .. .. .	29
Minimum periods .. .. .	30
Order 115 of the Waterfront Industry Commission .. .. .	30
Working the meal hour .. .. .	32
Overtime .. .. .	32
Gang system .. .. .	33
Stop-work meetings .. .. .	34
Changes in practices .. .. .	36
Hours of work .. .. .	37
Remuneration .. .. .	40
Daily attendance money and guaranteed weekly wage .. .. .	45
Co-operative contracting .. .. .	50
Incentive schemes .. .. .	60
All-in contracting schemes .. .. .	62
Limitation of membership .. .. .	64
Adequacy of the labour supply .. .. .	66
Union and non-union labour .. .. .	70
Restriction on use of permanent staff .. .. .	78
Permanent and semi-permanent employment .. .. .	79
Tally clerks .. .. .	82
Dirt-money disputes .. .. .	83
Adequacy and equitability of means for settling disputes .. .. .	88
Stoppages of Work at the Ports .. .. .	93
1951 Strike .. .. .	97
Changes following the Strike .. .. .	97
Penalties for unreasonable stoppages of work .. .. .	97
Commission control .. .. .	103
Arbitration and conciliation .. .. .	107
PART II .. .. .	108
<i>Report by Hon. T. Bloodworth and J. Sawers, Esq.—</i>	
Introduction .. .. .	109
1. The adequacy and efficiency of the facilities provided at the various ports throughout New Zealand for the working of cargo with particular reference to—	
(a) The adequacy, efficiency, and suitability of existing wharf berthage space, shed accommodation, mechanical wharf equipment, and methods of working cargo for the present and immediate future .. .. .	112
(b) The provision of facilities and amenities for waterside workers and other workers connected with the waterfront industry including the suitability and sufficiency of those now provided and your opinion as to the persons by whom and the means by which there should be provided such additional facilities and amenities as may be found by you to be required .. .. .	154
(c) The efficiency of the measures taken for the prevention of accident the provision of first-aid facilities and generally safeguarding the safety and health of waterside workers and other workers connected with the waterfront industry .. .. .	156

*Report by Hon. T. Bloodworth and J. Sawers, Esq.—continued.*

*Page*

2. The adequacy of the labour force now available to cope with the waterfront work which is now offering including—
  - (a) The adequacy of the present membership of the New Zealand Waterside Workers' Union to handle the volume of cargo passing through each port and the variation between the nominal membership of the union and its effective membership . . . . . 162
  - (b) The justification for and effect of imposing a limitation on membership of the various branches of the New Zealand Waterside Workers' Union . . . . . 163
  - (c) The availability and use of non-union labour . . . . . 164
  - (d) The allocation of labour to various ships including particularly its allocation as between coastal and overseas ships . . . . . 165
3. The conditions of employment of all waterside workers including—
  - (a) The rates of remuneration including any allowance for skill . . . . . 166
  - (b) The application of the guaranteed wage as defined in clause 51 of the Main Order of the Commission dated 6th June, 1940, to all ports . . . . . 167
  - (c) The provision of additional payments in respect of work which is dirty or is otherwise specially dangerous or unpleasant . . . . . 168
  - (d) The desirability of the continuation or extension of the present system of co-operative contracting or of the institution of some other system providing for payment by results . . . . . 169
  - (e) The desirability of providing for the engagement of labour on a permanent or semi-permanent basis instead of the present casual basis . . . . . 172
  - (f) The efficiency of the Bureau system of engagement of labour; the imposition of Bureau penalties; the desirability of introducing a gang system for the engagement of labour . . . . . 173
  - (g) The hours of work and the desirability and practicability of introducing a shift system . . . . . 175
  - (h) The desirability of and necessity for providing reasonable "rest" or "smoko" periods and the present "spelling" practice . . . . . 176
  - (i) The justification for stop-work meetings and the extent to which they should obtain . . . . . 177
  - (j) The desirability of increasing weights of sling loads of cargo which is not hand-trucked on the wharf . . . . . 177
4. The adequacy and equitability of the means provided for the settlement of disputes, to that end and for the purpose of your ultimate general report giving consideration to any relevant disputes or matters of grievance between employers and employees in the industry whether determined or not and whether occurring before or after the date of these presents: Provided that you shall not be required to furnish any interim report upon any particular dispute or matter of grievance . . . . . 178
5. The desirability of providing means for the imposition of adequate and enforceable penalties on both employers and employees for causing an unreasonable stoppage of work . . . . . 181
6. The practicability of co-ordinating the hours of work of all sections of workers employed in connection with the delivery and receipt of cargoes . . . . . 181
7. The causes of the delay in clearing goods from wharf and railway goods sheds . . . . . 181
8. The adequacy and suitability of railway rolling-stock, marshalling yards, and storage facilities . . . . . 191
9. The practicability of providing for the standardization of packages for shipment and for the limitation of the number of marks on packages with the object of simplifying and expediting the sorting and stacking of cargo in wharf sheds; the provision of means to reduce delays caused through the inadequate and indistinct marking of goods by shippers . . . . . 196
10. The steps (if any) which could be taken by the Customs Department to expedite the release of documents; and the practicability and desirability of abolishing or "staggering" the expiry date of Import Licences . . . . . 198
11. Any other factors affecting the speed and efficiency of cargo handling and the turn round of shipping in New Zealand ports . . . . . 198

*Report by Hon. T. Bloodworth and J. Sawers, Esq.—continued.*

	<i>Page</i>
12. The further steps (if any) which should be taken to reduce losses caused through damage to goods in their handling and through pillaging of cargo .. ..	201
13. The desirability of continuing or abolishing the present form of Commission Control of the waterfront industry: If its abolition is recommended, the desirability of instituting some other industrial authority to deal solely with the waterfront industry or alternatively of bringing the industry within the provisions of the Industrial Conciliation and Arbitration Act, 1925; the scope of the powers and authorities to be conferred on any special industrial authority instituted for the waterfront industry; and possible methods of improving industrial relationships in the waterfront industry .. ..	204
14. The desirability of retaining Cargo Control Committees .. ..	206
<i>Proposed amendments to the law</i> .. .. .	208
<i>Summary of recommendations</i> .. .. .	209

## LIST OF TABLES

	<i>Page</i>
Man-hours and wages lost through unauthorized stop-work meetings .. ..	35
Average hours per man-week for the years ended 31 March 1949-52 .. ..	38
Average earnings per week of unionists for years ended 31 March 1941-52 .. ..	41
Earnings of waterside workers for the year ended 31 March 1951 .. ..	42
Comparison of basic rates of pay with standard wage rates from 1936-1952 .. ..	43
Changes in rates of guaranteed weekly wage payments 1938-51 and of daily minimum payments, 1947-1952 .. ..	46
Cost of guaranteed wage payments 1940-1947 .. ..	47
Payments for daily and weekly minima for years ended 31 March 1948-1950 .. ..	48
Summary of guaranteed payments at each port for the years ended 31 March 1951-1952 .. ..	49
Rates of work before compared with rates after the strike .. ..	57
Bonuses paid before and since the strike .. ..	59
Earnings in total and per man of a gang employed at a piecework rate .. ..	60
Nominal and effective strengths of workers at main and secondary ports .. ..	67
Bureau register strength showing composition of workers as at 31 March 1952 .. ..	68
Summary of labour position at Auckland, 1951 .. ..	71
Summary of labour position at Wellington, 1951 .. ..	71
Absenteeism of members of old and new unions .. ..	72
Delays through shortages of labour at Dunedin and Port Chalmers, 1950 .. ..	76
Costs per ton of cargo handled for special cargo rates for the years 1944-1950 .. ..	87
Costs per ton of cargo handled for special cargo rates, 1951-52 .. ..	88
Man-hours and wages lost through stoppages for years 1949-1951 .. ..	93
Analysis of man-hours and wages lost through stoppages, 1950-1951 .. ..	95
Totals and percentages of the trade handled in the South Island .. ..	116
Tonnages of cargo handled by the Port of Auckland .. ..	124
Tonnages of cargo handled by the Port of Onehunga .. ..	130
Tonnages of cargo handled by the Port of Wellington .. ..	131
Tonnages of cargo handled by the Port of Napier .. ..	136
Tonnages of cargo handled by the Port of New Plymouth .. ..	138
Tonnages of cargo handled by the Port of Wanganui .. ..	139
Tonnages of cargo handled by the Port of Gisborne .. ..	141
Tonnages of cargo handled by the Port of Lyttelton .. ..	142
Tonnages of cargo handled by the Port of Otago .. ..	145
Tonnages of cargo handled by the Port of Timaru .. ..	147
Tonnages of cargo handled by the Port of Oamaru .. ..	148
Tonnages of cargo handled by the Port of Bluff .. ..	149
Tonnages of cargo handled by the Port of Greymouth .. ..	150
Tonnages of cargo handled by the Port of Westport .. ..	152
Tonnages of cargo handled by the Port of Nelson .. ..	153
Tonnages of cargo handled by the Port of Picton .. ..	154
Causes of accidents at Wellington 1948-49 .. ..	158
Parts of body most frequently injured, 1948-49 .. ..	159
Number of days lost per accident 1948-49 .. ..	159
Location and nature of injuries to watersiders .. ..	160
Admissions of watersiders to hospital at Auckland and Wellington, together with comparative figures .. ..	160
Total unionists employed and number of man-days absent on compensation at Auckland, Wellington, Lyttelton, and other ports .. ..	161
Percentage of non-productive time to total paid time on overseas vessels .. ..	171
Daily cost of operation of overseas vessels .. ..	182
Comparison between times and other data for loading overseas refrigerated vessels, 1937-38 and 1950-51 .. ..	183
Comparison between times and other data for unloading overseas refrigerated vessels, 1937-38 and 1950-51 .. ..	185
Analysis of costs per ton of various delays, 1949 and 1950, at the Port of Bluff .. ..	199
Rate of work in unloading " Rangitiki " at Auckland, 28 October 1950 to 2 December 1950 .. ..	199
Rate of work in unloading " Rangitiki " at Auckland, 11 April 1951 to 5 May 1951 .. ..	200
Rate of work in unloading " Rangitiki " at Auckland, 27 August 1951 to 12 September 1951 .. ..	200

## REPORT

TO HIS EXCELLENCY THE GOVERNOR-GENERAL OF NEW ZEALAND.

MAY IT PLEASE YOUR EXCELLENCY,—

We, the undersigned Commissioners appointed by warrant dated 21 September 1950, have the honour to submit to Your Excellency reports under the terms of reference stated in that warrant as follows:—

- (a) A report is submitted by your Commissioner, Sir Robert Kennedy.
- (b) A joint report is submitted by your Commissioners, Thomas Bloodworth and James Sawers.

### INTRODUCTION TO REPORTS

1. At a preliminary meeting held in Wellington on 27 September 1950 we decided to sit in public to hear evidence and representations. We did, however, reserve to ourselves the right to make any inquiries touching the matters referred to us which we thought might assist. Notice was given by advertisements in newspapers in the various ports that we visited of our sittings, and invitations were given to persons concerned in the matters of our inquiries to give evidence or to make submissions to us.

2. We began our public sittings at Wellington on 25 October 1950, when the Waterfront Industry Commission submitted a general survey of the industry since 1940, and we then adjourned our public sittings as the other parties were not then ready to proceed. We resumed our sittings on 16 November 1950 and sat until 19 December 1950, receiving the evidence and representations of the New Zealand Port Employers' Association and of the Wellington Harbour Board. On 23 January 1951 we commenced sittings in the South Island at Invercargill, and sat to hear evidence and representations at Invercargill, Dunedin, Timaru, Christchurch, Greymouth, Westport, and Nelson, and, in addition to making inspections at these ports, we visited the Ports of Oamaru and Picton. We adjourned our public sittings while the strike continued. After the resumption of work we had arranged to resume our sittings when a general election was decided upon, and we then adjourned our further public sittings until after the election. We resumed our public sittings at New Plymouth on 24 September 1951, and received evidence and representations at New Plymouth, Gisborne, and Napier. We inspected the Port of Wanganui and later received evidence and representations touching that port at a sitting in Wellington. We held sittings at Auckland from 15 October to 20 November, and made visits to Whakatane, Tauranga, Whangarei, and Opuā. We did not hold public sittings at these ports. We held further sittings at Wellington from 5 to 19 December 1951 and from 14 January to 21 January 1952. Some new unions in the South Island desired to make representations to us, and we arranged further sittings in the South Island, sitting at Dunedin from 30 January to 1 February 1952 and at Christchurch from 4 to 6 February 1952. We heard the final submissions and addresses of counsel representing various parties at sittings at Wellington from 12 to 21 February 1952.

In all, we held sittings on 111 days and heard 252 witnesses whose evidence and submissions totalled 8,744 pages of typescript, and received 397 exhibits consisting mainly of files, documents, maps, and charts.

3. Throughout our inquiry, we had the great assistance of Mr. F. C. Spratt, counsel appointed to assist the Commission. Messrs. T. P. Cleary and J. A. Grace appeared to represent the Waterfront Industry Commission. Mr. S. G. Stephenson appeared to represent the New Zealand Port Employers' Association at all ports. Mr. J. F. B. Stevenson appeared to represent the Harbours' Association of New Zealand (Inc.) and the Wellington, Lyttelton, Napier, and Gisborne Harbour Boards. Mr. I. Thomas represented the Government Railways Department. Most of the new unions at the ports where we sat made representations to us. No representations were made to us on behalf of the New Zealand Waterside Workers' Union (now de-registered). Including the above, thirty-five counsel appeared to represent various organizations and persons concerned in our inquiry.

4. We acknowledge the valuable assistance given to us by various persons who appeared before us to state their views or the views of organizations they represented. The Department of Health gave us special assistance on amenities and waterfront accidents. We mention particularly assistance from the Department of Labour and Employment, the Marine Department, the New Zealand Standards Institute, and the Customs Department. The Commissioner of Police and his officers were especially helpful to us upon certain matters when we turned to them. We would also thank the many persons who made our inspections of port facilities useful for the inquiry. To these and, of course, to the main parties to the inquiry we express our thanks.

5. We acknowledge the careful and diligent work of the staff of the Commission. Mr. A. K. Brown, the Secretary, organized the work for the Commission, made all our travel arrangements, and superintended the preparation of our record. He prepared an index to the evidence and, above all, assisted us in the handling of evidence and the preparation of statistical record. He rendered to each of us invaluable service. Our staff of Public Service reporters promptly produced for us a record which will be found to be accurate. To these and other members of our staff we express our thanks for efficient service.

We have the honour to be,  
Your Excellency's most obedient servants,

[L.S.]

ROBERT KENNEDY (Chairman).

[L.S.]

THOMAS BLOODWORTH.

[L.S.]

J. SAWERS.

Dated at Wellington, this 25th day of July 1952.

## REPORT BY SIR ROBERT KENNEDY

TO HIS EXCELLENCY THE GOVERNOR-GENERAL OF NEW ZEALAND.

MAY IT PLEASE YOUR EXCELLENCY,—

### PART I

#### INTRODUCTORY NOTE

1. Waterside work in this country consists chiefly in the loading and unloading of ships, barges, lighters, and other vessels. Some other incidental work is customarily performed by waterside workers. There are at present about six thousand workers engaged in the industry at the main and secondary ports. The employers are usually shipping companies or stevedores. In some ports the Harbour Board and the Railways Department employ waterside workers.

2. The employer formerly picked out and engaged men on the auction-block system, which meant that the employer selected his men. Now men are engaged through a Labour Bureau. The employer requisitions for labour and it is allocated to him by the bureau. It makes an allocation to equalize the hours of the workers. The worker must accept the employment offered and the employer must accept the worker allocated. If the worker does not accept, he is liable to bureau penalties.

3. The terms and conditions of employment were originally set out in industrial awards of the Court of Arbitration, and now they are defined in the main order and other orders of the Waterfront Industry Commission, the Waterfront Industry Authority, and the Waterfront Industry Tribunal.

4. A waterside worker, according to the present practice, is engaged for a job which is specified at the time of engagement. It is usually at or associated with a hatch of a ship. The engagement terminates on the completion of the job. It may last only a few days and it may extend up to a month. The employer directs the loading and unloading.

5. The remuneration or wage payable was originally fixed in awards and now is provided for in orders. The Commission introduced an incentive scheme called co-operative contracting, and under it the worker, in addition to his wage, may receive what is called a bonus.

6. The industry was once within the jurisdiction of the Court of Arbitration. Since 1940 it has been under the control of a Commission called the Waterfront Control Commission, and later the Waterfront Industry Commission and of other authorities.

#### BUREAUX

7. Under the bureau system of engagement of labour the employer requisitions for the labour he requires and the bureau allocates labour to him accordingly. The allocation is for the most part purely mechanical, and it consists in attracting labour with the least employment to its credit to the employment required. The practice varies, but generally the aim is to equalize the hours of employment of each worker over a period of four weeks. The work is rotated and each worker gets an equal share. This the system achieves, but at the cost of efficiency. Under the old system those who were thought to do the best work got preference. There was competition for the job and for the employer. Now the least-efficient worker has as good a chance of employment as the most efficient. The employers complain that if a worker is dismissed one day he may be back on allocation the next. Such a system does tend to weaken discipline. But with these disadvantages neither

employers nor workers seem to wish to go back to any other system. Employers generally accept it as if it has come to stay. It has advantages other than the mere equalization of hours for workers. It rotates the pleasant and disagreeable jobs. If there was no such system, some workers might hold back leaving others to take the disagreeable job. It also secures a fair allocation of labour as between ships and prevents a practice, not unknown in the past, of some ships being without labour while workers were idle waiting for another favoured ship.

8. Employers and workers have now had long experience of the bureau system. It was first introduced by the Wellington Harbour Board in 1920, but without rules and penalties. Here there was grading of workers and an equalization within the grade—those in the highest grade receiving the most continuous employment. The Board had men in various categories such as gangwaymen, stackers, delivery men, and members of wool gangs.

9. In 1936 the union itself tried out in Wellington its “thirty-hour scheme.” When the worker had worked thirty hours he could finish his job, but was ineligible to accept further employment until such time as all men had worked their thirty-hour period for the week.

10. The employers established bureaux at Lyttelton in 1937 and then at Wellington and Auckland. Under the 1937 Waterside Workers’ award a Bureau Control Board consisting of an equal number of union members and of employers, with an independent chairman, decided all questions of the administration of the bureau and made bureau rules. The management and staff were appointed by the employers. The powers delegated to the bureau manager included the control of the bureau office, the allocation and transfer of men, and the equalization of the hours of employment of men on the register. The bureau rules had their origin in the experience of the ports.

11. The Commission in July 1940 assumed control of the bureaux at the main ports and extended them. The bureau system then came under the Commission, and the bureau at each port was under the control of the Waterfront Controller or later Branch Manager. At smaller ports a clerk of the Commission attended to the allocation of waterside labour. In some ports where there was once no bureau—for example, Gisborne—the hours were still equalized.

12. The mechanics of the system are that there is a bureau register on which are the names of waterside workers. Each man has to complete a classification card in which he signifies the classes of work he is prepared to follow. The information is transferred to a bureau board under the worker’s number. In this way it is possible for the bureau staff to allocate him to work he undertakes, if not to allocate him to the work to which he is most accustomed. He is required to attend each working day for engagement and to accept such work as he is offered and to transfer from job to job within his classification. The employer’s requisition for labour the night before is confirmed in the morning, and a man’s number is displayed at the place of engagement with all information such as the ship, berth, hatch, wharf at which he is required to work. The men signify acceptance by lifting their disks and pass them ultimately back to the bureau office. The bureau keeps a tally of men’s hours. The bureau is also a central office where information is received as to the finishing of ships. The bureau officers attend when ships finish to transfer labour to other jobs to the extent that transfers are allowed.

13. The allocation of men on the whole is mechanical and, apart from hatchmen and winchmen, it cannot be said that men are allocated to the jobs for which they are most suitable. I am aware it has been said that an endeavour is made so to allocate the men. In fact, with some, not numerous, exceptions, they are allocated as numbers with less hours of employment. As between



themselves men allocated should be used to the best advantage. This might be secured to a limited extent if the foreman had the right to place the men when they come to the job. A system of payment by results might well provide incentive. It would be an improvement to have further classification within the bureau and to have equalization within the classifications. When you allow a very restricted classification with general equalization of hours you leave the way open to give a worker who limits his work more than his fair share of the best work.

14. Under the present control the old classification has gone and the classification is ultimately only of those who are prepared to do a normal share of the port work and those who cannot or will not do it. There is now no such selection of workers or of employers as might have obtained under the "auction block" system. There is no such thing corresponding to the free call in the London docks. There the men have the right first to choose their employers and the employers the men at free call, and it is only those that remain that are allocated under a bureau system. This right, highly prized in London by the men, has so long not been exercised in this country that any suggestion of it would not be very well received by the men nor by the employers, and it may well be that with the numbers available in the ports it would result in some employers and some ships getting no labour while at other times of unemployment it would result in groups of men getting very little employment at all except in peak times.

15. Separate bureaux have been maintained by the Harbour Board at Wellington and by the Railways Department at Lyttelton. In the Wellington Harbour Board bureau the workers originally were classified. The method required by the Commission of classifying any worker who does a normal amount of waterside work as Class A, much reduced a second class known as Class B. This was no doubt done for a wider spread of the guaranteed wage, but the incentive to get into Class A disappeared. The classification originally adopted of gangwaymen, stackers, and wool gangs also went. The general manager expressed the opinion that under its classification a smaller number was required than is now required for the same work. Nevertheless, in administration the Wellington Harbour Board does see that men are mostly allocated to the jobs for which they are best suited.

At Lyttelton there are the Ship Bureau (Commission) and the Railways Bureau (Railways Department).

16. The bureau rules for each port have been formulated chiefly by the Port Committees. They penalize failure to accept the work allocated, or absence, by attributing to a man hours of work offered to him and not taken. The system requires some penalty, as otherwise men might stand back to avoid certain work to get other work, and if this was permitted there could be no just rotation for the good and the disagreeable jobs; nor for those that were short and those that were long. To be late a few minutes has the same effect as not to be there at all or as refusing a job, and the penalties adopted express more or less the ideas of the employer and of the worker as to what is necessary to make the system work and to prevent a worker beating his fellow worker.

17. The management of the bureau has best been left to those in charge, and there is nothing to commend the interference or presence of union officers or employers in the bureau. There is no need for their help or the presence of workers or employers in the day-to-day management of the bureau. The work is mainly administrative and generally involves the automatic application of the bureau rules. In some centres there has been difficulty in working through the presence in the bureau of union officers. Their intervention has sometimes resulted in weakly setting aside in individual cases the principle that if there is

to be equalization of hours you cannot have men picking and choosing their jobs. At Wellington they, at times, engaged with the bureau manager in transfers and made such allocations that gangs of seamen working their own ships were dismissed and replaced by other labour, while other ships entitled to priority went without labour. At Dunedin for a time a secretary of the union branch arrogated to himself the appearance of control of the time of picking up disks and generally essayed to interfere in a manner which could only cause misgivings. The officers of the bureau have proved themselves keen and enthusiastic workers who can do their work the better without interference and without the presence of workers or employers, and both can do their business with the bureau across the counter.

18. The bureau rules were revised in Lyttelton by employers and workers as late as 1947, yet in 1949 a stop-work branch meeting passed a resolution restricting and diminishing penalties, and this was applied by the bureau officer without consultation with the employers or the Port Committee.

19. In Dunedin two bureau officers remained members of their union. They did miscellaneous work within their hours of employment in the bureau in the way of tying-up ships and participated in the bonuses open to men on the wharf. This practice, which was without the knowledge of the general manager of the Commission, has been discontinued.

20. In Greymouth the equalization is a daily one. There is some delay while the union officers decide on equalization, and disappointment when bar conditions and other circumstances, independent of the men, interfere with equality. At other ports the equalization is over a four-weekly period.

21. The two bureaux in Wellington and in Lyttelton are located in different places. They have to work together to ensure that labour on the ship is balanced by the labour on the wharf. When labour is not engaged at, say, the Harbour Board bureau or at the Railways bureau in Lyttelton, there is said to be some loss of time in directing the surplus back to the main bureau for engagement.

The Harbour Board bureau at Wellington and the Railways bureau at Lyttelton are not far away from the ship bureau in those ports. Labour requirements are known the night before. Any time lost in the transfer of surplus labour is a small loss compared with the great gain resulting from the classification which the separate bureaux automatically effect. The real difficulty is the allocation of men to suitable jobs. The Railways Department is concerned that men experienced in railway work should be directed to railway work. The Wellington Harbour Board is concerned that men experienced in its work shall remain available for that work. I would not recommend that the Wellington Harbour bureau or the Railways bureau be taken over. Indeed, if Lyttelton's two bureaux were to be in the same premises they should be kept separate mainly to preserve classification and to enable an officer with knowledge to allocate men according to suitability. I think whatever extra cost this may entail is warranted by the degree of classification each separate bureau involves and such selection as it has been found possible to make in the smaller bureaux.

#### IMPOSITION OF BUREAU PENALTIES

22. The aim of the bureau system is to give each worker an equal share of work. It also secures a fair share of jobs of a particular kind, but if a worker could decline a job and stand by and wait his chance of a job he liked he could in effect pick his job and also, if on a guaranteed daily attendance, or guaranteed weekly payment, waste his labour paid for in times of idleness by the employer. The experience of workers and employers has been, if the scheme is to work

fairly for all, that you must by penalty in some form or other make it not worthwhile for a worker to spoil the scheme, and the bureau rules, with penalties, were gradually built up. They may vary in detail from port to port, but essentially they are the same. They prevent any man dodging the disagreeable job which, failing him, another worker must do, or playing for a job which would fall to another worker and not to him. If he is to have the benefit of daily attendance money and a guaranteed weekly wage, he must not fail to accept work offered to him by an employer who is carrying the attendance payments and weekly wage. Considerations such as these resulted in the evolution of the bureau rules and penalties, and the bureau rules more or less represent the joint attempt of workers and employers to make the scheme of equalization of hours work fairly for all.

23. The penalties, so called, of the bureau system consist for the most part in attributing to a man in the equalization scheme the hours of work which he would have worked had he accepted the employment offered or had he not failed to be available to take the work. The rules also generally provide for the consequence of dismissal from a job through misbehaviour, being under the influence of alcohol on the job, or leaving the job without reasonable cause. In all these circumstances the offender may be summarily dismissed by any employer in any other industry and subsequent employment refused. Under the bureau rules such conduct merely attaches to him the attribution under the scheme of two days' penalty, but in the case of a longer job, time equivalent to its duration. It is generally only after this happens for three times that he may be suspended from the bureau register for one week and on habitual repetition suspended from waterfront work. While even a hatchman or winchman, upon whose conduct the safety of others may depend, is, under the rule generally obtaining, merely prohibited for one week from a deck job, prohibited for two weeks for a second offence, and struck off deck work only after a third offence. There is usually no provision for the termination of the services of the worker whatever otherwise might be his misconduct, his health, or his condition. The bureau rules serve a particular purpose and cannot be regarded as an exhaustive formulation of the rights of the workers and employers. They do more or less achieve a purpose in securing just equalization of hours and that the scheme works. But there are many circumstances in which it is proper that a worker should no longer have continued employment by particular employers or in the industry generally, and these may be in circumstances not provided for by bureau rules. There is, of course, this difficulty that you cannot, under a system of equalization of hours, have a man dismissed from the employment of one employer, leaving him free to be allocated to the employment of others. On the other hand, to remove him from the equalization scheme is to remove him from the industry. There are cases of misconduct—for example, assaults upon foremen, and refusal to obey directions under circumstances which make it proper that for peace and harmony in the industry that the worker should not remain. It seems clear that the bureau rules are not adequate in general to deal with such cases and were apparently not intended to deal with them nor to be a complete code as to what workers and employers might do. There was need then for some further provision. This was recognized by the Waterfront Industry Emergency Regulations 1946, Amendment No. 10, when it provided for the removal of a worker's name from the register when such removal is directed by the New Zealand Port Employers' Association (Inc.). This it might be thought secured that the direction was given on due consideration, and, in any event, it is subject to the right of appeal to the Port Conciliation Committee, whose decision is final. This, in effect, gives the employer not a right that he has in other industry, but something less. Apart altogether from this, the Port Conciliation Committees have power to make

rules for the removal of a worker's name from the bureau register and to determine appeals from such removal. There should be some process by which those whose conduct has proved that they are not suitable to work in the industry are not forever retained in it. In every other industry employers are free to select their labour. Once in this industry, if a man became a member of the union, he had, in effect, a job for life. Now the employers have an initial say, as in other industries, whether a man shall be employed by them or not, but once a man's name has been put upon the bureau register he may not be dismissed from the industry unless the Port Conciliation Committee, on appeal, approves the removal of his name from the register.

24. The employers desire to take over the management of the labour bureaux, which they pay for. Bureau rules are formulated, in effect, by employers and workers—and for the most part their application is automatic. Further rules may be formulated by the Port Conciliation Committee. There is no strong reason why employers should not have, as they did before, the management and control of the bureau. It is thought that they would manage it as well as it is managed and controlled by the Commission. They certainly have inducement to allocate men according to suitability. Bureaux have now so long been under the control of the Commission that the workers have come to regard it as neutral management.

#### TERMS AND CONDITIONS OF EMPLOYMENT

25. The terms and conditions of employment have been fixed in awards and orders. Up to 1940 the industry was subject to the jurisdiction of the Arbitration Court and terms and conditions were set out in the award. The last award was the 1937 award, and this embodied terms which were agreed upon between the parties. The Minister of Labour suspended the award and the application of most of the provisions of the Industrial Conciliation and Arbitration Act 1925, and from 1940 the terms and conditions of employment were those fixed by the main order in 1940 and subsequent orders of the Commission and Waterfront Industry Authority.

#### SOME PRACTICES IN THE INDUSTRY

26. Certain practices have grown up in this industry. They are contrary to the terms of employment, are peculiar to the industry, and amount to a deliberate withdrawing of labour. They involve payment for work when no work is done.

#### SPELLING

27. In this industry work does not proceed steadily without intermission. Many circumstances combine to reduce productive time. All this is mentioned because, from the very nature of the work involving as it does co-ordination with many other services, there are delays or spells during which the worker has to wait. These delays, or spells, are not referred to, but rather the practice of taking spells and of not working when work is available.

28. This had developed before the war to an extent, but during the time of Commission control it was organized by the workers and increased. It was worst in the main ports, and it spread to secondary ports almost as if by direction. In unloading an overseas ship there might be twelve men in the gang in the hold. The practice obtained of only six men being in the hold working, while the remaining six were absent spelling. On a discharging inter-colonial ship there might be normally, say, six in the hold and four on the wharf, but in fact you would never get more than four in the hold and two on the wharf. Spelling was practised equally in the ship and on the wharf and on overseas inter-colonial and

small coastal ships. It might vary in detail on ships of different sizes and from port to port, but it usually meant that from one-third to one-half of the men at any one time were spelling.

29. The organization varied. Spelling might be on a two-hour or an hour basis. If on a two-hour basis, six men worked for two hours, being replaced by the other six at the end of the two hours, and so for spelling on a one-hour basis. In other words, at any one time there was only half the number working or men worked half the time for which they were paid. On inter-colonial ships there might be in the hold from one-half to two-thirds of the gang. With coastal ships the men in the hold might work only two-thirds of the time for which they were paid and might spend one-third of their time away from the job spelling. On the wharf the same practices obtained, and from one-third to one-half of the gang on the wharf might at any time be absent spelling.

30. The matter went deeper. When men were working on special cargoes an additional rate was claimed and charged for the whole time, although the worker might not even be upon the ship or wharf, but might be in town or at his own home. In some cases the arrangement was that some men would not work overtime hours, and then they did not go down in the evening or came down only to put in a nominal appearance and then left. But pay was drawn at an overtime rate for the full evening's work, plus special cargo rate if that happened to be payable.

31. At times men spelling might remain on the ship or on the wharf, or they might go off the wharf and up to town on their own business, or home. The practice was worst at Auckland, Wellington, and Lyttelton. At Dunedin, at certain hours, with the ships there, there were almost always two men away from the hold and two away from the wharf. This practice never really got properly established by watersiders employed by the Wellington Harbour Board, whose officers took prompt action and prevented its establishment. It is proper to say that here supervision was easier. It cannot be said that it was not attempted.

32. Spelling in some cases meant a reduction in the spread of hours, say, from 59 to no more than an effective 30. From 1942 to 1946 the foremen at Auckland and Wellington were taken over by the Commission to make the best use of the limited number of foremen when working round the clock. Much would have been tolerated in the war years owing to the long spread of hours of the waterside workers, but the spelling practice went beyond all reason.

33. The Commission was well aware of the practice and employers were continually complaining of it. During Commission control spelling became organized and increased and was done more openly, whereas it began surreptitiously. The employers did in time endeavour to stop spelling and to meet the legitimate needs of the men for a break during the morning and the afternoon, but did not receive much support in any quarter.

34. At two ports in 1947 there was agreement that there should be half a gang off for half an hour, and half off for the following half-hour, and likewise for a break in the afternoon, and throughout the day no one should otherwise be absent. This was to be reconsidered when cafeteria facilities were available on the wharf. These agreements worked only for a few months and were broken off on disputes as to early leaving and on the insistence of the union that men sitting on deck but refusing work were not spelling. These arrangements have sometimes been referred to as "spelling" or "spelling and relieving agreements." They did lead to a diminution of spelling for a short time.

35. Then the employers dismissed men for spelling, and retaliatory action followed which left the employer concerned worse off than before. Not deterred, the employers resorted again to dismissals both at Wellington and Lyttelton, and

in one disputed case the Commission's branch manager, in his capacity as chairman of a Port Committee, ordered re-instatement and payment of gangs which had refused work, while in another case of dismissal the employers received so little support in their endeavour to stop this dishonest practice that a Commission branch manager ruled that the dismissals were wrongful and ordered payment and proceeded seriously to consider penalties upon the employer. It is not surprising that employers felt frustrated. I did not go through all the attempts to stop the practice. The employers could not rely upon the effective help from the Commission and its officers. The union professed to be opposed to spelling, but when it came to dealing with those who spelled its support was not forthcoming.

36. The results of the spelling practice were tremendous. It will be remembered that in waterside work there is only a percentage of the time which may be called productive time. For this time there might be available only half to two-thirds of the real labour force. Men might be paid for, say, eleven hours work in a day, but they might have been on the job only for half that time. It has been said that the remainder of the gang worked harder, but they never could do, and never did do, their own work plus that of the absentees. All this had repercussions in demands for new conditions to adjust things to the smaller gangs and to the tenacious insistence on restrictive practices—for example, small sling loads. If the original size of the gang was the proper size for any job, the gang substantially reduced could not properly perform the job, and half a gang could not do the same amount of work.

37. Spelling was continued to the time of the 1951 strike, and then at last it almost disappeared. The conditions laid down on 9 April 1951 by the Government for the resumption of work on the waterfront contained this statement: "It is vital to efficiency on the waterfront that unauthorized spelling or payment without work shall cease." Since the resumption of work this has been observed by waterside workers.

#### "SMOKO"

38. The employers had proposed that there should be a fifteen-minute break in the morning and a like break in the afternoon for "smoko," and on resumption after the strike the practice was adopted of giving a fifteen-minute break both morning and afternoon for "smoko" and twenty minutes for freezer gangs. This now obtains at all ports except Lyttelton. The union there wished to go back to the system of reliefs, while the employers offered fixed breaks, and, on the matter being referred to the Port Conciliation Committee, the chairman in his ruling brought the practice back to the reliefs which had more or less prevailed under the spelling agreements. Such a system brings back the relieving deckmen.

39. Experience all over New Zealand shows the difficulty of working such a relief, and even the present breaks are not without difficulties. The times will be imperceptibly increased. It would seem that there should be some port or ship signal to indicate the commencing and termination of the breaks, and it should not be left to the unaided persuasion of the foremen to see that work is promptly resumed, and that a break nominally of fifteen minutes does not become in fact a break of half an hour.

40. The case of the Wellington Harbour Board is special. There they are dealing with the public and with other services which have no break, and it is necessary to afford continuous service. The practice has been adopted of half at a fixed time taking a break and half taking it at another fixed time. The numbers are smaller in the sheds, and supervision is not difficult.

41. Lyttelton, so far as is known, is the only port where the system of fixed breaks for morning and afternoon has not been adopted. A system of relief disturbs the work with the comings and goings. It is not easy to supervise and requires relieving deckmen, and experience has shown that although there may be a time-lag in getting work started it is better with all its disadvantages to have a fixed break. Loose arrangements such as those at Lyttelton are bound to bring disputes and trouble.

42. It has become common in industry in this country to have a short break in the morning and in the afternoon for the convenience of the workers. This is a break for a fixed time, and all participate in it. Having regard to the hours worked and to the conventional needs of the workers it is thought to be only reasonable and proper that they should have it on the waterfront. For those indulging in spelling there was no need, but there were some who could not and did not spell. Although there was intermittent periods when work does not proceed, there is a real need for a break, owing to the nature of the work, when a man may be off work and have his smoke and drink his tea. This is due to the length of the working day, and in the case of many workers to the time elapsing since they left their homes in the morning. The Australian practice, embodied in an award, is to have a complete stoppage of work for a fixed period. Actual experience in this country shows the break should be for a definite period and at a fixed time with a fixed time for resuming. It is in this country a break on pay, and generally experience shows a tendency to enlarge it until it becomes half an hour or more, and that is too great a period to be fairly taken out of the day's work, for it will if repeated in the afternoon amount to an hour a day, and it is not reasonable that such a period should be paid for. In many industries the practice is to have a break of ten minutes.

43. Certain adjustments in manning of the smaller vessels may be considered. If under spelling two of a gang were never there, a smaller gang might well be convenient. On overseas vessels the great question is the question of delay and over-manning may not so much matter, but on the coastal ships labour costs form so high a proportion of expenses that in a competitive field they must consider all unnecessary additional charges.

44. This topic could not be complete without mention that some of the Commission's orders so restricted and reduced the mobility of labour that they required surplus labour to be retained in idleness, and attempts to use it usefully were often foiled, and such a case occurred as men being retained in idleness for as long as a week.

#### EARLY LEAVING

45. Akin to spelling is the practice of leaving work early at all the main breaks—that is, at midday, in the evening, and at night. The hours of work might be from 8 a.m. till 12 noon, 1 p.m. till 5 p.m., and 6 p.m. to 9 p.m. I do not refer to leaving when the work for the time being was finished. The men might leave early because for some reason hatches were being replaced, or it was not convenient to open up another truck, cargo was not available, and so on. This is not referred to. What is referred to is deliberate leaving of work early. This practice had grown until men might be at work only until 11.40 a.m., 4.40 p.m., and 8.40 p.m. At some ports it became a matter of scandal. At Lyttelton there was a train to take workers from Lyttelton at 9.15 p.m. which was known as the "Ghost Train" because all but a few had already caught the 8.20 p.m. train.

46. This leaving early was nothing new. In 1940 it was reported by some investigators that "It has become the practice to commence work after the due starting time and finishing before the knocking off time—sort of chiselling off at

both ends, which amounts, as far as we can ascertain, to a loss of approximately half an hour in every eight. This practice is more acute at knocking off time at nights, and in some ports more than others, where it is ascertained that at least one hour in every twelve is lost by this practice."

47. Loss of time from whatever the cause amounted in the course of a day to at least an hour, and some suggestions were made to avoid this loss. Since the strike the practice has changed, and not much time was at first lost through early leaving. But as time has gone on it has shown a tendency to reappear, and some early leaving will be seen at some ports. The employers, who now have discipline in their own hands, cannot escape full responsibility if it develops.

#### WET AND WINDY WEATHER

48. The main order provides that should the question be raised by the men at any hatch or by any gang as to whether it is too wet or too windy to commence or to continue loading or discharging, the matter shall be decided by the majority of the total men in the hatch, including the men employed on the trucks or elsewhere in the open employed in connection with such hatch or gang. While idle in wet or windy weather men are on pay. This provision has been subject to great abuse for many years.

49. Work has ceased under conditions when it was reasonable to continue, and frequently when the weather had cleared beyond doubt resumed only after persistent and repeated calls by the foreman. The men have often declined to resume when fine enough and have not resumed without persuasion. Frequently work on the wharves was suspended while all other out-door men continued. Sometimes the men stopped because the weather was too wet, but remained sitting outside without coats. During the war years this practice of stopping work at the slightest drizzle or light rain was the despair of those who wanted to get things done. Often the move made by one was followed by all without any consideration, and rules actually grew up by which workers abided. Too wet or too windy for one meant too wet or windy for all, irrespective of the cargo handled and the shelter.

50. In Dunedin there was much stopping, even though pile driving gangs and men on wharf repairing continued in the vicinity of the idle ship. In Nelson the view of the local branch, which was acted upon, was that if it was too wet for outside workers then it was too wet for the men receiving cargo, and once the outside workers ceased the shed workers disappeared (but upon pay) and shed work had to be continued by non-union labour. In Wellington hulks might have to be shifted irrespective of wet, and if the hulk shifters considered it too wet the owners might then have to employ non-union labour, while the hulk shifters sat in shelter, always provided that the hulk shifters were paid for their time, while the non-union labour did the job. In Auckland the practice of the union was to require that if a shipping company had more than one ship working and men knocked off on one ship, then that the workers must knock off on the other ship.

51. Time lost through weather steadily and unduly increased. It may not matter to the ship whether it is wet when, say, iron drums, timber, and steel are being discharged, but it matters very much with a cargo such as sugar, flour, or cement. Yet on occasions the former ship was idle in weather which was not sufficient to hold up the discharge of sugar, flour, or cement. This gross abuse continued up to the strike. Of course, in any port there were many occasions on which it was legitimate to stop for the wet or windy weather, but the practice went far beyond that.



52. There is every reason why the provision obtaining under the order should go. With many cargoes a ship has good reason to desist if the weather is wet. The ship cannot afford to work in the wet itself. Experience has shown that it is an impossible position to give men the unrestricted right to say whether they shall work or not in the wet when they still remain on pay whether they work or not. If there must be provision dealing with wet, the ship should say whether it is too wet to work, but subject to this it must not unreasonably refuse to stop. Of course, in such matters both sides must bring some sense of fairness into the matter, and prior to the strike it had become a racket. But since the strike it has everywhere been reported that this clause has not been so abused as before and decisions are more reasonable.

53. While men are idle through wet and windy weather they are still on pay under their order for the minimum period. The main order provided that they were required to trim or restow cargo or do other work on the ship or in sheds provided they were under shelter. In practice ships do no alternative work at all when the ship is idle, and there is this difference between, say, the Wellington Harbour Board and the ship, for the Wellington Harbour Board does provide men with alternative work.

#### RESTRICTION OF SLING LOADS

54. I now proceed to discuss certain practices which unduly slow up the work or result in a waste of labour. The first is undue restriction of sling loads. The expeditious turn-round of shipping in New Zealand ports is determined by the maximum tonnage that can be handled on each working day. One of the determining factors in the output of a gang discharging or loading a vessel is the size of the sling load. There are certain restrictions imposed upon sling loads, but generally the only requirements are that the quantity or weight of cargo in slings must be such as is reasonable and safe. It is conceived that the limitation of convenience and safety is the only limitation that should apply.

55. There is no doubt that the size of slings has been unduly restricted by waterside workers. There is no restriction at all on sling loads, we have been informed, in England except that of convenience and safety of the loads. According to Australian practices sling loads are bigger. Limitation of slings in many cases was one of the by-products of spelling, for obviously six men in a hold could not do the work to which twelve men were allocated. In some cases workers deliberately restricted sling loads of a certain cargo, while in other cases they merely followed the local custom. In a ship where you have to go down to the bottom of the lower hold there may be some 60 to 70 ft. to the deck itself, then another 30 ft. to the wharf, and then down again 50 to 60 ft. This is a long travel, and with the use of a crane or the ship's own derricks it takes a time. To use a gear which may handle up to, say, 2 tons to carry only 6 or 7 cwt. may be a most inefficient way of handling cargo and wasteful of good gear. Yet this might have been seen on our wharves where people with experience of ports overseas were astonished at our small sling loads.

56. There is a tendency to restrict slings to 12 cwt. A Commission order provided for the special case of slings landed on to hand trucks, and limited slings in that particular case. It ran "that in loading or discharging cargo, a hand truck or trolley load for two men shall, as far as practicable, not exceed 12 cwt." This was a limitation only for the load which the hand truck or trolley could carry. Nevertheless, although this was made particularly clear to the men, there was a practice of limiting the sling for discharge on to railway trucks or on to mechanical equipment to the same amount. While there should be a limit to the weight of cargo placed on the hand truck that men are expected to handle, such limit has no

relation to the weight of a sling load landed on to the wharf and subsequently broken up into suitable hand truck loads. This was mere excuse for undue limitation.

57. In 1946 this was again clarified when the Waterfront Industry Authority expressly stated that "when cargo is being handled on to the wharf for breaking up on to single men hand trucks, or on to a mechanical conveyance, or into railway trucks, or to being delivered to the ship by these means, the quantity or weight of cargo for slings shall be of such weight or size as is reasonable and safe."

58. Slings of meat, butter, and cheese are prescribed, and there is little complaint of the size of slings of these commodities. At railway ports some limitation is imposed by the size and kind of truck to be loaded. This is a limitation of convenience.

59. The smallness of the sling loads was a matter of complaint to the Commission in 1942 and it continued until the strike. There was a practice of restricting sling loads to 12 cwt., although a load was not being discharged on to a hand truck or trolley. There rarely were loads in excess of 12 cwt., and frequently they were only 6 cwt. The sling load was often ludicrously small. In wool the usual sling load of double dumps was two double dumps, whereas there is no reason at all, except local custom, why, with a full gang working, it should not be up to four dumps, except when topping off. Three or more is the Australian practice, and in England no restriction except safety and convenience. We were told of sleepers being loaded in Australian ports in lots of forty to seventy and discharging in New Zealand ports at eight to a sling. In set lines of cargo such as cement, bagged potatoes, and the like the use of larger slings would particularly expedite the work.

60. With the co-operation of all workers on the job there no reason why the sling should not be increased to reasonable loads without any undue strain on the workers and with manifest increase in output. It was often observed even in times of spelling that, when there was nothing to prevent the increase in the size and weight of slings but the will of the men, there were occasions on which they voluntarily increased the size and weight of the slings, and particularly when working for a finishing ship, when a new minimum period had been entered. Then the output in a given time immediately went up sometimes as much as fifty per cent. Thus was shown the advantage to both worker and the employer of bigger sling loads.

61. The rate of discharging general cargo in most ports in New Zealand and in Auckland, in particular before the strike, compared most unfavourably with, say, the rate of loading the same cargo in London for New Zealand. The disparity was very great. One of the factors was undoubtedly the unreasonably small sling loads customary in New Zealand.

62. Since the strike it is reported generally that better and more reasonable sling loads are being adopted, but at some ports some workers endeavoured to adhere to the old standards. For example, at Port Chalmers until recently they were still using a two double dump wool sling, whereas at Auckland and Napier such sling loads were generally four. They now use a three double dump sling of wool at Port Chalmers, Bluff, and Timaru.

#### SHEETING

63. At some railway ports the workers, in spite of directions to the contrary, insisted on retaining a truck under the hook until it had been sheeted. There was no reason why it should not have been moved away once it was loaded and then sheeted while another truck immediately took its place. This practice caused a

delay of five to eight minutes per truck, and it amounted to an hour a day for every member of the gang. It obtained at Lyttelton for many years, and it spread to other ports only in recent years. At Bluff and elsewhere it was responsible for much loss of time. This practice ceased with the strike.

64. It might be better, instead of following the custom of appointing two sheeters to the first hatch and one to each hatch thereafter, to appoint a mobile gang of three sheeters.

#### OVER-MANNING

65. This was peculiar to individual ports. Thus at Bluff once for certain U.S.S. old coastal vessels it was conceded, because of a long carry, that the men in the hold be eight instead of the usual six. But the old type of vessel has long since disappeared. Practically all parts of the hold are accessible to the ship's sling, yet eight were still insisted upon. The natural result was that formerly the spelling numbers were 3-3 and they became 4-4. Clearly eight were not required. At other ports the standard gang for loading such vessels might be six. Yet at Bluff the other gangs had to be broken up to get eight for loading.

66. At Lyttelton the loading of refrigerated cargo from insulated vans to ship was carried out by gangs of twenty-eight with crane, twenty-nine with ship's gear. In other corresponding ports in this country the same operation was carried out with six men less. Over-manning was apparent when it is remembered that while this practice was insisted upon usually only half were ever working on the job at any one time.

67. At the same port there was insistence even that a tally clerk must be retained attached to a gang even though there was no work for him to do. He might be attached on discharge to a railway gang tallying, say, timber. When the vessel went on to load there were only two men in the railway timber gang and consequently the services of a railway tally clerk were not required. Yet if at the very end of loading a small quantity of general cargo was loaded, it was insisted that a tally clerk must be employed and paid as from the commencement of timber loading. The Waterfront Industry Commission ruled that in such circumstances a tally clerk must be retained till the conclusion of timber loading. That may take, as it did in the case in question, eleven further days.

68. There is insistence also that men shall be employed and paid from an earlier time although certainly not required till later. Thus, take a discharging ship. She may require only one man on the wharf (in addition to truckers and stackers). In the afternoon she changes to loading for which four men are required. The additional three men must be employed as from 8 a.m. The same thing happens when you change from discharge into railway trucks to discharge into shed. Surplus labour is in the meantime held idle.

69. Men may be retained in a job when there is no work to do. This has resulted from some of the Commission's orders and the particular interpretation placed on them, and in some cases from an insistence upon the practice by the union. In some cases it resulted from the pressure while spelling was in force to make adjustments to enable spelling to continue. Thus if a refrigerated gang is chuting into lockers four extra men must be engaged, but once this is over and work continues on deck the four extra men are not necessary. They have had to be retained even though there was nothing for them to do.

70. At New Plymouth for the discharge of inward cargo the railways employ two truckers and two sheeters—*i.e.*, men who tie down the tarpaulins covering the truck. When loading commences there are no trucks to sheet. What should

you do with sheeters? Two men are required to make up ship's slings. The union insisted that two new men must be employed to sling the cargo and that the two sheeters be retained till the completion of the loading, doing nothing.

These are only examples of labour held and retained idle, either as a result of some of the Commission orders following a particular interpretation placed on them or by union insistence.

71. Sometimes double payment has been insisted upon for the one period. If a man is ordered down at 8 a.m. to vessel A and there is no work at vessel A and he is forthwith at 8 a.m. set to work at vessel B, Commission officials have ruled that he must be paid a minimum of four hours plus on his starting, a further minimum of four hours or eight hours' pay altogether for what may not be a complete four hours' work. This has been insisted upon since 1944. These are only examples of what happened. Most over-manning requirements ceased with the strike.

### SOME SPECIAL PROVISIONS AND PRACTICES

Some other special provisions and practices in the industry require consideration.

### THE JOB AND OTHER CLAUSES

72. Clause 17 of the main order is very elaborate. The job for which a man is engaged is to be stated at the time of engagement and is to be limited to the sling or the hatch or wharf. It is in practice treated as most strictly limited. There are provisions restricting transfer. This clause was highly valued originally as giving security. A job may last only a day, or a few days, and it may last up till a month on overseas ships. This does not matter so much as it once did, because workers have the security which comes from equalization of hours, and the payment of a guaranteed wage.

73. Conditions change during the discharge and loading. Expected cargo may not be available; one hatch may finish before another; the nature of the cargo being loaded or unloaded may change, and the problem arises what to do with labour which is for the time being not required. One would think it should be usefully used somewhere else, and this is allowed to an extent. But this is not how it works under the Commission orders in many cases.

74. Clause 17 of the main order is so interpreted in practice that men have often to be retained for a long time after their work is actually finished or, rather, a long time after there is any work for them on the job. Men may be transferred to another hatch on their ship, but are not to be discharged until the hatch or hatches to which they are transferred is finished. I mention only some examples. Formerly it was the custom to dispense with a gang when a crane or gear was no longer necessary for the job. Thus in a ship with steel or timber on the bottom overloaded with general cargo the general cargo has first to be removed. Two gangs are generally required efficiently to discharge the general cargo, and once it has been removed only one gang can be employed in the unloading of the steel and timber. In practice the two gangs must be retained even if there is work for one only, and two gangs cannot work in a hatch with long poles and steel pipes swinging about. There is a provision that you may shorten down the number of men in a gang changing from one class of cargo to another, but for this purpose it was insisted by the union that the only classifications of cargo were frozen, coal, and general, and timber is merely general cargo, and so although a gang may not be needed you may not shorten down but must retain it surplus.

75. To avoid this the ship may put on only five gangs, although efficient work can be done with eight, rather than put on the proper number of gangs to do the work efficiently and be left to carry three surplus gangs in idleness. This amounts to a compulsory over-manning and compulsory spelling when there is shortage of labour and other ships require and can use the labour. There should be suitable provision to shorten down gang or gangs when they are no longer required. There is no warrant for a short supply of labour to be used wastefully.

76. So also clause 21 of the main order has been interpreted in a way which wastes labour. Whether this interpretation is right or wrong, the important thing is the practice remains. If it is right, there is strong reason to alter it. If you begin to discharge into railway trucks you may require four men, but if at 1 o'clock you change to discharge into the shed, you require an additional four men; but it is insisted that these four men must be engaged as from 8 a.m. and held from that time although there may be no work for them to do until 1 p.m. or later.

77. These are only examples. Men should be used to the best advantage. If they cannot be used then they should be transferred to other work. All this is frequently prevented by a man being tied to a job and having no mobility. Originally this provision served some good purpose, but it has long outlived its day and more mobility should be restored to labour. The great need on the waterfront is that labour should be used where it can be best used. Labour must be more mobile and must be more freely transferred. It will enable work to be done sensibly, economically, and efficiently. The men will not suffer. There is, having regard to the equalization of hours and the rotation of work, in a broad way really no need for other than the broadest indication of the job—for example, the ship. A man might go, for example, to a ship and he would as a rule work until the ship finishes and then go back to the pool. If it happens that he is really surplus, then he could be transferred or he could go back to the pool and be given work elsewhere. If indeed the old practice of engagement for a very limited job is retained, then grafted upon it should be provision for greater mobility or for freer transfer.

#### 6 P.M. STARTS

78. The Commission's orders allow for this. The practice affects coastal vessels, particularly, and an evening's work may very much expedite despatch. The work, of course, attracts the overtime rate for a minimum period. The union refused to obey the order and the Commission submitted. This does not apply at Greymouth and Westport, where the shift system is in force. This is an example where the passing of a resolution became as effective as if the Commission had itself made the order because of the Commission's submission.

At Lyttelton the union branch passed a resolution declining to accept such a start, and the bureau officer so far neglected his duty as to ignore the request for a 6 p.m. start.

79. The result of all this appeared prior to the strike when the 6 p.m. starts were not being accepted. Small coastal vessels in particular have been affected through losing the evening's work on the day of arrival.

If the special needs of coastal ships are to be provided for, then 6 p.m. starts should be restored. Ships may arrive on an afternoon and they may get away the next day, or without spending another night in port, if they can get the evening's work, but if not, they may have to spend another night in port. Nothing is more marked than the long time the coastal ships take in their rounds, and this is one of the obvious ways in which turn-round can be expedited.

## MINIMUM PERIODS

80. Waterside workers are entitled, under their terms of employment, once they begin work or attend for employment for which they are employed, to pay for certain minimum periods whether they work or not. These minimum rates of payment apply in ordinary as well as in overtime hours. They mainly occur as follows: (a) In the case of morning jobs, four-hour minimum—8 a.m. to noon; then an afternoon minimum of two hours—1 to 3 p.m.; after which another two-hour minimum—3 to 5 p.m. (b) In the case of a resumption morning job a three-hour minimum to 10 a.m.; then a four-hour minimum to noon; the afternoon minimum as in (a) above. (c) In the case of a new afternoon job a minimum of four hours. (d) In the case of night orders a minimum of three hours or in the case of an extended order a four-hour minimum. In (a) the employer is at liberty within such four hours to employ any men "ordered down"—(i) either in the ship for which they were originally engaged or any other belonging to or being worked by or consigned to the employer, or (ii) to employ them on work on the wharf. Men shall stand by if required by the employer for the minimum period for which they are being paid.

81. Lengthy minimum payments have many unintended results. It may actually pay men to spin out work and go slow in order to break into a new minimum period, which, once broken into, gives them additional payment. This practice was often adopted. It has, however, one advantage that once within it there is no additional payment to be got by lengthening the job and no less by completing it promptly and in practice very good work ensues when men may get away on completion. This all shows how a real incentive payment may legitimately speed up the work. But the other side of the picture is seen in co-operative contracting. Theoretically the faster the work the better or the sooner the contract price is earned. But the contract price is not really fixed for there are extras, and one of the extras is for unexpired minimum times so it is more advantageous to go slower to break into a minimum period and to get the contract price plus minimum payments, and the ship pays the contract price plus as an extra the unexpired minimum time. These results are mentioned because it is a common place on the wharf for men to endeavour to break into another minimum period and so, by going slower, to get additional payment. Any system which puts a premium on going slow is wrong.

82. This applies particularly to the afternoon minimum. Coastal ships are affected most. It has been the experience that ships which formerly could get away late in the morning have difficulty now in getting away in an afternoon and, moreover, additional payment is vital to them. It may not affect overseas ships except in the concluding stage of loading, but it may affect coastal ships on every voyage. As they are in a more competitive field the extra cost is important, although of less importance to overseas ships.

83. It is suggested that it would be well to abolish every day minimum. There might be properly substituted some daily attendance payment adjusted to such an amount that the workers do not, in reality, suffer. This would not cover the overtime and the Saturday minimum. There is a special case for its retention there for the benefit of the worker.

## ORDER 115

84. This affects the Wellington Harbour Board, which acts as a wharfinger in Wellington. The Wellington Harbour Board had its own bureau and engaged its own labour, which it allocated to jobs in accordance with its judgment and experience. For upwards of thirty years such labour was completely mobile and might be employed anywhere in the sheds to greatest advantage. This was

recognized by the awards, and later the main order, clause 88 (a) provided "Transfer of labour shall be permitted during the ordinary working hours from and to all jobs under the control of the Wellington Harbour Board. This to apply so long as the present Harbour Board system or bureau system of employment of labour remains in force." Then came Order 115 issued by the Commission on 17 June 1944. This Order now provides that before any transfer can be effected a man must finish his job as defined in Order 115. The limiting of workers to a particular job in or about a shed has meant that the Board has to engage particular men for each and every service, especially in the case of delivery and receiving cargo, whereas formerly by employing a man without particularizing his work it would be possible to use more efficiently the labour employed and to perform that work with the employment of a less number. It has been calculated that Order 115 meant an immediate addition to the labour force required of ten per cent.

85. Under Order 115 men are engaged for each separate job in the shed such as delivery, receiving, stacking, transshipping, and so on. It is thought that while men are employed in a shed they should be available to do any work required in that shed without the question of each job of work in the shed being considered a transfer. By clause 1 (a) stackers are allotted to a ship and are forthwith restricted by being attached to gangs in each ship and they may handle only cargo discharged by that gang. Prior to the order stackers were allotted to a ship and were under the control of the shed foreman and able to do any work required by him in that shed. For instance, they might be ordered to do stacking or delivery or transshipping or hardening up cargo or cleaning the shed as occasion required.

86. Then came in a new practice following directly after a decision of an Assistant Waterfront Controller. Formerly space was allotted from the ship's manifest to the various lines of goods for different firms. To each merchant was given his stack. This tended to expeditious delivery as all the merchant had to do was to go to one stack to get delivery of his goods. It economized floor space. The practice, however, now came to be that cargo from a hatch had to be stacked in the shed as near as possible to that hatch. Under this practice for each hatch there is a stack for each merchant, and if a merchant's goods are in three or four hatches, there are three or four stacks. This causes delay in locating goods and in delivering them, but it results also in a particular line of goods taking up increased floor space because the alleyways must be left to remove each stack of goods. This adds to congestion. There seems reason to think it would be more convenient, a saving of time, and proper use of labour if stackers and others were free to do any work in the shed as required. Under the present practice transfer of labour is limited to cases where men finish the job to which they are allotted.

87. How the order works in practice may be shown from an illustration. There is the case of the "Glenpark" in April 1948, where for a week eight waterside workers had to be kept on a job where there was no work. The vessel had finished discharging cargo for shedding. Some five hundred tons of salt and some pig-iron were being discharged direct to railway wagons. This took a week, during which there was no work in the shed for eight of the waterside workers. They were dismissed from this job and forthwith engaged for new jobs. Nevertheless, the chairman of the Port Committee ruled under this order that they were to return to their former job, trucking and shedding cargo. There was no such work. Transfer to other jobs was not allowed. Result: men kept in compulsory idleness for a total of 376 man-hours.

88. There is a restriction on jobs which a worker may do in the shed. Thus the order states that if men are engaged for a particular work in a shed, receiving or transshipping cargo, that shall be deemed their job, and this confines them to this work although in a shed there are frequent and considerable breaks in the

work during which they might be usefully employed in any other work necessary in the shed. The order entails compulsory periods of waiting-time and a loss of labour power. It results in a compulsory retention of men in the job. There are no interests of the men which such an order protects. It seems to have been a general order made to meet a special dispute, and one cannot think it could have been envisaged that it would operate as it does to waste labour and to encourage immobilization and to keep men when they might be usefully employed. The mobility formerly existing should be restored.

#### WORKING THE MEAL HOUR

89. I refer to the practice called "working the meal hour." That at present is done only to finish a ship. In the main order it is provided that meal hours shall be worked as may be required by the employers to finish the hatch or ship. Hatches are rarely uniform, and there is generally one (or two) much bigger than the others. With as much labour as can be conveniently worked in that hatch it may finish at a much later time than the other smaller hatches. The ship, of course, cannot leave if it is loading until this particular big hatch is finished. The despatch of a ship is generally governed by its big hatch.

90. The practice adopted is to work the meal hour and to concentrate labour more on the big hatch or hatches. No more labour is used on the ship, but when the men work the meal hour they defer the hour for their meal and are paid overtime rates for the work in the meal hour. They then have their ordinary meal-hour break. If both the midday and the evening breaks can be worked on such a hatch on a ship which is in port for, say, twelve working days, then an additional twenty-four hours can be worked on the big hatch and this speeds up completion and facilitates despatch. This applies equally to loading and discharging vessels, and in many cases it has a marked influence on the time a vessel may sail.

91. The method adopted is this: the gangs at the hatch where it is desired to work the meal hour remain in such hatch when the meal-hour break arrives and continue working at increased pay. On the completion of the hour these gangs then have their one-hour meal break and are relieved at their hatch by a gang or gangs from some other hatch drawn either from the same ship or from another ship which is being worked by the same employer. The result is that the hatch at which the meal hour is worked gains one hour's work for each meal hour worked. Some other hatch in the same ship or in another ship has correspondingly lost one hour's work, but this does not matter because there is more work to be done in the big hatch than in the smaller hatches.

92. It is said that the meal hours should be worked not merely to finish the hatch but to gain that necessary expedition which the working does give in completing the particular hatch and in permitting the ship to turn round. Since in fact men do now have the recognized periods of "smoko" during which they can have their tea and something to eat, there is no hardship involved in working through to, say, a one o'clock stop instead of to a twelve o'clock stop, and to a six o'clock stop instead of a five o'clock stop. This was the practice at all ports up to 1943. It involves, say, up to two gangs having the meal hour postponed. The benefits of despatch are so great that there is good reason to permit the practice to continue.

#### OVERTIME

93. The main order provides for overtime on a ship, and the practice may be stated to be overtime for one then overtime for all. In particular, men may not work overtime on some hatches if overtime is not worked on the other hatches. This overlooks the difficulty of working ships and the necessity of extra labour in



the main hatch to keep pace with other hatches. More than a limited number of gangs cannot in ordinary hours be worked in a hatch, even in the big hatch. Extra work in that hatch can be got only by two methods—either by working meal hours or alternatively, or in addition, by overtime work. This enables the hatch, so to speak, to catch up with the others. If the men on hatches which are not being worked in overtime hours wish for overtime it will often be available on other ships for the night. The rule has been carried so far at one port that where no work on a ship was available because the Harbour Board employees were having their monthly stop-work meeting overtime work in wool stores was declined.

### GANG SYSTEM

94. In a gang system men are grouped together in a gang, they are employed as a gang, and work together as the one unit. At first sight there seems very much to recommend such a system of working. The men select their mates and they do prefer to work continuously with those they know, and so working together as a team they do better work. Some say it is safer. If a gang is a large one there are many occasions, perhaps most numerous in overtime work, when the gang has perforce to be broken up and unless re-assembled the next day the gang tends to break up. The objections are that you may get a gang of trouble-makers just as you get a gang of good workers, and their capacity for upsetting things is considerable. A gang system is new to this country, although in days before the bureau system men for the most part worked together in groups.

95. The scheme of so working presents many practical difficulties and, unless the scheme satisfies the men as well as assists the employer, it will not survive the attack that is readily made on any new practice. The unit or gang must, having regard to other conditions of employment, be a small number of workers. Gangs vary in different ports and on the wharf according to whether loading is from or into trucks at a railway port or from wharf to ship, or ship to wharf. The common number in the loading of overseas ships in a hold is twelve, in discharging six; with a coastal ship six, or in discharging four. Ships may work with ship's gear or with a crane. In each case a hatchman is required, but if they work with ship's gear two winchmen are required. There is a shortage of winchmen and their necessary mobility and frequent transfer rule them out. If the winchman is attached to the gang he would be surplus when a change from ship's gear to crane gear is made, but at ports where there are no cranes—say, Napier—the gang might well include in each case a hatchman and two winchmen. The proposal then is that a gang should consist of six men plus a hatchman. In ports where there is no crane gear the gang would be six men plus hatchman and two winchmen. They should be allocated as a unit to work and, to make the complete gang, in any case there would be added from the ordinary casual pool the requisite numbers to bring the numbers up to the usual gang strength. If there is a simple system of payment by results, the gang system may attract, more especially if payment can be made per gang or even per hatch.

96. This system of working (but with larger gangs) works well and to the satisfaction of both employers and workers in London. It was introduced in Australia, but has not so universally commended itself there. It, however, promises so much that it is suggested it be tried for a period at some port in this country where both employers and workers may have experience of it for a time and, if it is found to work and the disadvantages do not outweigh the advantages, then that it be extended. A reference to the gang orders made in Australia will disclose some of the difficulties that were met there.

## STOP-WORK MEETINGS

97. Stop-work meetings are held generally within the normal hours of work, usually in the morning, and work by watersiders ceases during that time. They are peculiar to this industry and it may be peculiar to this country. Stop-work meetings at Australian ports may not be held except with the permission of the Australian Stevedoring Industry Board, and they are said to be few and far between, whatever may have recently occurred. Seamen in this country may have the equivalent of a stop-work meeting, but this is in the evening and some are always on duty. Harbour Board employees have such a meeting in the evening.

98. Provision for stop-work meetings was contained in the 1922 award, and the justification was said to be that it was better to hold them in the daytime than in the evening, when the departure of a ship might be held up. The real justification must be that implied in this statement. There was such a spread of hours of work, including overtime, that if the men were to have a meeting and an opportunity to consider their own affairs it had really to be in the hours of work because the spread was seventy-eight hours. Once you diminish the spread of hours to anything approaching the normal hours actually worked in other industries then stop-work meetings should not be allowed to interrupt work in ordinary hours and, if held, should be outside them.

99. The main order, which has applied since 1940, provided that if deemed necessary by the branch executive the stop-work meeting might be held on the second Thursday in each month between the hours of 8 a.m. and 10 a.m., subject to the right of the Port Committee to vary the day from time to time as might be found necessary. No other stop-work meeting was to be held except that the Port Committee at any port might agree to a stop-work meeting of not more than two hours for the annual meeting of the branch, and in any event the branch executive was to endeavour to release when required by the employers the necessary minimum number of men for the carrying on of urgent work and to prevent congestion. The spread of hours has now diminished to fifty-nine per week. Other industries have a shorter working week.

100. The practice grew up of holding stop-work meetings and extending them beyond the specified hours, and complaints were made of the dislocation of shipping and loss of time through other services adjusting their arrangements upon the supposition that the stop-work meeting would not exceed the time allotted.

101. The Commission made a further order on 1 July 1948 which added the words: "Provided that if, under special circumstances, an extension of time for an ordinary monthly meeting or special meeting is deemed necessary, same may be given by the Port Committee if considered advisable by the Port Committee." Unauthorized meetings were still held, extended times were taken for general meetings, and, if requests for another meeting or for an extension of the regular meeting were refused, the union or the branch simply proceeded to hold the meeting or to extend its meeting as it wished. This became very general. Employers were powerless to stop the abuse. The abuse might constitute a breach of the Strike and Lockout Regulations 1939, and in a test case it was so held. But the abuse grew and no further proceedings were taken by the Commission or any one else in an endeavour to halt it.

102. The Waterfront Industry Authority expressly drew attention to the matter in July 1950. The Commission had never really been effective in maintaining discipline and in enforcing respect for its orders. Tours were made of ports by union officers and stop-work meetings were held at will without permission. Permission was sometimes granted not for good reason, but as the least troublesome thing to do. It did not seem to matter for the meeting would be held in any event, and no action would be taken.

103. The following table prepared by the Waterfront Industry Commission shows the time lost through unauthorized stop-work meetings and contains other matter showing the occasion. It covers the year ending 30 September 1950:—

Table Showing Man-hours and Wages Lost Through Unauthorized Stop-work Meetings at Ports for the Year Ended 30 September 1950

	Analysis of Reasons for Holding Unauthorized Stop-work Meetings, Showing Number and Man-hours Lost.											Total Wages Lost Through Unauthorized Stop-work Meetings.	
	Extensions of Monthly Stop-work Meetings.		Addresses by National Union Officers.		Wages Decision by W.I.A.		Cost of Living and Subsidies.		Miscellaneous and no Reasons.		Totals.		
	No.	Man-hours Lost.	No.	Man-hours Lost.	No.	Man-hours Lost.	No.	Man-hours Lost.	No.	Man-hours Lost.	No.		Man-hours Lost.
Auckland .. .. .	..	*	..	..	1	18,389	2	2,533	2	15,145	5	36,067	£ 8,713
Wellington .. .. .	9	12,648	1	2,301	1	842	1	887	2	4,980	14	21,658	4,593
Lyttelton .. .. .	5	4,604	2	3,560	1	183	..	..	5	6,643	13	14,990	3,092
Dunedin .. .. .	4	1,039	3	2,827	1	660	..	..	..	..	8	4,526	940
Port Chalmers .. .. .	..	..	2	645	1	140	..	..	1	180	4	965	204
New Plymouth .. .. .	..	..	1	1,698	..	..	..	..	..	..	1	1,698	340
Wanganui .. .. .	..	..	1	77	..	..	..	..	..	..	1	77	19
Nelson .. .. .	..	..	1	172	..	..	..	..	..	..	1	172	37
Timaru .. .. .	..	..	1	520	..	..	..	..	..	..	1	520	110
Bluff .. .. .	1	156	1	416	..	..	..	..	..	..	2	572	114
Total .. .. .	19	18,447	13	12,216	5	20,214	3	3,420	10	26,948	50	81,245	£18,162

\*At the Port of Auckland the monthly stop-work meeting has for some considerable time been held in the Town Hall, the meeting lasting four hours instead of the usual two hours. The additional two hours time lost each month is not included in this table.

104. The loss is not confined to watersiders. There is the disorganization and dislocation of other work. In Wellington a string of motor-lorries waiting on the wharf might bear witness to the inconvenience resulting to transport alone when a meeting was extended unduly, and dislocation and waste of effort occur all along the line. The ferry steamer might, on the day of a stop-work meeting, have cargo left and have to over-carry. Cheese vessels might require six or seven hours for unloading, and the loss of time might mean just the difference between two and three trips in a week, and like consequences might ensue at other ports. At New Plymouth meetings sometimes taking four hours were held, and often a complete half-day was lost through the length of the meeting or through the workers not resuming.

105. Then there has been further inconvenience. Stop-work meetings might be held on different days at different ports and vessels might be unfortunate enough to meet delay for this reason at more than one port. The suggestion has been made that public convenience would be best served and great loss of time would be obviated if all waterside stop-work meetings were held throughout the country on the one day and to coincide with the time that the Harbour Board employees are holding their meeting. The latter hold theirs in the evening.

106. The spread of hours of watersiders has been reduced. It has been suggested that one night or two nights a week be freed from overtime on discharging ships, and if this is accomplished it has been further suggested that stop-work meetings might be held on an evening so freed from overtime work and on an evening to coincide with the meeting of the Harbour Board employees. These suggestions fail to take proper account of the fact that it is very unlikely that sufficient members of the union would attend at the times mentioned.

Since the strike this abuse of stop-work meetings has almost disappeared.

#### CHANGES IN PRACTICES

107. Some practices, like spelling, were plainly dishonest and had no plausible foundation. Some were protective or defensive and owed their origin to the urge to make the work less casual or to the fear of redundancy. Some have outlived their day and any reason once obtaining has ceased to apply. Older workers who have known no other way may tend to go back to them, and some of the old reasoning of an industry that was once wholly casual is still current coin.

108. It should be the aim to remove the causes which prompted their introduction and their continuance. A good incentive scheme with payment for individual work will throw its influence over a wide field, and the worker himself may feel some practices should not be continued and he would wish to disregard them. Permanent employment, with the security that it brings, strikes at the root of some practices. It will restore that mobility which some practices went so far to restrict.

109. Some practices were incidental to or had gathered round some of the Commission's orders. They will go when new orders are made. Some, whatever their origin, did not survive the strike. But there may be others which are not so tractable and in which there must, failing all else, be recourse to the authority of the tribunal to frame such terms and conditions of employment that no countenance is given to practices which should not prevail.

## HOURS OF WORK

110. From the cessation of the 1914–1918 war to the commencement of the 1939–1945 war the hours of work on the waterfront were as follows:—

*Mondays to Fridays:* 8 a.m. to 10 p.m., with provision for working to midnight if a vessel was finishing.

*Saturdays:* 8 a.m. to 5 p.m., with a continuation to 6 p.m. to finish a ship.

The spread of hours was sixty-eight in a week, of which forty-four were ordinary and twenty-four overtime hours. During the last war, arrangements were made for working, in addition, on Saturdays from 6 p.m. to 10 p.m. and from 8 a.m. to 10 p.m. on Sundays and holidays.

111. In March 1941, in view of the critical shipping situation, arrangements were made to work all overseas ships round the clock under a shift system—seven days a week, and coastal vessels in the same way provided there was more than forty-eight hours continuous work. The hours of work were day shift 8 a.m. to 10 p.m. and night shift 11 p.m. to 7 a.m. The breaks between shifts were required for shunting operations. The total working span was then about 140 hours on overseas ships.

112. By June 1942 it was found that the coastal shipping tonnage available was insufficient to move overseas shipments and coastal cargoes, and the Commission required all coastal vessels over 350 tons net register to work continuously under the shift system.

On 3 January 1944 the day shift became 8 a.m. to 9 p.m. on Monday to Friday, and 8 a.m. to 5 p.m. on Saturdays and Sundays.

The working of shifts and of extended hours—*i.e.*, Saturday nights, Sundays, and holidays—was discontinued in September, 1945. The hours of work then became Monday to Friday 8 a.m. to 9 p.m., with a continuation to 10 p.m. to finish a ship, and Saturdays 8 a.m. to noon, with continuation to 5 p.m. to finish a ship. This gives a spread of fifty-nine working hours per week except when a vessel is finishing. In certain minor ports working is on occasion continued beyond these hours.

113. Some features of the employment must be remembered when considering the hours of employment in the industry. The spread of hours possible is rarely the number of hours worked by an individual worker week by week. Workers may take days off work even when engaged on a job. They may individually not do overtime work. In practice, men often take a few days off after a long job. They may have days off when not on work.

114. Shifts have been worked successfully for many years at the ports of Westport and Greymouth mainly in the loading of coal. The hours of work at these ports are as follows:—

First shift	.....	.....	8 a.m. to 5 p.m.
Second shift	.....	.....	6 p.m. to 11 p.m.

By agreement with the union the second shift may continue until 2 a.m. to finish a ship. Work on Saturdays ceases at these ports at noon except where a vessel may reasonably finish by working the first and second shifts when work is carried on to finish the ship.

Table Showing Average Hours Per Man-week (Ordinary and Overtime) for the Years Ended 31 March 1949, 1950, 1951, and 1952

Port.	1948-49.			1949-50.			1950-51.			1951-52.		
	Ordinary.	Overtime.	Total.	Ordinary.	Overtime.	Total.	Ordinary.	Overtime.	Total.	Ordinary.	Overtime.	Total.
Auckland .. .. .	34½	12¾	47¼	34¾	11½	46	33½	11½	45	34¾	13¼	48
Wellington (Permanent) .. .. .	..	..	..	..	..	..	..	..	..	39¼	13¾	53
Wellington .. .. .	33½	11½	45	34¾	11¾	46½	33½	11¼	44½	31¾	12	43½
Lyttelton .. .. .	33½	12½	46½	34½	11¾	46½	31	9¾	40¾	31½	10¾	42½
Dunedin .. .. .	35½	13¾	49	36¼	13	49½	33½	12¼	45¾	32¾	14¼	47
Port Chalmers .. .. .	30½	8¾	39¼	27½	8¾	36½	29½	10	39¼	31¼	10¾	42
Whangarei .. .. .	..	..	..	..	..	..	29½	13½	43	33½	12¼	45½
Gisborne .. .. .	26½	5½	31¾	27¾	8	35¾	27½	7½	34¾	26¾	8¼	35½
Napier .. .. .	31½	11½	43	32	11¾	43¾	30¾	12½	43¼	30¼	13¼	43¾
Onehunga .. .. .	30½	10½	40¾	31	9½	40¼	31½	9½	40¾	31	10¼	41¼
New Plymouth .. .. .	32¾	11¼	44	33½	11½	45	32½	10½	42¾	30½	10¾	41
Wanganui .. .. .	27½	7½	35	29	9¾	38½	26½	8½	34¾	28½	8¾	37
Nelson .. .. .	36	8½	44½	35½	8¾	44¼	34½	10	44½	31¾	7¾	39½
Pictou .. .. .	24¾	12	36¾	25½	11¾	37½	25¼	11½	36¾	22	12¼	34¼
Timaru .. .. .	31	11	42	31½	11½	42¾	31¾	12	43¾	32¾	14¼	46¾
Oamaru .. .. .	24¾	7½	32¼	23¼	5¾	29	24¼	7	31¼	26¼	8¼	34¼
Bluff .. .. .	33	12	45	33¾	11	44½	32¾	12¼	45	30¾	12	42¾
Westport .. .. .	22½	11¼	33¾	22½	9½	32	21¾	9	30¾	24½	12	36½
Greymouth .. .. .	24¼	11	35¼	23½	10½	34	22¼	9¾	32	23¼	8¾	32
All ports .. .. .	33	11¾	44¾	33½	11¼	44¾	32	11¼	43¼	32¼	12¼	44¼

115. On page 38 appears a table compiled by the Waterfront Industry Commission showing the average hours per man-week worked for the years ended 31 March 1949, 1950, 1951, and 1952.

116. In the first place too much must not be deduced from the average figures. Some men do work the full hours for two or three weeks on end, particularly at the main ports on a big overseas ship. The figures do not correctly represent the hours worked by a man who performs his share of the normal working of the port. Some men only work a few hours in a week by reason of age or some disability, and this tends to depress the average figures.

117. The spread of hours is upon any view a long one. The actual working period in ordinary hours is relatively short, and the overtime hours long. One of the attractions for many workers is the high amount of overtime pay which can be earned. A time deduction has to be made from the spread of hours for the loss of time for stop-work meetings and the two periods of "smoko," &c. Meals are excluded, but not the periods of "smoko," which now stand officially at fifteen or twenty minutes, but have a tendency to increase. The "smoko" periods are included in the spread of hours, but are not worked.

118. The amount of shipping and cargo to be handled and the number of men available for that work does not render it practicable at present very much to reduce the number of hours worked. The number of men available does not permit of work being spread by the introduction of a shift system. On the waterfront things have, however, not yet completely settled down, and there are other circumstances operating preventing good earnings from exercising its full draw. It may reasonably be expected later that more labour will be available for waterside work. Nevertheless, there is a strong desire on the part of employers and others that men should be freed as soon as may be from overtime for at least one night a week, and it has been suggested that that relief from overtime work should be given at least on a discharging ship. The proposal is that no work should be done after 5 p.m. on Friday and that men should have that evening off in any event.

119. At Wellington employers and workers have now arranged to have a trial period of ceasing all work on Friday evenings with the exception of (a) vessels that can finish cargo work that night, (b) inter-Island passenger steamer services, (c) trans-Tasman time-table passenger vessels, (d) colliers, (e) cases of extreme emergency, and (f) by agreement between the parties work to meet any special request by the Government for a ship or a commodity to be given urgent priority.

120. If that practice is adopted there may be a slight diminution, but not much, in the time taken off by workers. It may be expected that ceasing overtime work on Fridays will lessen the output. The better rates of working would have gone far to have made it easier to diminish overtime had there not been a great amount of shipping coincident with not an increased number of workers, but with some diminution in the number of workers. The increased availability of non-union labour would make it practical to reduce some of the overtime hours of workers. Beyond a certain point, many workers might not welcome a reduction in overtime work. The above suggestions apply to the main ports.

121. In most secondary ports the conditions are different. There is not the same continuous work which gives this suggestion the same appeal. Moreover, at other ports the regular workers no doubt desire to retain overtime work when it is available. Progress will lie along the lines of gradually reducing the spread of hours, and particularly in gradually reducing the overtime hours of work.

## REMUNERATION

122. The remuneration of waterside workers is a composite amount. It covers payment for ordinary and overtime hours worked at basic rates of pay per hour. It includes additional allowances for special cargo, and for this purpose even such a common freight as frozen meat is special cargo. It may include also daily or weekly guaranteed payments of a certain amount. Finally, it has included for many years bonus payments under the co-operative contracting scheme. These items may be referred to hereafter in order although they are not always ultimately separate. Thus the contract rates may be fixed on such an assumed rate of working that a bonus is earned by a worker at the ordinary rate, and in such case a bonus or some part of it is an addition to the basic rate of pay. So, too, a man may restrict his work to, say, coal and for him, in fact, his basic rate is really the ordinary basic rate plus a special allowance for coal. The awards or orders defining the wages payable have always fixed a basic or minimum wage with additional payment for special circumstances, such as working in overtime hours or working with dangerous or obnoxious cargo, or in disagreeable circumstances.

123. Tables on pages 41–43 prepared by the Waterfront Industry Commission show:—

(a) The average earnings per week of unionists for the years ended 31 March 1941 to 31 March 1952 inclusive.

(b) The earnings of the union waterside workers for the year ended 31 March 1951, analysed under income groups.

(c) A comparison of basic rates of pay for waterside workers with the standard wage rates for skilled, semi-skilled, and unskilled labour as fixed by the Court of Arbitration over the period from 1936 to 30 June 1952. The table excludes special allowances and additional payments such as bonuses.

124. Whether work of any kind is skilled or unskilled depends upon the terms in which we define the words skilled and unskilled. The word "skilled" may be used to cover work merely requiring some experience to learn the knack, but that is not the sense in which it is used in this connection. I refer to skilled work in industry as work which requires to be done by tradesmen. A tradesman is a person who has acquired his art over a period of training during which he gradually acquired his ability to do the work. During that period he might be an apprentice, and in any event his work as such would not command anything like a tradesman's pay. For example, the work of a plumber, motor mechanic, carpenter, or electrician is skilled work. Unskilled work is work which can be done by the generality of people without any lengthy period of training. It may take a short time to learn the job, but in that short time any knack peculiar to the job is acquired. Forthwith, or in a short time, it can be done by the new worker almost as well as by others of long experience. The acid test is, Does the new worker forthwith earn as much as the old hand? Between the two is semi-skilled work which does involve an element of skill acquired with some training, but nowhere near so long a training as is required for a tradesman. In the above sense waterside work is not skilled work, and it is generally regarded as unskilled. There is no lengthy period of training required during which the worker is on a reduced wage until he gradually increases his ability and finally becomes able to do what others without his training cannot do. A worker may go direct, say, from general labouring and within a short time he will have acquired any necessary knowledge and have had such practice that he can do the work. The worker on the waterfront has not to serve any probationary period. He becomes at



Table Showing Average Wage Per Man-week Worked for Unionists Paid Through Waterfront Central Pay Offices for Years Ended 31 March 1941 to 31 March 1952 Inclusive

(Taken from annual reports, H-45, Average Earnings, Return A)

Port.	1940-41.	1941-42.	1942-43.	1943-44.	1944-45.	1945-46.	1946-47.	1947-48.	1948-49.	1949-50.	1950-51.	1951-52.
	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.
Auckland	8 6 9	9 16 3	12 18 10	13 18 4	11 18 3	10 6 4	9 10 4	10 13 7	11 5 3	11 14 5	12 5 8	16 19 11
Wellington	7 17 5	10 2 0	11 14 7	11 6 7	10 10 5	11 0 9	9 17 4	11 9 6	11 3 1	12 10 3	12 15 10	13 19 8
Wellington (permanent)												16 9 6
Lyttelton	5 18 8	8 11 11	9 1 4	10 12 11	9 10 6	9 12 3	10 4 0	11 7 11	11 9 10	12 6 2	11 9 1	14 2 6
Dunedin	6 18 5	8 10 6	9 6 4	10 8 5	9 19 7	9 19 2	9 9 2	11 19 2	12 10 7	13 5 6	12 18 11	15 8 7
Port Chalmers	5 19 0	8 0 6	8 10 11	9 11 4	9 2 3	9 13 8	9 9 0	9 6 3	9 10 11	9 16 8	11 6 7	13 5 5
Whangarei											12 7 10	13 14 3
Gisborne							5 0 7	7 11 5	6 19 5	8 12 5	8 15 2	10 3 11
Napier			9 6 9	9 13 8	9 11 8	10 16 6	10 15 5	10 12 0	11 0 5	12 4 5	12 14 3	14 10 4
Onehunga								8 8 3	8 16 3	9 8 3	10 2 11	10 15 0
New Plymouth	7 4 9	7 13 8	7 13 5	8 9 6	9 6 1	11 3 1	9 13 1	11 6 4	11 13 2	13 1 6	13 0 10	14 15 0
Wanganui				6 5 4	6 4 8	7 12 11	8 6 11	10 0 4	8 14 3	10 10 1	10 0 11	11 19 6
Nelson				9 4 0	9 13 5	10 1 1	9 14 8	10 15 0	11 4 5	11 12 0	12 4 10	13 6 11
Picton				8 12 8	8 15 7	8 3 9	9 1 1	9 12 5	9 7 10	10 1 10	10 10 9	10 19 2
Timaru							9 12 4	9 7 6	10 9 10	11 0 2	12 2 5	13 2 6
Oamaru								6 7 5	6 19 1	6 12 6	7 14 0	10 9 11
Bluff	4 4 5	7 10 9	9 0 1	10 10 10	10 5 10	9 18 0	9 9 10	11 0 9	11 13 3	11 19 1	13 8 5	14 4 3
Westport					7 15 6	9 8 6	8 19 0	10 4 5	10 1 2	10 8 7	10 15 8	15 14 9
Greymouth							8 2 4	8 14 7	9 5 3	9 11 3	9 13 4	10 19 5
All ports	7 12 4	9 7 1	11 6 2	11 16 2	10 13 7	10 6 7	9 13 5	10 16 6	11 1 2	11 17 4	12 4 1	15 0 5

NOTE.—Where no averages are shown wages were not paid through a central pay office controlled by the Waterfront Industry Commission.

## Return Showing Earnings of Union Waterside Workers for Year Ended 31 March 1951, Analysed Under Income Groups

Port.	Under £100.		£100 and Under £200.		£200 and Under £300.		£300 and Under £400.		£400 and Under £500.		£500 and Under £600.		£600 and Under £700.		£700 and Under £800.		Totals.	
	Number of Men.	Amount.	Number of Men.	Amount.	Number of Men.	Amount.	Number of Men.	Amount.	Number of Men.	Amount.	Number of Men.	Amount.	Number of Men.	Amount.	Number of Men.	Amount.	Number of Men.	Amount.
Auckland	159	£ 5,084	141	£ 22,481	186	£ 47,451	178	£ 62,493	387	£ 177,535	1,029	£ 571,733	278	£ 171,739	..	£ ..	2,358	£ 1,058,516
Wellington*	281	7,932	203	31,127	288	72,948	407	142,075	475	214,327	647	356,213	210	131,377	..	..	2,511	955,999
Lyttelton	47	1,437	31	4,738	72	18,441	49	17,236	145	66,879	388	215,208	71	43,852	..	..	803	367,791
Dunedin	23	612	3	392	11	2,831	24	8,999	43	10,371	164	92,235	117	72,379	..	..	385	196,819
Port Chalmers	20	769	9	1,422	13	3,295	19	6,546	36	16,579	120	67,274	28	17,605	2	1,428	247	114,918
Whangarei	1	47	2	350	4	1,093	9	3,209	16	7,097	16	8,862	6	3,727	..	..	54	24,385
Gisborne	10	218	2	328	9	2,320	31	11,520	37	15,323	..	..	..	..	..	..	89	29,709
Napier	19	496	25	4,208	23	5,640	11	3,949	37	16,503	162	91,760	28	17,257	..	..	305	139,513
Onehunga	3	104	..	..	..	..	1	335	27	12,609	12	6,374	..	..	..	..	43	19,422
New Plymouth	15	336	23	4,069	26	5,565	7	2,498	28	12,786	98	54,895	108	67,377	..	..	305	147,526
Wanganui	10	188	2	295	3	805	7	2,556	62	29,208	5	2,515	..	..	..	..	89	35,567
Nelson	20	493	3	434	4	980	4	1,502	14	6,409	47	26,184	7	4,233	..	..	99	40,235
Picton	2	55	5	846	1	231	5	1,830	3	3,695	26	14,235	..	..	..	..	47	20,392
Timaru	9	113	4	643	5	1,276	1	399	9	4,217	45	25,728	56	34,684	..	..	129	67,065
Oamaru	4	90	3	483	5	1,146	30	11,123	10	4,057	..	..	..	..	..	..	52	16,899
Bluff ..	50	1,410	11	1,633	15	3,715	13	4,743	29	13,102	71	39,660	90	56,457	..	..	279	120,720
Westport	2	18	2	319	2	456	2	688	20	9,806	36	18,146	..	..	..	..	64	29,433
Greymouth	19	509	6	979	17	4,211	20	7,194	68	30,731	..	..	..	..	..	..	130	43,624
Totals	694	19,911	475	74,752	684	172,404	818	288,895	1,451	660,234	2,866	1,591,022	999	620,687	2	1,428	7,989	3,429,333

\* Includes wages paid to union waterside workers employed by Wellington Harbour Board.

*Table Summarizing Increases in Basic Rates of Pay on the Waterfront From 1936 to 30 June 1952, With Comparative Figures for Court of Arbitration Standard Wage Rates for Skilled, Semi-skilled, and Unskilled Labour Over the Same Period*

Date.	Watersiders' Basic Rate of Pay : Ordinary Time.		Court of Arbitration Standard Wage Rate : Ordinary Time.			
	Authority.	Rate Per Hour.	Skilled, Per Hour.	Semi-skilled, Per Hour.	Unskilled, Per Hour.	Authority.
1 July 1936 ..	Finance Act 1936 ..	2s. 4d.	2s. 3d.	1s. 11d. to 2s. 1½d.	1s. 10d.	Finance Act 1936.
30 June 1938 ..	Awards XXXVII, p. 2529, 1/10/36 ..	2s. 8d.	2s. 9d.	2s. 5d. to 2s. 7½d.	2s. 4d.	Awards, XXXVII, p. 1648, 7/9/37.
11 June 1940 ..	Main order, W.C.C. dated 6/6/40 ..	2s. 10d.	..	..	..	..
12 August 1940 ..	..	..	2s. 10·65d.	2s. 6·45d. to 2s. 9·075d.	2s. 5·4d.	Awards, XL, p. 1153 : first cost-of-living bonus, 5 per cent.
16 October 1940 ..	First cost-of-living bonus, W.C.C. order No. 27 dated 11/10/40 ..	2s. 11·7d.	..	..	..	..
7 April 1942 ..	..	..	3s. 0·15d.	2s. 7·95d. to 2s. 10·575d.	2s. 6·87d.	Awards, XLII, p. 258 : second cost-of-living bonus 5 per cent up to 5s. per week.
13 May 1942 ..	Second cost-of-living bonus, W.C.C. order No. 92 dated 12/5/42 ; first and second cost-of-living bonuses converted into a flat rate per hour payment, ordinary and overtime ..	2s. 10d. + 4d. C/L	..	..	..	..
1 April 1945 ..	W.C.C. Order No. 128 dated 9/7/45 ..	3s. 1½d. + 4d. C/L	3s. 3·825d.	2s. 11·625d. to 3s. 2·25d.	2s. 10·575d.	Awards, XLV, p. 75 : the rates stated include first and second cost-of-living bonuses.
1 October 1947 ..	W.I.C. order No. 28 dated 5/9/47 ..	3s. 8d.	3s. 7d.	3s. 2½d. to 3s. 5½d.	3s. 1½d.	Awards, XLVII, p. 1345 : cost-of-living bonuses incorporated in basic rate.
14 February 1949	{ W.I.A. decision dated 9/2/49 ..	} 3s. 10½d.	..	..	..	..
..	{ W.I.C. order No. 74 dated 11/2/49 ..					
1 June 1949 ..	{ W.I.A. decision dated 11/7/49 ..					
..	{ W.I.C. order No. 84 dated 12/7/49 ..					
8 May 1950 ..	{ W.I.A. decision dated 5/7/50 ..	} 4s. 3d.	4s. 1·2d.	3s. 8·2d. to 3s. 10·95d.	3s. 7·05d.	Awards, L, p. 667 : interim general wage order, 5 per cent up to 7s. per week.
15 February 1951	{ W.I.C. order No. 88 dated 6/7/50 ..					
Date of resumption of new unions	Government ..	4s. 7½d.	..	..	..	..
15 October 1951 ..	Waterfront Industry Tribunal ..	4s. 10½d.	..	..	..	..

NOTE.—In August 1950 the Court of Arbitration increased its margin for skill by 1½d. per hour, and in November 1951 increased the labourer's rate to 3s. 6d. Both these rates are subject to the general order of 1951. Skilled and unskilled rates are now in effect 4s. 7·7d. and 4s. 0·3d. per hour respectively.

once a fully-paid worker. He is expected to do, and in fact does, all the ordinary work which falls to a waterside worker. This is not to say that there are not knacks or ways of doing things which are learnt by experience and in practice. Some persons are so constituted that they could never do some jobs—for example, that of hatchman or winchman—while others, with some aptitude, might become proficient in a short time. It may be mentioned that the industry depends largely for its recruits upon general labourers, although it has also attracted skilled tradesmen. The work done by waterside workers is not skilled work and is not of itself such as to attract a special allowance for that reason. It may be that some other special allowance or differential pay may be necessary to get and keep the worker in the industry, and for this reason, and others, the case of the hatchman and winchman requires special consideration. This is apart from the broad and general question whether a waterside worker should have some special allowance because his work is skilled and not unskilled work.

At times when fixing wage rates the tribunal to which was entrusted that task has apparently referred to the waterside work as being specialized. It is, of course, specialized as is much other unskilled work where there is a limited field.

125. There has been a change of approach to the problem of remuneration on wages in the waterfront industry, as the industry, once wholly casual, has gradually become largely decasualized.

(a) Thus in November 1922 the Court of Arbitration fixed the standard of basic wage per hour at 25 per cent above the hourly rate for general labourers. It was found that a waterside worker worked a total of 36.23 hours per week. The general weekly hours then were 44, and to bring the total weekly earnings into parity with that of the general labourer the rate was fixed at 25 per cent above that of a general labourer. This gave the waterside worker and general labourer in the result the same basic or standard weekly wage. This basis was adopted in 1924; the average weekly hours then worked were 35.64. At this time the waterside worker had a lesser number of hours per week than was customary in industry. Now he works more hours per week than are customary elsewhere. This creates a problem in rates of remuneration.

(b) The Commissioners who made the main order in 1940 repudiated a comparison on waterside work with unskilled work because some of the work they said was specialized in character. They declined to follow the method adopted in 1923–24 and found over a period of about fifteen years prior to the standard wage pronouncement in December 1937 that waterside workers had received on an average 6d. per hour in excess of the standard hourly rate prescribed for unskilled workers and 1d. per hour in excess of standard wage for skilled workers. They stabilized a past average disparity and fixed a minimum wage accordingly.

(c) The Waterfront Industry Authority in July 1950 debated what principle to apply. It was said in the opinion of the Authority when the rate of wages is fixed, "some weight must be given to the casual nature of the employment and the number of hours worked (both in ordinary time and in overtime) must be taken into account, but the Authority considers that the number of hours worked outside the forty hours from 8 a.m. to 5 p.m. on Monday to Friday, both days inclusive, should not be taken into account to the same extent as was done by the New Zealand Court of Arbitration in 1922 and 1924."

(d) The latest pronouncement is that of the Waterfront Industry Tribunal made in April 1952, when it was said: "I see little justification, however, for attempting to preserve a strict monetary relationship between the waterfront basic wage and the basic rates fixed by the Court of Arbitration for unskilled and skilled workers respectively, for I am unable to find any original basis for the supposed monetary relationship which has been said to exist in the past. It appears to be agreed that waterfront work calls for no great degree of skill, and to suggest that in principle the basic rate for that work should be 1d. per hour more than the rate for skilled workers under awards seems to be pointless and illogical."

In fixing the rate, regard was had to other circumstances set out in the judgment, and particularly the necessity for a wage being high enough to attract to the waterfront the better class of labour.

#### DAILY ATTENDANCE MONEY AND GUARANTEED WEEKLY WAGE

126. Regular workers in this industry are entitled to payment of daily attendance money and to a guaranteed wage. This is in default of work being provided. These payments are made to those whose names are on the bureau register and are classed A. The payments made are subject to the observance of the bureau rules at the port in question.

127. Provision was first made in the 1937 award of the Court of Arbitration (Book of Awards, Volume XXXVII, page 2529). Clause 51 provided for the establishment of a bureau system at the four main ports, and on establishment a guarantee of work in each week to the value of not less than £2 10s. or, failing provision of such work, the men were to be paid that sum.

128. The Waterfront Control Commission in its main order, clause 51, issued on 6 June 1940, provided as follows:

At the ports where the bureau system has already been established, and at ports where it may be established after the coming into operation of this Order, each man registered under a bureau or other system established under the foregoing provisions who shall comply with the conditions laid down in the bureau rules shall be guaranteed work in each week to the value of not less than £3, or, failing provision of such work, shall be paid that sum. This provision for a guaranteed wage shall apply on the coming into operation of this order at the ports of Auckland, Wellington, Lyttelton, Wanganui, New Plymouth and Napier, and at the following ports when a bureau or other system is established: Onehunga, Gisborne, Timaru, Oamaru, Dunedin, Port Chalmers, Bluff, Greymouth, Westport, Nelson, and Picton.

This order did not say who was liable for payment, and for various reasons the guaranteed wage was not brought into operation at some of the ports mentioned in the order.

129. As from 10 March 1947 a guaranteed weekly minimum payment of £5 was provided at all the main and secondary ports listed in clause 51 of the main order, together with a daily minimum of two hours ordinary time rate of pay.

The weekly minimum payment was increased to £5 10s. as from 25 October 1948.

Table Summarizing the Changes in Rates of Guaranteed Weekly Wage Payments From 1938 to 30 September 1950, and of Daily Minimum Payments From 10 March 1947 to 30 June 1952

Date Changes Effective From.	Ports Affected.	Rate of Guaranteed Payments.		Authority and Remarks.
		Weekly.	Daily.	
30 June 1938	Main ports : Auckland, Wellington, and Lyttelton..	£ 2 10 0	s. d. ..	Awards, XXXVII, p. 2568, 1/10/36.
6 June 1940	Main ports : Auckland, Wellington, and Lyttelton..	3 0 0	..	Main order W.C.C. dated 6/6/40.
16 October 1940	Main ports : Auckland, Wellington, and Lyttelton..	3 3 0	..	First cost-of-living bonus—W.C.C. Order No. 27—11/10/40.
13 May 1942	Main ports : Auckland, Wellington, and Lyttelton..	3 6 0	..	Second cost-of-living bonus—W.C.C. Order No. 92—12/5/42.
10 March 1947	Main ports : Auckland, Wellington, Lyttelton, Dunedin, and Port Chalmers Secondary ports : Gisborne, Napier, Onehunga, New Plymouth, Wanganui, Nelson, Picton, Timaru, Oamaru, Bluff, Westport, Greymouth	5 0 0	6 11	W.I.C. order No. 11 dated 28/2/47 : effective from 10/3/47 at all ports stated except Gisborne (effective from 17/3/47) and Oamaru (effective from 30/6/47).
1 October 1947	Main and secondary ports as above	..	7 4	Basic rate of remuneration increased to 3s. 8d. per hour.
27 October 1947	Minor ports—Whakatane Awanui, Whangarei, Tokomaru Bay.. Opotiki ..	4 0 0 3 10 0 3 0 0	.. .. ..	W.I.C. order No. 31 dated 21/10/47. W.I.C. orders Nos. 30, 29, and 33 respectively, dated 21/10/47.
25 October 1948	Main and secondary ports as above Minor ports—Whakatane Awanui and Tokomaru Bay Opotiki ..	5 10 0 4 10 0 4 0 0 3 10 0	.. .. .. ..	W.I.C. order No. 32 dated 21/10/47. W.I.C. order No. 67A dated 10/12/48.
14 February 1949	Main and secondary ports as above Minor port : Whangarei ..	.. 4 10 0	7 9 ..	W.I.C. order No. 69 dated 14/1/49.
21 February 1949	Minor port : Motueka ..	3 10 0	..	Basic rate of remuneration increased to 3s. 10½d. per hour.
4 April 1949	Minor port : Tauranga ..	4 0 0	..	W.I.C. order No. 72 dated 11/2/49.
1 June 1949	Main and secondary ports as above	..	8 0	W.I.C. order No. 76 dated 21/2/49.
8 May 1950	Main and secondary ports as above	..	8 6	W.I.C. order No. 81 dated 1/4/49.
15 February 1951	Main and secondary ports as above Minor ports—Whangarei, Whakatane Tauranga, Awanui, Tokomaru Bay .. Opotiki, Motueka ..	6 6 6 5 3 6 4 12 0 4 0 6	9 3 .. .. ..	Basic rate of remuneration increased to 4s. per hour. Application of 15 per cent general wage increase. Application of 15 per cent general wage increase. Application of 15 per cent general wage increase. Application of 15 per cent general wage increase.
16 July 1951	Minor port : Tauranga ..	5 3 6	..	Application of 15 per cent general wage increase.
15 October 1951	Main and secondary ports as above	..	9 9	Increased to same rate as Whakatane—by agreement with N.Z.P.E. Association. Basic rate of remuneration increased to 4s. 10½d. per hour.

*Table of Guaranteed Weekly Wage Payments Through Waterfront Central Pay Offices During Period 6 June 1940 to 9 March 1947*

Period.	Auckland.	Wellington.	Lyttelton.	Totals.
6 June 1940 to 31 March 1941 ..	£ 21	£ 46	£ ..	£ 67
1 April 1941 to 31 March 1942 ..	45	112	..	157
1 April 1942 to 31 March 1943 ..	326	2	174	502
1 April 1943 to 31 March 1944 ..	1	43	26	70
1 April 1944 to 31 March 1945 ..	5	5	940	950
1 April 1945 to 31 March 1946 ..	3	9	410	422
1 April 1946 to 9 March 1947 ..	1	66	..	67
Totals .. .. .	402	283	1,550	2,235

Table Showing Payments Made Through Waterfront Central Pay Offices for Daily and Weekly Minima for the Years Ended 31 March 1948, 1949, and 1950, With Average Cost Per Man-week Worked During the Period

Ports.	Daily Minimum Payments.				Weekly Minimum Payments.				Total of All Minimum Payments, 1948-50.	Total Man-weeks Worked, 1948-50.	Average Cost Per Man-week Worked, 1948-50.	
	1947-48.	1948-49.	1949-50.	Total.	1947-48.	1948-49.	1949-50.	Total.			s.	d.
<b>Main—</b>	£	£	£	£	£	£	£	£	£	£		
Auckland .. .. .	802	2,053	671	3,526	..	91	..	91	3,617	266,371	0	3-26
Wellington .. .. .	1,206	6,032	1,489	8,727	..	423	6	429	9,156	166,824	1	1-17
Lyttelton .. .. .	1,157	4,320	3,577	9,054	1	737	271	1,009	10,063	95,531	2	1-28
Dunedin .. .. .	3,292	2,828	2,361	8,481	1,156	458	427	2,041	10,522	46,039	4	6-82
Port Chalmers .. .. .	3,520	4,185	3,232	10,937	3,399	4,483	1,803	9,685	20,622	31,682	13	0-22
<b>Secondary—</b>												
Gisborne .. .. .	2,919	3,528	2,803	9,250	1,397	2,344	1,481	5,222	14,472	11,510	25	1-76
Napier .. .. .	6,753	5,494	5,409	17,656	5,126	4,203	4,141	13,470	31,126	34,789	17	10-73
Onehunga .. .. .	877	872	846	2,595	171	343	290	804	3,399	5,704	11	11-02
New Plymouth .. .. .	2,190	3,458	1,766	7,414	1,737	3,382	1,122	6,241	13,655	29,485	9	3-15
Wanganui .. .. .	1,462	2,486	1,889	5,837	543	1,147	691	2,381	8,218	11,344	14	5-86
Nelson .. .. .	236	152	218	606	3	..	..	3	609	11,324	1	0-91
Picton .. .. .	875	1,403	1,227	3,505	14	119	108	241	3,746	6,214	12	0-68
Timaru .. .. .	2,148	2,747	2,589	7,484	639	1,587	897	3,123	10,607	17,185	12	4-13
Oamaru .. .. .	1,551	1,722	2,468	5,741	1,257	1,293	1,786	4,336	10,077	6,519	30	10-99
Bluff .. .. .	3,348	2,418	3,226	8,992	2,529	1,675	2,119	6,323	15,315	28,170	10	10-48
Westport .. .. .	1,855	1,848	2,330	6,033	667	727	872	2,266	8,299	10,224	16	2-81
Greymouth .. .. .	4,608	4,198	4,609	13,415	2,375	1,762	1,456	5,593	19,008	16,375	23	2-59
<b>Minor—</b>												
Awanui .. .. .	..	..	..	..	70	145	109	324	324	1,059	6	1-43
Whangarei .. .. .	..	..	..	..	31	93	218	342	342	2,969	2	3-65
Tauranga .. .. .	..	..	..	..	..	..	436	436	436	810	10	9-19
Whakatane .. .. .	..	..	..	..	63	399	176	638	638	1,912	6	8-08
Opotiki .. .. .	..	..	..	..	80	304	161	545	545	1,270	8	6-99
Tokomaru Bay .. .. .	..	..	..	..	86	301	485	872	872	954	18	3-37
Motueka .. .. .	..	..	..	..	..	1	177	178	178	551	6	5-53
<b>Totals</b> .. .. .	<b>38,799</b>	<b>49,744</b>	<b>40,710</b>	<b>129,253</b>	<b>21,344</b>	<b>26,017</b>	<b>19,232</b>	<b>66,593</b>	<b>195,846</b>	<b>804,845</b>	<b>4</b>	<b>10-40</b>



*Summary of Guaranteed Payments, Daily and Weekly, at Each Port for the Years Ended 31 March 1951 and 1952,  
Showing Cost Per Man-week Worked*

Port.	1950-1951.						1951-1952.					
	Daily Guarantee.		Weekly Guarantee.		Daily and Weekly Guarantee.		Daily Guarantee.		Weekly Guarantee.		Daily and Weekly Guarantee.	
	Total Cost	Cost Per Man-week Worked.	Total Cost	Cost Per Man-week Worked.	Total Cost	Cost Per Man-week Worked.	Total Cost	Cost Per Man-week Worked.	Total Cost	Cost Per Man-week Worked.	Total Cost	Cost Per Man-week Worked.
<b>Main ports—</b>	£	s. d.	£	s. d.	£	s. d.	£	s. d.	£	s. d.	£	s. d.
Auckland .. .. .	1,786	0 4-78	..	..	1,786	0 4-78	107	0 0-38	..	..	107	0 0-38
Wellington .. .. .	2,105	0 8-84	3	0 0-01	2,108	0 8-85	234	2 11-00	..	..	234	2 11-00
Lyttelton .. .. .	755	0 5-43	..	..	755	0 5-43	5,769	4 0-24	232	0 1-94	6,001	4 2-18
Dunedin .. .. .	1,788	2 2-64	4	0 0-06	1,792	2 2-70	2,137	3 5-03	187	0 3-59	2,324	3 8-62
Port Chalmers .. .. .	2,698	5 6-17	1,506	3 0-94	4,204	8 7-11	3,291	8 5-50	2,547	6 6-55	5,838	15 0-05
<b>Secondary ports—</b>												
Gisborne .. .. .	2,280	13 5-13	970	5 8-55	3,250	19 1-68	3,554	19 4-63	1,586	8 7-83	5,140	28 0-46
Napier .. .. .	4,005	6 8-29	1,677	2 9-62	5,682	9 5-91	5,497	9 10-64	3,506	6 3-66	9,003	16 2-30
Onehunga .. .. .	552	5 9-98	170	1 9-55	722	7 7-53	1,013	11 6-97	472	5 4-78	1,485	16 11-75
New Plymouth .. .. .	2,012	3 4-31	1,121	1 10-46	3,133	5 2-77	5,690	8 5-69	3,643	5 5-11	9,333	13 10-80
Wanganui .. .. .	2,170	12 4-33	851	4 10-17	3,021	17 2-50	1,922	12 2-50	789	5 0-11	2,711	17 2-61
Nelson .. .. .	324	1 11-52	1	0 0-07	325	1 11-59	860	4 6-84	34	0 2-14	894	4 8-98
Picton .. .. .	870	8 6-96	1	0 0-12	871	8 7-08	1,600	14 3-46	17	0 1-80	1,617	14 5-26
Timaru .. .. .	1,832	6 11-07	798	3 0-18	2,630	9 11-25	2,230	7 8-33	290	1 0-02	2,520	8 8-35
Oamaru .. .. .	1,821	18 2-08	1,199	11 11-59	3,020	30 1-67	2,237	23 8-83	1,526	16 2-28	3,763	39 11-11
Bluff .. .. .	1,937	4 1-89	979	2 1-22	2,916	6 3-11	3,843	7 9-41	2,752	5 6-91	6,595	13 4-32
Westport .. .. .	2,203	15 11-51	721	5 2-65	2,924	21 2-16	1,533	15 9-47	735	7 6-95	2,268	23 4-42
Greymouth .. .. .	3,948	17 2-03	1,280	5 6-80	5,228	22 8-83	3,449	21 9-11	1,298	8 2-24	4,747	29 11-35
<b>Minor ports—</b>												
Awanui .. .. .	..	..	95	5 2-81	95	5 2-81	..	..	119	5 7-77	119	5 7-77
Whangarei .. .. .	..	..	255	2 6-72	255	2 6-72	..	..	539	7 6-26	539	7 6-26
Whakatane .. .. .	..	..	512	15 8-18	512	15 8-18	..	..	611	21 5-19	611	21 5-19
Tauranga .. .. .	..	..	503	12 0-06	503	12 0-06	..	..	820	16 2-26	820	16 2-26
Opotiki .. .. .	..	..	380	14 10-47	380	14 10-47	..	..	338	13 6-78	338	13 6-78
Tokomaru Bay .. .. .	..	..	506	25 6-67	506	25 6-67	..	..	957	46 1-37	957	46 1-37
Motueka .. .. .	..	..	131	6 3-76	131	6 3-76	..	..	219	9 5-30	219	9 5-30
<b>Totals .. .. .</b>	<b>33,086</b>	<b>2 5-06</b>	<b>13,663</b>	<b>1 0-00</b>	<b>46,749</b>	<b>3 5-06</b>	<b>44,966</b>	<b>4 3-33</b>	<b>23,217</b>	<b>2 2-50</b>	<b>68,183</b>	<b>6 5-83</b>

NOTES.—(1) Figures for years ended 31 March 1951 cover period from 1 April 1950 to 15 February 1951, commencement of strike. (2) Figures for year ended 31 March 1952 cover period from formation of new port unions at each port up to 31 March 1952.

130. Clause 51 (a) of the main order then ran as follows:—

Unionists classified "A" Class (in accordance with conditions prescribed by the Commission) and registered under a bureau or other system, at present established or to be established, and who comply with the bureau rules and conditions laid down by the Commission shall at the ports of Auckland, Wellington, Lyttelton, Dunedin, Port Chalmers, Gisborne, Napier, Onehunga, New Plymouth, Wanganui, Nelson, Picton, Timaru, Oamaru, Bluff, Westport, and Greymouth, receive the following guaranteed minimum payments:—

(i) *Daily Minimum Payment*: Unionists shall be guaranteed work in each day, Mondays to Fridays inclusive (except at port of Greymouth which shall be Mondays to Saturdays inclusive), to the value of two hours at the ordinary time general cargo rate of pay, or failing provision of such work, shall be paid that sum.

(ii) *Weekly Minimum Payment*: Unionists shall be guaranteed work in each week to the value of £5 10s. or failing provision of such work, shall have his wages made up to that sum.

131. The general wage order of 15 per cent made on 30 January 1951, was applied to the guaranteed wage payable to members of the new unions, and it is now £6 6s. 6d. per week for main and secondary ports.

132. On pages 46-49 are four tables prepared by the Waterfront Industry Commission showing as follows:—

(a) Changes in rates of guaranteed weekly wage payments from 1938 to 30 June 1952, and of daily minimum payments from 10 March 1947 to 30 June 1952.

(b) The cost of the guaranteed wage payments from 6 June 1940 to 9 March 1947.

(c) Payments for daily and weekly minima for the years ended 31 March 1948, 1949, and 1950, with the average cost per man-week worked during the period.

(d) Summary of guaranteed payments, daily and weekly, at each port for the years ended 31 March 1951 and 1952, showing cost per man-week worked.

*Permanent Cargo Workers, Wellington: Summary of Mobility Payments, Standby Time, and Sick Pay for the Period 4 September 1951 to 31 March 1952, Showing Cost Per Man-week Worked.*

	Total Cost.	Cost Per Man-week Worked.
	£	s. d.
Mobility payments .. .. .	6,199	15 0.46
Standby time .. .. .	1,023	2 5.78
Sick pay .. .. .	278	0 8.10
Total .. .. .	7,500	18 2.34

### CO-OPERATIVE CONTRACTING

133. The system of working which came to be known as "co-operative contracting" was introduced by the Commission at Wellington on 10 July 1940, at Bluff on 26 August 1940, at Timaru on 2 August 1940, at Lyttelton on 11 October 1940, at Napier on 8 December 1940, at Auckland on 17 September 1940, at New Plymouth on 27 September 1940, at Dunedin on 5 September 1941, and at Port Chalmers on 20 January 1941. It is referred to as "contracting." In reality the system was imposed on the industry by order.

134. The Waterfront Industry Commission promulgated an order that the Commission would load and discharge all vessels at a particular port and that

the agent or master of the ship would pay to the Commission rates fixed by the Commission for the work. In the orders there appear a number of conditions, of which the following may be taken as typical:—

2. The rates set out above shall be deemed to cover the normal number of men per gang, but not in excess of the number set out above, provided that additional men usually engaged shall be employed as formerly and the cost of all additional labour shall be borne by the owner, agent or master of the ship.

3. That the Commission shall provide for payment of wages of men employed on the wharf, on behalf of the shipper, discharging freezer cargo ex trucks or lorries for loading on overseas vessels, and shall obtain reimbursement direct from shipper.

5. That in addition to the rates set out above, special rates shall be paid to the Commission as follows:—

(a) For all overtime and meal hours worked there shall be paid the difference between the ordinary and overtime rates provided in the Order of the Commission dated 6th June, 1940, or any subsequent Order made in lieu thereof.

(b) For all standing-by time beyond the control of the Commission, for restowing and shifting cargo, relieving deck hands, special cargoes, dirt money, travelling time and minima periods and rigging gear, there shall be paid the rate provided in the Order of the Commission dated 6th June, 1940, or any subsequent Order made in lieu thereof.

(c) For the removal and replacement of top deck hatches and top plugs, if any, at the commencement and cessation of work for the day there shall be paid the sum of 3s. per man. For the removal and replacement of other hatches and plugs there shall be paid the rate provided in the Order of the Commission, &c.

6. That the owner, agent or master of the ship shall supply all cargo gear, including cranes, and shall meet all costs in connection therewith.

7. That the owner, agent or master of the ship shall carry all insurances as heretofore against all claims.

8. That the existing supervision shall remain as heretofore and all cargoes to be stowed to the satisfaction of the shipowner and/or his supervisors, &c.

9. That the owner, &c., of the ship shall, each week, pay to the Commission the total amount of wages due to the men employed loading and/or discharging cargo, together with the levy payable thereon and any balance due under this Order, together with the levy payable thereon when the ship has completed loading and/or discharging.

135. It is an order that the Commission itself will load and unload vessels. Whereas this would in practice cover many operations, the rate defined did not cover all operations, but, only in a rough way, operations while the winch is moving, for it treats as not included and to be charged as an extra the following:—

All standing-by time beyond the control of the Commission, restowing and shifting cargo, relieving deck hands, special cargoes, dirt money, travelling time and minima periods and rigging gear.

The order defines the conditions on which the Commission does the work of loading and/or discharging, but says nothing as to how the Commission itself will deal with what it receives from the ship. The ship pays the contract price plus overtime rates, minima, special payments, and suchlike. The Commission then treated what remained, after deducting wages paid and some other items which need not be set out, as a profit or bonus payable to the workers.

136. At first I think it was contemplated that after the completion of the job there should be a distribution to those engaged in the job, or at any rate to those engaged upon the ship according to the hours that they had worked. This was done at first. Profits were then paid out to the men at a rate per paid hour on each ship and as soon as possible after the contract account had been paid and at approximately fortnightly intervals. The Commission later made payments at three-monthly intervals, although it did advise the union twice-monthly of the profit available.

137. Except for a short time at two ports, non-unionists were excluded. It was not until 1947 the Commission provided that non-unionists should have a share.

138. As between unionists the basis of distribution varied. The Commission followed the instructions of the union. At Wellington profits were always

distributed on a ship basis. At all other ports they were pooled. At Auckland, Lyttelton, New Plymouth, Wanganui, Nelson, and Greymouth, the proceeds were pooled amongst union members on the total hours worked, including non-contract work, and an average rate per hour was struck for a three-month period. At other ports, except Wellington, the profit available for distribution each three months was paid out according to the number of days unionists were working or available for work. The number of days of working or of availability for work for all unionists during the three-months period was divided into the total amount available for distribution and an amount per day arrived at.

139. To carry out the order and to calculate the amount payable by the ship, workers were employed as timekeepers to record what were termed "delays" and, in particular, to record matters referred to above in paragraph 5 of the order. While these delays, so-called, are set out fairly enough in the order, it makes a change, for according to stevedoring practice it had been customary to treat as part of the job small delays such as rigging gear, shunting delays of, say, five minutes or so, moving a truck into its precise position, and so on. All this is mentioned because the net winch rate is frequently referred to by the Commission in its annual reports. Its winch rate treats as a deduction and as not included in the job some work which previously, according to stevedoring practice, would be treated as included in the job.

140. Prior to the introduction of the scheme in 1940 rates of work had been dropping. In 1937 and 1938 rates of work were regarded as low and far from satisfactory. Leaving early at noon for tea and at night was common. There was spelling. In these circumstances there were many proposals to remedy the low rate of work and to make it advantageous to a worker to do the work quickly rather than to spin it out. The shipowners had a scheme in which, so they said, rates were fixed to enable it to be introduced smoothly in the main ports where, especially at Auckland, rates of work were lower than at secondary ports. Some rates of loading were supplied by the employers for Auckland and also for Dunedin, Port Chalmers, Lyttelton, Napier, New Plymouth, Gisborne, and Wanganui. The Commission finally fixed its contract rates, and the rates of work were implicit in its charges. It may be said that shipowners generally were agreeable although they may have thought the rates low. In fact, they were lower in many cases than the shipowners' rates and the rates obtaining in any port where reasonable work was being done. They were, in most ports, low enough to enable a bonus to be earned without extra effort. This was apparent in Auckland, where, in spite of opposition to the scheme, a bonus came to be earned generally although the practice of spelling continued and increased, and the time came when one-half of the overseas gangs might be not working at any one time and one-third of the coastal gangs similarly might not be working.

141. The aim of co-operative contracting was to give the worker an extra award for his better effort. The lowness of the rate of work taken as a basis then brought a bonus with no extra effort and to a degree operated merely as a general addition to pay. The introduction of any new scheme had, of course, to be rendered as acceptable as possible, in view of the mistrust of change.

142. As actually administered over the years it has been in force it failed to provide real incentive. It did at all ports, at first in a general way, keep before the men the idea that in a way their pay depended upon their own efforts. In particular ports the scheme did provide some incentive, especially where the numbers were smaller and the workers more easily identifiable and the results more apparent. This was at first at secondary ports and where the distribution was per ship and payments were promptly made. It may perhaps have continued to provide incentive at four or five of the secondary ports. This opinion is held by some who are competent to observe. They point to the better work at these ports before the strike. But over the period from its inception until the strike the

scheme acted so little as an incentive to better work at most ports that it was powerless to prevent the increase of spelling and leaving early and extensions of restrictive practices such as limitation of slings which could only slow up the work. Yet during this period it was observed that whenever the men had a real incentive—for example, when they had broken into a minimum period and saw that there was limited amount of cargo to load—their effort immediately increased, and it was common for spelling to be abandoned, the size of the sling to be increased, and for the work to be speeded up and promptly completed.

143. Prior to the strike, then, the system amounted for the most part to an addition to pay without offering any real incentive to better work. Nor as administered—whatever may have been the earlier intentions—was it to be expected with any confidence that it would act as a real incentive. It was not apparent to a worker that he was, because of his individual effort, getting some additional pay related to his effort. His ultimate share of bonus might not depend on the relative number of hours he had worked. His payment was made at a long interval after he had done his work.

144. If the system had operated as a real incentive the bonuses earned must have been very much greater than those paid. The smallness of the bonus paid showed to what little degree the scheme provided incentive. Thus, for example, at Auckland for the members of the de-registered union for 1950–51 the bonus payment averaged 3·34d. per hour paid time, while since the strike, over the period 3 May to 15 September 1951, it has averaged 1s. 6·75d. per paid hour. In terms of average weekly payments it was 9s. 9d. as against £2 11s. 5d. since the strike. There was provision for minimum payments and there might be thought to be some conflict between the desire to get a bonus and the desire to get the minimum payment, but it was too apparent that the minimum always won. The conduct of the men showed that the scheme was not providing an incentive to better work.

145. The Commission, until recently, published in its annual reports winch-hour rates of loading on overseas vessels and compared those rates with what it termed “basic rates under the wage system” or “basic rates offered by shipowners in the piecework proposals of 1938.” These figures might seem to show improvement over the basic rates. This term was used and the figures appeared in suggested rates for a bonus payment proposed by the shipowners, when in the general concern over the low rates of work the idea had been suggested of paying wages with a bonus for better results. The rates were low and less than what was being achieved at any port with a reasonable rate of working. They were rates based on deductions in accordance with stevedoring practice, which was very different from the way in which the Commission ascertained its winch rate. I do not think, then, that to compare Commission winch rates with winch rates before Commission control started is to compare the same thing. It is to compare two things called by the same name, but, in reality, different.

Nor do I think a comparison even with basic rates, if they could be regarded as the same thing, would even show that an improved rate was a good rate. If it was not higher, it would be a low rate.

146. The system of recording delay time in great detail came in with the Commission. The order might seem simple enough, but the directions to check timekeepers are very elaborate, and the table of abbreviations alone covers no less than thirty items. The timekeeper himself shared in the bonus. He was warned, as was proper, to miss nothing. Many entries depend on his judgment. In some ships he would take his information from others. The check by the ship could not be other than nominal. It is clear that if, for a given time, additional delay is recorded, there is less time remaining for the winch to be working, and the winch rate will apparently increase. It was suggested, and many examples were pointed to particularly in overseas loading, showing that while the Commission winch rate had been stationary or had been going up, the rate for paid hours or the gross rate had been going down. The delay time recorded had been steadily increasing.

147. There are, of course, many factors which enter into delay time, and some are not personal to the worker. An analysis of the delays has been made, and it seemed to show a movement in personal delay in one direction. Some clue, also, is obtained as to what is personal and what is independent of the worker by considering the changes in the various items from what had been obtaining prior to the strike.

148. I think there had been over a long period a substantial increase in delay personal to the worker and an increase in the recording of delay and magnification of actual delay. While winch rates might rise and gross rates fall, one big factor involved in that movement was delay personal to the worker, such as that attributed to rigging gear, &c. Over a period there had not been any real increase in the effective labour effort, but, on the contrary, it slipped. The Commission's winch rates prior to the strike afford no realistic guide to the actual effective effort of the worker.

149. I have said so much because it is easy using certain figures formerly given in the annual reports of the Waterfront Industry Commission to mislead oneself into thinking, contrary to the fact, that over the whole period of co-operative contracting there was a steady improvement in the output of work in a given time.

150. How little Commission winch rates might measure the actual rate of loading may be illustrated by some figures of cargo working in 1941, 1942, 1943, and 1949, produced by Mr. I. V. Campbell, of the staff of the Overseas Ship-owners' Allotment Committee, and compiled from the returns made by some shipping companies. These showed, for loading meat, a drop in the gross working rate from 298 to 259, while the Commission winch rate had increased from 455 to 517 and the percentage of delay to paid hours had changed from 34.6 per cent to 49.9 per cent. Similarly, butter showed a drop in gross time-rate from 415 to 365. Yet the winch rate had risen from 608 to 756, and the percentage of delay to paid time had changed from 31.8 per cent to 50.4 per cent. With cheese the gross rate dropped from 161 to 140, while the winch rate rose from 232 to 267, and the percentage of delay to paid time changed from 30.7 per cent to 47.5 per cent.

151. On pages 57-59 tables prepared by the Waterfront Industry Commission are set out showing:—

(a) The rates of work before the strike at each port as compared with rates of work since the strike. A comparison is made of winch rates. In view of the reduction in delays and non-cargo working the improvement shown would have been more marked if gross or paid hour rates had been compared.

(b) Bonuses paid before the strike and since the strike.

152. With the abolition of spelling and the great reduction in early leaving and with the disappearances of many abuses it was to be expected that the output would increase and that higher bonuses would be earned, and it is difficult to assess what is due to these factors alone.

153. I make particular reference to Auckland. Some observers seeing the Auckland work have formed the opinion that the workers there are now bonus-conscious, which is as it should be if the scheme is really acting as a true incentive. There is undoubted improvement in the rate of work, and the bonuses earned are very much larger. The men are reported to be definitely concerned in their results. Some of the changes are in the elimination of the kind of delays or practices which one would expect to go when the men have a real desire to get on with the job. I think that at Auckland since the strike co-operative contracting is providing incentive. This will be manifest if the present work is improved upon or at least held. The improvements in work at Auckland since the strike are marked, but that was to be expected in a port where before the strike work had reached a low level.

154. At other ports good bonuses are being earned. At almost all ports the general picture is of improved rates of working. I think one must consider the actions of the men, the way in which they act, whether it shows an intention to get on with the job and a rejection of what would hinder it and their concern and interest in their results and in the bonuses payments. I think testing the matter in this way co-operative contracting is, at some ports, providing incentive to better working which was manifestly absent before the strike. The real confirmation of this opinion will come if the present work is improved upon at some ports and at least held at others. This, however, is not to say it would not be better if the men were provided with a more direct and immediate incentive. Experiences have shown that the incentive was not powerful enough in the circumstances obtaining before the strike.

155. I think the Commission was wrong when it drifted for so many years without revising the rates and bringing bonus payments for all work more into parity. It disregarded the real aim of the system—to provide incentive for better work—when it followed whatever distribution of the bonus the members of the local branch for the time being resolved upon, irrespective of the additional efforts of the workers who produced the results. The mode of distribution is not a matter to be settled with the union from time to time. Extra money is paid to get better work and to secure a better turn-round of ships, and those who pay have a right to know that the bonus reaches those who produce the greater effort. I would not, however, go so far as to say that in some small ports pooling should never be allowed.

156. There are, in my opinion, five main defects in this system or in its administration. First, there was disparity between the rates for overseas, inter-colonial, and coastal ships. Then there was wide disparity between the different rates for different cargoes. It became possible for extra effort on one class of cargo to attract a large bonus while the same effort on another cargo might attract a very small bonus. This leads to dissatisfaction among the workers. Pooling ironed out these inequalities, and that no doubt was one reason why pooling came in. It is realized that there is a point beyond which parity, while logical, is impracticable. For example, small coasting vessels present a special problem. The area of disparity should, however, have been reduced. The Commission drifted for years without facing this issue. It may well have been that the Commission's various contract rates for handling different classes of cargo bore much the same relationship and had much the same differentials as the rates charged by stevedoring firms before the Commission was set up. But experience has shown that there are inequalities and anomalies and, while stevedoring companies may have been content to take little profit on discharging operations and to make their main profits on loading operations, it could not be expected that waterside workers would be equally content.

Secondly, the pooling of the bonus destroyed individual incentive. A man, as far as he could see, would get the same result whether he worked harder or not. His reward was not related to his individual effort.

Thirdly, payment of the bonus was made at a long interval. Arrangements have been made whereby the results are now more promptly known and delay in the announcement of the result might often now be due not to the Commission, but to the ship. The payment of the bonus is still generally made at quarterly intervals. Payment should be made promptly after the work which attracts the bonus. Payment at three-monthly intervals is too late. An endeavour should be made to pay fortnightly or as soon as possible after the completion of a ship. The Commission should return to the practice adopted when co-operative contracting was first introduced.

Fourthly, minimum payments are really inconsistent with an incentive scheme and should not run with it. Fifthly, far too much emphasis is placed on delay rather than on the avoidance of delay. The worker has no proper incentive to

avoid many delays which may depend on himself. There has been really no incentive to reduce non-cargo-working time, but, on the contrary, every inducement to increase it.

157. If co-operative contracting is continued it is now generally agreed that there must be a comprehensive revision of the present contract rates, so that, as far as may be, the present inequalities between overseas and coastal rates, and also between rates for different classes of cargo, may be eliminated, with the object of securing an equal return to the workers for equal work or equal effort.

158. It has also been suggested that, side by side with this revision, there should be an adjustment of contract rates to include non-cargo-working time, such as handling hatches and rigging gear and delays from all causes whatsoever excepting only—

(a) Delays in excess of, say, two hours caused by breakdown of machinery or awaiting cargo; and

(b) Time taken in restowing or shifting cargo in excess of, say, 40 tons.

159. This suggestion was made by the Commission in 1944, but it did not command the approval of employers because it was said the incorporation of delays into the contract rates would stabilize delays at figures inflated through abuse and war cost. There has been a considerable saving apparent in the extras to the contract rates as compared with the amount of extras to the contract rates in pre-strike days. Particularly there have been savings in extras attributed to weather delays. The information available since the strike may well be sufficient to enable a fair and equitable adjustment to be made to the contract rates to cover non-cargo working time and delays.

160. The Waterfront Industry Commission has expressed the opinion that it sees no practical way whereby the profits of co-operative contracting could be paid on a hatch basis, either in the case of coastal vessels or in the case of discharging overseas vessels. It is only with considerable additional overhead cost that it might be done with overseas loading vessels.

161. Even if the amendments suggested or some of them are made a man's extra pay or bonus will not, so far as he can see, be directly related to his own extra effort or to that of a small group. He will rarely, if ever, be able to calculate how much he has earned in a day, nor can he be told. He must generally wait until the ship finishes to see what he has earned.

162. Some of the defects, chiefly in administration, can be remedied. Unless the system is overhauled it would be better to discontinue it and to substitute some simple and direct scheme under which the worker will receive greater pay for his greater effort and under which he can see the result of his own work and in which he can be promptly paid his increased pay. It will be an added recommendation to such a scheme if its administrative costs prove to be much lighter.

163. In any event, even if overhauled it should not hold the field against a better system.

The system of co-operative contracting is a cumbersome system. The costs of administration are high. The distribution of profit for the year ending 31 March 1951 amounted to £254,444. The total costs in connection with distribution were £81,750, of which sum check timekeepers' wages were £38,200. Since the strike the position has changed. The distribution of profit for the year ending 31 March 1952 amounted to £632,953. The total costs in connection with distribution were £72,179, of which sum the check timekeepers' wages were £37,417. If some of the features of overall contracting were introduced, the heavy cost of check timekeepers would be substantially reduced.

164. The Commission, by order, required the Wellington Harbour Board to pay its casual waterside workers an equivalent profit distribution. The Railways Department agreed to pay its casual waterside workers also an equivalent profit payment. The Harbour Board did not participate in funds provided by the ship and the extra cost had to be provided by the Wellington Harbour Board itself.



Table Showing the Net Gang-hour Rates of Work and the Percentage Increases in Rates of Work by Members of the New Port Unions for the Quarter Ended 31 March 1952 as Compared With the Net Gang-hour Rates of Work by Members of the De-registered New Zealand Waterside Workers' Union For the Quarter Ended 31 March 1950

Overseas

Class of Cargo.	Units.	Auckland.		Wellington.				Lyttelton.		Dunedin.		Port Chalmers.	
		Old.	New.	Casual.		Permanent.		Old.	New.	Old.	New.	Old.	New.
				Old.	New.	Old.	New.						
Discharged—													
General ..	Tons	9·21	16·49	13·38	18·54	..	20·11	11·80	17·89	13·39	15·80	11·95	12·07
Cement ..	..	..	14·27	13·54	16·92	..	14·32	13·87	20·67	..	22·01	..	..
Wheat, bag ..	..	9·96	17·21	11·73	15·61	..	16·79	13·66	18·95	..	13·78	..	..
Loading—													
Wool ..	Bales	60	88	76	83	..	79	88	114	81	76	95	88
Butter ..	Boxes	740	978	692	787	..	815	660	738	..	..	516	..
Cheese ..	Crates	225	247	251	266	..	310	215	249	..	..	263	254
Mutton and lamb	R c/cs	741	776	811	704	..	711	801	788	..	..	963	876
Beef ..	Qrs.	124	165	144	132	..	..	..	177	..	..	201	..
Frozen sundries	F c/cs	482	579	457	523	..	531	432	518	306	..	483	424

  

Class of Cargo.	Units.	Napier.		New Plymouth.		Timaru.		Bluff.		All Ports.		Percentage Increase.
		Old.	New.	Old.	New.	Old.	New.	Old.	New.	Old.	New.	
Discharged—												
General ..	Tons	14·40	19·02	8·55	15·09	16·53	(a)14·29	11·91	14·06	11·18	17·26	54·38
Cement ..	..	14·49	14·84	11·72	19·81	..	17·24	..	15·44	13·56	16·62	22·57
Wheat, bag ..	..	14·49	14·27	18·92	20·19	23·14	21·44	..	..	13·28	17·80	34·04
Loading—												
Wool ..	Bales	95	129	71	67	103	103	93	107	80	97	21·25
Butter ..	Boxes	587	801	628	768	490	500	538	603	719	931	29·49
Cheese ..	Crates	190	259	267	329	270	202	272	304	252	285	13·10
Mutton and lamb	R c/cs	878	901	744	742	963	935	1,022	934	829	(b)809	(c)0·98
Beef ..	Qrs.	144	164	174	229	..	..	..	..	139	168	20·80
Frozen sundries	F c/cs	469	655	412	537	598	629	569	575	474	562	18·57

(a) Small quantity of slow-working cargo discharged in this period.

(b) The cessation of telescoping from October 1950 resulted generally in a lower rate of work as full carcasses are slower handling.

(c) Decrease.

Table Showing the Net Gang-hour Rates of Work and the Percentage Increases in Rates of Work by Members of the New Port Unions For the Quarter Ended 31 March 1952 as Compared With the Net Gang-hour Rates of Work by Members of the De-registered New Zealand Waterside Workers' Union For the Quarter Ended 31 March 1950—continued

U.S.S. Co.

Class of Cargo.	Units.	Auckland.		Wellington.				Lyttelton.		Dunedin.		Gisborne.		Napier.		New Plymouth.	
				Casual.		Permanent.											
		Old.	New.	Old.	New.	Old.	New.	Old.	New.	Old.	New.	Old.	New.	Old.	New.	Old.	New.
General, D/L ..	Tons	10·21	14·47	13·97	17·51	..	(a) 14·80	14·01	15·61	14·57	15·60	13·61	13·55	16·88	16·20	15·75	17·14

Class of Cargo.	Units.	Nelson.		Picton.		Timaru.		Bluff.		Westport.		Greymouth.		All Ports.		Percentage Increase.
		Old.	New.	Old.	New.	Old.	New.	Old.	New.	Old.	New.	Old.	New.	Old.	New.	
General, D/L ..	Tons	23·87	22·37	22·09	22·10	20·28	18·53	15·96	16·98	11·42	14·91	11·23	12·60	13·00	15·71	20·85

Small Coastal

(a) Includes a large proportion of slow-working cargo.

Class of Cargo.	Units.	Wellington.				Lyttelton.		Dunedin.		Gisborne.		Napier.		New Plymouth.		Wanganui.	
		Casual.		Permanent.													
		Old.	New.	Old.	New.	Old.	New.	Old.	New.	Old.	New.	Old.	New.	Old.	New.	Old.	New.
General, D/L ..	Tons	13·87	16·07	..	15·24	14·21	15·64	14·64	16·29	13·91	12·99	16·80	17·20	12·70	16·88	17·92	16·28

Class of Cargo.	Units.	Nelson.				Picton.		Timaru.		Bluff.		Westport.		Greymouth.		All Ports.		Percentage Increase.
		Anchor Co.		Other.														
		Old.	New.	Old.	New.	Old.	New.	Old.	New.	Old.	New.	Old.	New.	Old.	New.			
General, D/L	Tons	25·58	29·11	..	..	14·19	14·60	20·77	23·11	14·31	15·12	6·52	14·18	11·77	12·55	15·50	16·64	7·35

Table Showing the Total Amount of Profit Distributed Under the Co-operative Contract System on All Classes of Vessels at Each Port for the Period From the Introduction of the System at Each Port to 31 March 1950, and Amounts Distributed for the Years Ended 31 March 1951 and 31 March 1952, With Average Rates of Payment Per Hour "Paid" Time for each Class of Vessel and All Vessels From the Introduction of the System at Each Port to 31 March 1950, and Average Rates of Payment Per Hour "Paid" Time For Each Class of Vessel and All Vessels For the Years Ended 31 March 1951 and 31 March 1952

	Profit Distributed.			Average Rates of Profit Per Paid Hour.											
				Overseas.			U.S.S. Co.			Coastal.			Total, All Vessels.		
	To 31/3/50.	31/3/51.	31/3/52.	To 31/3/50.	1950-51.	1951/52.	To 31/3/50.	1950-51.	1951-52.	To 31/3/50.	1950-51.	1951-52.	To 31/3/50.	1950-51.	1951-52.
	£	£	£	s. d.	s. d.	s. d.	s. d.	s. d.	s. d.	s. d.	s. d.	s. d.	s. d.	s. d.	s. d.
Auckland .. .. .	420,245	46,831	246,636	0 5-28	0 3-76	2 0-16	0 1-94	0 1-78	0 11-13	0 2-68	0 1-33	0 4-97	0 4-20	0 3-33	1 9-55
Wellington (casual) .. .. .	512,575	56,867	76,937	0 6-45	0 6-00	1 1-79	0 3-39	0 2-37	0 6-14	0 5-09	0 4-81	0 9-81	0 5-05	0 4-71	0 11-31
Wellington (permanent) .. .. .			26,318			1 6-30			0 6-07			0 6-09			1 3-59
Lyttelton .. .. .	276,217	40,183	80,381	0 9-01	0 8-55	1 10-37	0 6-31	0 8-25	1 1-74	0 7-62	0 7-43	1 1-41	0 7-90	0 8-31	1 7-07
Dunedin .. .. .	94,348	17,253	31,401	0 11-39	0 11-32	1 8-52	0 3-08	0 2-16	0 6-76	0 2-53	0 0-57	0 3-81	0 4-69	0 6-43	1 1-48
Port Chalmers .. .. .	72,951	10,040	13,601	1 0-43	0 10-60	1 4-55	0 2-64	0 5-94	0 5-08				1 0-41	0 10-59	1 4-48
Gisborne .. .. .	5,783	182	2,888	0 4-99		0 11-05	0 2-26	0 1-56*	0 6-45	0 1-71	0 1-33	0 4-87	0 2-06	0 0-40	0 6-04
Napier .. .. .	108,857	15,887	29,190	0 10-50	0 8-21	1 5-36	0 6-00	0 4-13	0 2-55	0 4-20	0 5-09	0 9-81	0 9-17	0 7-42	1 2-86
New Plymouth .. .. .	78,790	13,918	37,963	0 8-12	0 6-52	1 7-03	0 4-76	0 4-12	1 3-06	0 4-34	0 1-45	0 9-99	0 7-43	0 6-23	1 6-35
Wanganui .. .. .	38,183	4,803	6,560	1 3-54			0 7-03			0 10-52	0 11-21	1 4-00	0 10-46	0 11-21	1 4-00
Nelson .. .. .	46,939	4,292	11,720	2 5-91		3 2-97	0 11-18	0 8-73	2 7-71	1 2-61	1 1-88	1 5-62	0 11-78	0 8-10	2 1-77
Anchor Co. .. .. .			(Included above)							0 11-64	0 7-66	1 8-73		(Included above)	
Pictou .. .. .	14,371	2,207	3,185	1 4-10			0 6-06	0 7-01	0 11-71	0 5-78	0 6-98	0 9-81	0 6-07	0 7-00	0 10-92
Timaru .. .. .	76,240	14,406	25,718	1 1-26	1 0-60	1 9-23	0 8-03	0 8-10	1 0-75	0 7-65	0 8-32	1 1-27	0 10-36	0 10-77	1 5-68
Bluff .. .. .	100,284	17,971	26,865	0 11-73	0 10-73	1 5-90	0 3-76	0 3-68	0 10-19	0 3-05		0 7-03	0 9-01	0 9-40	1 4-25
Westport .. .. .	29,043	5,540	8,170				1 2-45	2 0-10	3 11-76	0 7-22	1 1-51	1 2-84	1 0-23	1 9-58	3 0-72
Greymouth .. .. .	35,989	4,063	5,420				0 6-58	0 8-89	1 7-67	0 9-42	0 10-08	1 4-52	0 7-12	0 9-18	1 6-43
All ports .. .. .	1,910,815	254,443	632,953	0 7-04	0 6-38	1 8-14	0 3-60	0 3-32	0 10-91	0 5-39	0 4-67	0 9-95	0 5-73	0 5-70	1 5-43

\* Signifies a loss.

## INCENTIVE SCHEMES

165. I pass now to consider other systems. I refer in the first place to one which has merit. Its introduction at least at some ports should be considered. This is a piecework system. It is based upon the piecework system obtaining in the Port of London, where approximately 90 per cent of the cargo is handled upon piecework conditions. I describe it almost in the words in which it was presented.

166. The piecework payment is paid to individual gangs where possible, but, if not, to the workers on the ship or job, and for the purpose of the ship or job the men on the wharf primarily involved in the operation are paid on the same basis. The piecework rate for any given commodity is based on the amount of work expressed in terms or units that a stated group or gang of men should have done under normal conditions for the basic rate of pay. In arriving at this figure there are taken into account various subsidiary operations. For instance, hatches have to be uncovered before the work is commenced, covered on the cessation of the work, gear has to be rigged, hatch tents may have to be rigged and unrigged, and the cargo operations may have to be shifted from one compartment to another. All minor details are assessed and covered by the piecework rate, but delays quite beyond the control of the worker, such as rain, the non-arrival of cargo holding up a job for more than half an hour, breakdown of gear exceeding half an hour, awaiting railway trucks exceeding half an hour, are excluded from the piecework rate and paid for at the rate of one hour. In addition, special cargo rates provided for are paid.

167. The proposal is that a comprehensive piecework schedule should be made out and published in a booklet which each worker could carry and from which he could calculate what his additional earnings should be for additional work.

168. The following illustration was submitted. The figures used do not represent actual piecework rates of returns for any given commodity. A gang of men may handle at a fair and reasonable speed of work on a particular commodity, taking into account all the subsidiary operations that would be experienced, say, ten tons weight per hour. If we take the ordinary basic rate of pay at, say, 4s. 3d. per man per hour, this would mean that ten men handling ten tons per hour would earn 510d. for the complete gang. This is 51d., or 4s. 3d. per man per hour. This would represent the piecework rate per ton on the basis of a gang of ten men.

The piecework rate would then be fixed somewhat as follows:—

*Table Showing the Earnings in Total and Per Man of a Gang of Ten Men Employed at a Piecework Rate of 4s. 3d. per Ton*

Rate of Work Per Hour.	Total Earnings of Gang.			Earnings Per Man.	
	£	s.	d.	s.	d.
11 tons	2	6	9	4	8
12 "	2	11	0	5	1
13 "	2	15	3	5	6
14 "	2	19	6	5	11
15 "	3	3	9	6	4½
16 "	3	8	0	6	10
17 "	3	12	3	7	3
18 "	3	16	6	7	8
19 "	4	0	9	8	1
20 "	4	5	0	8	6
21 "	4	9	3	8	11
22 "	4	13	6	9	4
23 "	4	17	9	9	9
24 "	5	2	0	10	2
25 "	5	6	3	10	7½

169. An illustration shows how the scheme works. If a period of eight hours is taken during which a gang was working at a piece rate on a given cargo there would be a certain amount of time occupied by subsidiary operations. This has already been provided for in the piecework rate, as have any minor delays during the operation, but the unavoidable delays are taken into account—*e.g.*, if there is an interruption of three-quarters of an hour for rain and one hour for breakdown of gear, but during the remaining working time the gang discharged 90 tons weight of cargo, the total gang would be paid for 90 tons at 4s. 3d. per ton if that was the appropriate piecework rate, a total of £19 2s. 6d. plus two hours of basic rate per man for two hours' delay, *i.e.*, 8s. 6d. per man or £4 5s. per gang, making a total of £23 7s. 6d. for ten men or £2 6s. 9d. per man. In addition to this figure, the men would also receive—if it was a special cargo—the appropriate additional hourly payment.

170. In this country there are no piecework rates worked out, although there are contract rates for commodities worked under the co-operative contracting scheme. Where there is a piecework rate it has been the practice to work it out so that for what is termed the "piecework stroke" the worker would get 50 per cent to 75 per cent above the basic wage rate. This is said to be the basis adopted in London.

171. London cargoes discharged in New Zealand are loaded mainly on piecework. It is suggested that this system could be readily adapted to our overseas loading where there are straight runs of the same commodities. Small delays are included. The workers have an incentive to get on with the job. An allowance for an hour for any delay exceeding half an hour it has been suggested adequately and fairly covers delay. Progress in London, it is said, has been from wages to a piecework rate.

172. It is believed that this system might be applied on a hatch basis, as we are informed it is in London, for all ships where an individual hatch tally is available. This would then cover the whole of New Zealand's export trade to the United Kingdom and the import trade from London and India. It may well be that it would be reasonably practicable to obtain in the future individual hatch tallies for ships loading at other United Kingdom ports.

173. Presumably individual hatch tallies may not be available in the inter-colonial trade and for vessels from the United States of America and South Africa. In these cases and on the New Zealand coast the scheme might have to be applied on a ship basis. Without much effort rates may be worked out concurrently with the operation of co-operative contracting, and it may be found easily enough what rate, for example, must be paid to give comparable results and this may serve as a practical guide to rates.

174. It has been claimed that when you are paying on a hatch basis you could give the worker a chit showing what he had earned the day before and he could be paid his earnings the following week, and when paying on a ship basis he could be paid near enough each week, with some adjustment when the ship finishes.

175. The costs of administration of this scheme should be much less than for co-operative contracting. The aim would be to have a balanced schedule of rates which would offer equal opportunity of additional reward for equal additional effort in the main field of work. This would, if it can be achieved, remove the discontent experienced by workers who earn a large reward loading a ship but a lesser reward for equal effort on a discharging ship.

176. It should be remembered that there may be some necessary disparity between small coastal rates and other rates and this appears inevitable under any scheme. As a mere suggestion, vessels of round about 1,000 tons gross would

have to be specially considered and those also running in the coastal trade in competition with them. A very large amount of labour is employed by the Railways Department, but no special problem is created by that. There is one difficulty with this as with most effective incentive schemes. The quality of the work tends to be sacrificed to speed, and there is need of extra supervision if this is to be avoided.

177. Rates have not only to be worked out, but agreed upon or fixed. A piecework system would seem to be specially suitable to the trade of some ports.

178. The Commission order at present in force for the handling of sulphur and phosphate in bulk is superficially like this scheme; but when examined it is different for the incentive is neutralized by the provision of a higher or bonus rate which is applied to all time worked even to standing-by and travelling time. At Ravensbourne the results would seem to confirm the evidence that undue time was spent in the waiting shed on account of weather.

179. At the present time a number of the smaller coasting vessels are already working under separate incentive schemes adjusted to meet their special conditions and administered by the shipping companies concerned.

180. I now refer to certain other incentive schemes and more especially to what are termed "all-in contracting schemes," because I am well aware that there is a general notion that there is some all-in contracting scheme which should be adopted and which will solve most of the difficulties on the wharf. Some truly all-in contracting schemes have been suggested under which the worker takes all the risks and is paid accordingly. Most all-in contracting schemes ultimately mean that you must take a long period so that you get the benefit of the average, and if you do this you have inevitable pooling of the returns and, in the end, loss of individual incentive.

181. There will be found at pages 528 *et seq.* of our notes of evidence a full description of various incentive schemes under consideration in 1940. I make only brief reference to some of these schemes:—

(a) "A co-operative scheme," submitted by the Overseas Shipowners' Allotment Committee at one time: Under this a company or association was to be formed with capital contributed by the various shipping companies in proportion to the wages paid, and with management by a board of directors half representative of the employers and half of the workers, the chairman, with a casting vote, being an employer. Men were to work at award rates and contract rates were to be fixed on a commercial basis. Interest, at the rate of 4 per cent on capital, with other proper charges, was to be deducted, and the balance of the profit was to be distributed amongst the workers *pro rata*.

(b) Another proposal was to lower the rate for wages paid for ordinary overtime and special overtime rates to, say, 1s. 6d., 2s. 6d., or 3s. 6d. per hour, but to pay a very large addition of so much per ton for every ton worked. Cargoes were to be equated to each other. The main aim of the scheme was to make it more profitable to work than to stand by.

(c) Proposals were at one time made by the New Zealand Waterside Workers' Union for what was termed "co-operative stevedoring by the union." The national executive of the union were to undertake stevedoring working for rates which would have to be fixed, supervising the loading and unloading. The scheme was only outlined.

(d) Then there was another scheme which assumed various forms. I take one form in which it was more fully worked out. This has been called the "over-all contracting scheme."

182. This scheme was formulated in 1947. It involved the taking over of the whole of the stevedoring operations at all ports from the present employers with a view to giving a great deal and ultimately the sole charge and responsibility to workers in the loading and unloading of ships. It was to lead to permanent employment. This envisaged some kind of national organization or preferably an enlargement of the Commission. Such a body, by its directorate, was to fix wages, contract rates and conditions of employment, and settle disputes. It would take over all work performed by shipping companies, private stevedores, Harbour Boards, the Railways Department, and other employers of waterfront labour. The capital moneys required for purchasing gear and equipment were to be obtained from the reserve funds of the Waterfront Industry Commission or upon an interest-free loan from the Reserve Bank or by bank overdraft guaranteed by Treasury. It was proposed that work would be done by the national organization on a contract or unit rate, but included in any rate should be charges for non-cargo work, such as hatches, rain, minimum periods, and other sundry cargo handling delays. The only extra labour charge was to be the difference between overtime and basic rates. The organization or Commission was to sub-let its own contract to the local branch of the union at the contract rate, less a percentage for administration charges. The unemployable time of workers was to be paid for presumably by some levy or addition payable by the ship. Profits were to be pooled and distributed at each port as the union directed. The union was to give assurances that it would discipline its own members. Both workers and employers would have representations on the directorate or on the Commission. The national organization or Commission would take over the supervision from shipping companies, stevedoring contractors, the Railways Department, Harbour Boards, and other employers of waterfront labour, and the union would nominate leading hands, and the charge foreman and superintendent stevedore would ultimately be under the direct control of the national organization or Commission. In short, the scheme involved either the enlargement of the then powers and functions of the Commission or a new organization which, however called, was its equivalent and the taking over by the Commission of all waterside work and subletting parts of it to local branches of the union on a contract basis, the terms of which cover all delays and the pooling of profits.

(e) Patea "all-in contract."

183. This is an "all-in contract" between the South Taranaki Shipping Co., Ltd., and the Patea Co-operative Society of Waterside Employees' Industrial Union of Workers. It evolved out of the arrangements, begun in 1939, between the shipping company and the New Zealand Waterside Workers' Union on behalf of the local branch. The problem was how to get two vessels carrying chiefly crates of cheese out by the following tide in a tidal-bar harbour. Payment on an hourly basis gave a rate of only 191 crates per hour, which prolonged the job unduly and enabled only one vessel to get away. The first contract was made on a tonnage-per-hour basis with a sliding scale, the rate increasing as a higher tonnage was achieved per hour. Payment was as follows:—

200 crates per hour	16 tons at	1s. 10d. per ton.
225	"	18 " 1s. 11d. "
250	"	20 " 2s. "
275	"	22 " 2s. 1d. "
300	"	24 " 2s. 2d. "

This included working in ordinary time and the removal and replacement of hatches. Thirteen men, including the foremen, were employed. Additional payment was made for overtime, for delay, and for the completion of minimum periods. There was a guaranteed weekly payment. On this the rate increased to 292, and by 1941 had reached 315.

184. The "all-in contract" came in November 1948. A flat rate was paid, and it included all payments whatsoever for loading the vessel at any hour of any day of the week, Saturdays, Sundays, and holidays included. The gang included thirteen men and a foreman. Each member of the gang was guaranteed £6 per week, later increased to £7 per week adjusted on a fortnightly basis. Of the foreman's wages, £3 was paid by the shipping company. The company carried accident insurance. The rate is normally 350, and to get a ship away on the tide upon which it enters may rise to 500. The actual hours of work average about three, but there may be delays when a ship is late or cannot enter the harbour. The earnings may be as high as 25s. per man per hour worked, but, allowing for waiting time, are somewhere in the region of 17s. per hour. The cost to the shipping company per ton of cheese handled compares favourably with the charges at other ports prior to the strike. It may be observed that £879 had to be paid out on guarantee for a year. Those associated with this contract lament the delays which occur in Wellington in discharging the same vessels. The comment is made that this contract gradually evolved out of an arrangement in which there was payment by results. It is a great advance to eliminate overtime, dirt money, minimum periods, and weather delays. The work is always done by the same gang of men.

185. This particular all-in contract exemplifies the complete contract system in that it simply makes provision for having the job of work performed when required and for which payment is at a flat rate per ton. All reasons for endeavouring to obtain extra payments of any description are thus removed, while the incentive to perform better work is created by the fact that the quicker the work is completed the more remunerative is the hourly return.

#### LIMITATION OF MEMBERSHIP

186. The imposition of a limit on the membership of various branches of the New Zealand Waterside Workers' Industrial Union of Workers was, in origin, an attempt to decasualize the industry and to secure for those who regularly worked in it the substantial share of the available work. It implied that those who were within the limited number should give the industry regular work and should give faithful service. The industry has the right to require that so far as may be workers will have the character, health, and efficiency which make a good worker.

187. In this country an attempt had been made in 1923 to introduce at Wellington what was called "a scheme for centralized control of waterfront labour employed on ships" whereby all men were to be employed in a closed union on the principle of six hours per day in order to equalize the available work. The scheme created dissatisfaction amongst the employers and discontent amongst certain unionists, and the union by vote agreed to abandon it.

188. The Court of Arbitration first granted limitation of membership to the union in the 1924-26 award (Book of Awards, Vol. XXV, page 1570). Clause 54 (d) provided as follows:—

Notwithstanding anything contained in the foregoing subclauses, the New Zealand Waterside Workers' Federation Industrial Association of Workers and the New Zealand Waterside Employers' Industrial Association of Employers may agree to limit the membership of the union at any particular port or ports when, in their opinion, there are sufficient members in the union or unions to carry on the work of the port or ports concerned and may in like manner from time to time increase or reduce the number of members so limited.



The Court, in a memorandum accompanying the award, made this statement:—

The Court has always maintained the policy of an open union but it recognizes that the waterfront is the place to which the unemployed of all trades gravitate. The Waterside Workers' Unions accordingly have to bear more than their fair share of the unemployed and the consequent increase in their membership reduces the earning capacity of the greater number of their members. We have endeavoured to decasualize waterside work as far as possible by providing for a system of limitation of the members of the union, based on the labour requirements of the different ports. This will not prevent employment of non-union labour in rush times, but it is hoped that it will diminish the number of the so-called "fringe" of men who frequent the wharves on the chance of picking up occasional jobs.

189. Some such provision was continued until the main order of 6 June 1940 provided that "Subject to the approval of the Commission, the National Disputes Committee (later a Local Disputes or Port Committee) shall have power to determine at any time and from time to time what should be regarded as the normal labour requirements at any port or ports covered by this order, and the branch concerned shall accept any decision of the Commission or any variation or amendment to such decision."

190. Later it was treated as one of the functions of Port Committees to fix the limitation of membership at each port, but subject to the control and direction of the Commission.

191. While the Port Committee so fixed the limitation of membership at each port and thus the number of men to be admitted at each port, the union itself selected the men to be admitted to the union. This account may be brought up to date. It is one of the conditions imposed for the settlement of the strike that there should be new unions at each port and that the unions should be open to those on the bureau register. The number on the bureau register may still be limited, the number being such as might be fixed by the Port Conciliation Committees. The employers initially select the men for their work by supplying the names for the register, and this practice is recognized by the Waterfront Industry Emergency Regulations 1946, Amendment No. 10.

192. Since the limitation was originally fixed there has been further progress towards decasualization in the industry, and now regular workers are guaranteed certain daily payments and have a guaranteed weekly wage. Obviously this guarantee could not extend to all who might casually work on the waterfront, and it is, in practice, paid to the limited number on the bureau register who comply with the bureau rules. The burden of this payment falls upon the employers, and if it is to be decasualized employment it must be made—as in fact it is—to regular workers. The number is fixed having regard to the needs of the industry, and in particular with regard to the number who can be more or less regularly employed. The earnings of such a worker may require to be supplemented by the guaranteed weekly wage or the daily payments, not regularly but only at times. If there is to be a guaranteed weekly payment, then it cannot be paid to all who may by chance be working in the industry and it is paid to the limited number on the bureau register.

193. Originally it may have been that the waterfront industry had to carry the unemployed of other industries, but for long there has been no unemployed and the limitation is not needed to protect a drift from other industries. It would, however, operate to prevent a movement into the industry if the wages earned on

the waterfront were such as to attract other workers. There is a high percentage of absenteeism. The system has secured much work from those entitled to the guaranteed wage, but not continuous work.

194. The result of a limitation of membership of the union prior to the strike was that once a man had become a member of the union he had a job for life. Branches of the union were often reluctant to increase the membership to limits required for the needs of the port, and there were delays. In some cases the increase in membership was not of persons specially fitted for the job, but rather persons who had been admitted as a matter of favour and sometimes ahead of good workers who had been waiting a long time for membership. Normally an employer may select his workers, and workers may, in a sense, select their employers, but with a limitation of members and a system of equalization of hours neither the employer nor the worker have any selection. If an employer dismissed a man as unsuitable, the worker was again allocated to him in due course and he had to accept him. The merit of the new arrangement is that at least at some stage the employer has an opportunity to tell whether a worker, by reason of his health, character, and physical ability, is likely to be a good worker in the industry, and therefore, in a general way, he has initially some selection of the worker. But should the worker prove unsatisfactory his name may be removed from the bureau register, subject always to an appeal to the Port Conciliation Committee. The system of limiting the numbers and of equalizing the hours loses all the advantages that free selection gives in getting and keeping a good worker. He has not even the usual incentive to do good work to keep the job. It is all to the good to be able to select one at least thought to be a good worker and not merely to accept a worker admitted by someone else without thought of his fitness for the work.

#### ADEQUACY OF LABOUR SUPPLY

195. Work on the New Zealand waterfront varies much with the seasonal movement of produce. The demand for labour tends to even itself out more at the main ports. The variation is, however, particularly felt at some secondary ports such as New Plymouth, Napier, Timaru, and Bluff. There are not enough members of the unions to do the work in times of pressure without the supplementary labour obtained from non-unionists, and this has always obtained. Indeed, the non-union hours of work for the year ending 31 March 1950 were 12.45 per cent of the total hours worked by unionists and non-unionists. At the Port of New Plymouth the percentage was 24.69, at Timaru 23.24, at Bluff 19.38, and at Nelson 18.31.

196. On pages 67 and 68 appear tables prepared by the Waterfront Industry Commission:—

(a) A table showing the nominal and effective strength of the old unionists and the new unionists at main and secondary ports. The position of the new unions is shown as at 31 March 1952.

(b) A table showing the bureau register strength at main and secondary ports and the number and percentage of workers who were members of the de-registered union; workers who had been employed as non-unionists prior to the strike, and workers who had not previously been connected with the waterfront industry as at 31 March 1952.

Table Showing the Port Limitation of Workers, Bureau Register Strength, and Effective Strength of the De-registered Branches of the New Zealand Waterside Workers' Union as at February 1951 as Compared With the New Port Unions on 31 March 1952

Port.	Port Limitation of Workers.		Bureau Register Strength.		Effective Strength.	
	Old Union.	New Union.	Old Union.	New Union.	Old Union.	New Union.
Auckland .. .. .	2,218	1,735	2,198	1,738	1,830	1,478
Wellington— Shipside .. .. .	..	..	..	944	..	791
Harbour Board .. .. .	..	..	..	403	..	341
				1,347		1,132
Permanent .. .. .	..	..	..	402	..	316
Wellington totals .. .. .	2,295	1,800	2,104	1,749	1,616	1,448
Lyttelton .. .. .	800	750	750	679	577	612
Dunedin .. .. .	360	325	350	320	294	284
Port Chalmers .. .. .	250	185	224	182	206	171
Gisborne .. .. .	75	80	80	79	70	68
Napier .. .. .	275	300	275	290	255	277
New Plymouth .. .. .	300	315	289	271	262	254
Wanganui .. .. .	81	85	74	72	72	70
Nelson .. .. .	85	75	85	82	80	77
Picton .. .. .	45	47	42	45	37	43
Timaru .. .. .	120	130	117	110	112	99
Oamaru .. .. .	53	45	48	46	39	43
Bluff .. .. .	250	250	250	200	200	195
Westport .. .. .	70	60	59	54	57	50
Greymouth .. .. .	120	94	108	93	95	78
Totals .. .. .	7,397	6,276	7,053	6,010	5,802	5,247

Table Showing the Bureau Register Strength at Main and Secondary Ports and the Number and Percentage of Workers Who Were Members of the De-registered Union, Workers Who Had Been Employed as Non-unionists Prior to the Strike, and Workers Who Had Not Previously Been Connected With the Waterfront Industry as at 31 March 1952

Port.	Bureau Register Strength.	De-registered Unionists.		Non-unionists, Pre-strike.		Not Previously Connected With Waterfront.	
	Number.	Number.	Per-centage.	Number.	Per-centage.	Number.	Per-centage.
Auckland .. .. .	1,738	76	4.37	108	6.22	1,554	89.41
Wellington—							
Casual Ship .. .. .	945	897	94.92	22	2.33	26	2.75
Casual W.H.B. .. .. .	402	367	91.29	21	5.22	14	3.49
Permanent .. .. .	1,347	1,264	93.84	43	3.19	40	2.97
Wellington totals .. .. .	402	6	1.49	7	1.74	389	96.77
Lyttelton .. .. .	1,749	1,270	72.61	50	2.86	429	24.53
Dunedin .. .. .	679	330	48.60	33	4.86	316	46.54
Port Chalmers .. .. .	320	73	22.81	..	..	247	77.19
Gisborne .. .. .	182	142	78.02	11	6.04	29	15.94
Napier .. .. .	79	8	10.13	18	22.78	53	67.09
New Plymouth .. .. .	290	63	21.72	21	7.24	206	71.04
Wanganui .. .. .	271	198	73.06	32	11.81	41	15.13
Nelson .. .. .	72	29	40.28	..	..	43	59.72
Picton .. .. .	82	42	51.22	4	4.88	36	43.90
Timaru .. .. .	45	9	20.00	4	8.89	32	71.11
Oamaru .. .. .	110	97	88.18	7	6.36	6	5.46
Bluff .. .. .	46	8	17.39	2	4.35	36	78.26
Westport .. .. .	200	117	58.50	22	11.00	61	30.50
Greymouth .. .. .	54	54	100.00	..	..	..	..
Totals .. .. .	93	93	100.00	..	..	..	..
Totals .. .. .	6,010	2,609	43.41	312	5.19	3,089	51.40

The above tables show that with the old union there was an apparent membership of 7,397, of whom 7,053 were on the register but only 5,802 were effective, while of the new unions out of authorized limits of 6,276 or a bureau strength of 6,010 there was an effective strength of 5,247.

197. Both before the strike and since it is apparent that at any time there was a comparatively large number of men absent from work. There is more detail available as to the position up to 1951, and the problem of absenteeism is both an old and a new one. It is informative to refer to the figures for the year ending 31 March 1950 given in the Commission's annual report for the year ending 31 March 1950. From that return it appears that the percentage of absenteeism on account of sickness, penalties, compensation, and other causes amounted to 16.86 per cent of the union strength. A breakdown of the figure shows:—

(a) Men absent for reasons not known .....	10.5	per cent.
(b) Men absent on penalty .....	.85	per cent.
(c) Men absent on compensation .....	3.94	per cent.
(d) Men absent on sickness .....	1.57	per cent.

The returns have been compiled in a particular way, and a further breakdown of the figure 10·5 per cent shows that it will include the following:—

- (a) Men absent on compensation in excess of 144 days in the leave year (except in the port of Wellington);
- (b) Men absent in sickness for less than five consecutive days or in excess of 72 days in the leave year;
- (c) Men taking days off;
- (d) Men absent from the industry for varying periods and for various reasons.

The figure 10·5 per cent standing by itself and unexplained can be a very high figure and bearing no relation to the figures in, for example, London, but there is reason to think that the number absent and coming under class (d) above is not as great as at first might be thought.

198. There are men away from the waterfront for fairly long periods for reasons which are often not known. The labour bureaux, in conjunction with the branches of the unions, did carry out periodical purges of the register of men absent for lengthy periods, but it is apparent from our investigations there were instances in which men had been away from the waterfront for years and were still on the register, and many registers did contain names which should have been removed. There is, of course, a time-lag in knowing whether a man has left the waterfront or is merely absent for a time, and such cases show an apparent increase in the figure. Since the strike there has been, through some unions, a large number of workers who have left the industry. While there is reason to think the real figures of absenteeism may be substantially less than those recorded, the conclusion must still be retained that large numbers and a high percentage are at any given time absent.

199. Men employed from the beginning to completion of overseas ships very often work continuously for two or three weeks, and the custom is, after completion of such a long job, to take time off. Apart from this, men take time off. The casual habits still persist, and the bureau rules permit much absence without the absent worker being really affected. Even if the bureau rules were tightened up, only gradual reduction of this absenteeism might be expected. It is, in a measure, concomitant on a long spread of hours.

200. In some of the secondary ports there is no high record of absenteeism, and the fact that the average hours of work may be below forty must be accounted for by periods when work is not available and the men are idle through no fault of their own. At main ports—to see the problem in its true light—one has to have regard to the average hours worked by those on the register. Some absenteeism, having regard to all the circumstances of work, is reasonably to be expected and is no serious problem, but undue absenteeism is a wastage of manpower and may result in the port minimum being unnecessarily increased, with resultant additional cost to the whole system.

201. There is in some ports a wrong approach. Absenteeism was increased at Bluff by giving irregular leave. The branch of the union purported to give leave to eighteen or twenty workers from mid-March to mid-May to go mutton-birding. They were absent accordingly when they were needed, and came back to the guaranteed wage when the port was slacker. Similarly, the same branch purported to give leave of up to three months to certain workers to enable them to go to seasonal work. The supply of labour was frequently inadequate at Bluff and this made it worse. If men want waterside work and are within the limited number

to have the benefit of the guaranteed weekly payment, they should be prepared to give reasonably continuous service, and it is not fair to the industry that they should be absent when most needed, and that they should come back to go on to the guaranteed wage when other work is slack.

202. Since the strike there has been a great accumulation of shipping at all ports and heavy labour requirements. In some unions conditions have not yet become settled, and there is more than a normal flow of workers through particular unions. At some ports the membership has very largely changed to what it was before the strike. One cannot, in view of the apparent sources of error, rely too much on figures before the strike as compared with figures now. There is, however, on the known circumstances, some reason to expect that absenteeism has diminished since the strike.

203. On page 71 appear two tables prepared by the Waterfront Industry Commission which serve to illustrate the availability of labour in the conditions recently obtaining. The first is for Auckland and covers the period 1 July to 30 September 1951. The second is for Wellington and covers the period 1 September to 30 November 1951. On page 72 appears a table prepared by the Waterfront Industry Commission showing percentages of loss of man-days for unionists for various causes and the percentage of man-days of working and availability for work for registered workers of the new port unions, on 31 March 1952 as compared with members of the de-registered union for the year ended 31 March 1950.

#### UNION AND NON-UNION LABOUR

204. The waterside industry in New Zealand is closely linked with the primary producing industries. At times of peak production in the various districts shipping—particularly overseas shipping—increases at the ports serving the surrounding country and waterfront labour requirements rise considerably above the normal or average. The requirements vary in different parts of the country, commencing to rise rapidly as early as November in the north, but high requirements become apparent only in February in the south. Weather, labour disturbances at other ports, holiday periods, changes in the local importing system, and the availability of shipping elsewhere all combine to prevent a regular flow of shipping and increase the variations in labour requirements from normal. There are at times, and not even at regular times, accumulations of shipping in ports. Moreover, there is a limitation to the storage available for primary products, and this must be cleared from the stores to enable work to continue. It is uneconomic to retain a regular labour force which could adequately serve peak periods. All that can be done is to provide for the regular or normal demands and to draw upon other labour when the occasion requires it. This is the reason why it is necessary to use non-union casual labour. If unionists were in fact to be given a monopoly of all waterside work it would be necessary to increase the numbers to deal with peak periods, for the work cannot be saved up and ships must load and be discharged. This would then reduce the earnings of those regularly employed on the waterfront for a living, and increase to a prohibitive degree the cost of daily and weekly guaranteed payments.

205. Non-union labour has been required at times at most ports and the amount used has been considerable. The percentage of non-union labour at all ports to union and non-union labour was for the year ending 31 March 1950, 12.45 per cent. For that year it was particularly low at Dunedin and Port Chalmers, partly because these ports received assistance from each other during peak periods, and also because it was not available for certain reasons to be

Auckland: Summary of Labour Position For Period 1 July to 30 September 1951

New Port Union Registered, 28 April 1951. First Working Day, 3 May 1951

Month.	Labour Short.		Number of Working Days Ships Fully Manned With Registered and Non-registered Labour.	Surplus of Registered Labour.		Non-registered Employed.		Number of Working Days No Work Performed.
	Number of Working Days.	Number of Man-days.		Number of Working Days.	Number of Men Paid Daily Minimum.	Number of Working Days.	Number of Men.	
1951								
July .. .. .	25	5,364	..	..	..	..	..	1 (Stop work meeting).
August .. .. .	27	7,774	..	..	..	21	1,195	..
September .. .. .	23	4,166	2	1	30	15	442	..
Totals .. .. .	75	17,304	2	1	30	36	1,637	1

Wellington: Summary of Labour Position, New Port Unions, For Period 1 September to 30 November 1951

Casual Union Registered, 19 May 1951. First Working Day, 28 May 1951

Permanent Union Registered, 27 August 1951. First Working Day, 3 September 1951

Month.	Labour Short.		Number of Working Days Ships Fully Manned With Union and Non-union Labour.	Surplus of Union Labour.		Non-union Employed.		Statutory Holidays and Days on Which no Work Performed.
	Number of Working Days.	Number of Man-days.		Number of Working Days.	Number of Men Paid Daily Minimum or Permanent Men Not Fully Employed.	Number of Working Days.	Number of Men.	
1951								
September .. .. .	15	3,940	10	2	277*	20	605	..
October .. .. .	23	6,089	3	1	30	26	2,630	1
November .. .. .	12	2,054	14	1	34	26	3,032	..
Totals .. .. .	50	12,083	27	4	341	72	6,267	1

Ship-side Bureau (Casual and Permanent) and Harbour Board Bureau

\* Includes 22 permanent men not fully employed.

*Return Showing Percentages of Loss of Man-days for Unionists for Causes Unknown, Penalties, Compensation and Sickness, and the Percentage of Man-days of Working and Availability for Work for Registered Workers of the New Port Unions on 31 March 1952 as Compared With Members of the De-registered Union for the Year Ended 31 March 1950*

Port.	Absent. (A)		Penalties. (P)		Compensation. (C)		Sick. (S)		Sub-totals. (A, P, C, S.)		Working. (W)	
	Year 31/3/50.	As on 31/3/52.	Year 31/3/50.	As on 31/3/52.	Year 31/3/50.	As on 31/3/52.	Year 31/3/50.	As on 31/3/52.	Year 31/3/50.	As on 31/3/52.	Year 31/3/50.	As on 31/3/52.
Auckland .. ..	14.74	10.76	0.82	1.96	2.96	1.55	1.37	0.69	19.89	14.96	80.11	85.04
Wellington (C) .. ..	12.48	11.88	0.95	1.11	7.19	2.75	0.89	0.22	21.51	15.96	78.49	84.04
Wellington (P) .. ..	..	11.44	..	6.97	..	2.98	..	..	..	21.39	..	78.61
Lyttelton .. ..	9.22	4.86	0.72	0.59	4.22	2.06	2.80	2.36	16.96	9.87	83.04	90.13
Dunedin .. ..	3.99	4.38	0.76	1.25	2.93	4.37	1.90	1.25	9.58	11.25	90.42	88.75
Port Chalmers .. ..	4.04	3.30	0.39	1.65	1.90	0.55	1.94	0.55	8.27	6.05	91.73	93.95
Whangarei .. ..	..	11.43	..	..	..	8.57	..	2.86	..	22.86	..	77.14
Gisborne .. ..	3.00	3.80	0.74	1.27	1.74	2.53	3.11	6.33	8.59	13.93	91.41	86.07
Napier .. ..	5.21	2.07	0.11	0.34	1.82	1.03	3.12	1.04	10.26	4.48	89.74	95.52
Onehunga .. ..	4.77	3.57	..	..	0.49	1.79	4.09	5.35	9.35	10.71	90.65	89.29
New Plymouth .. ..	6.16	3.69	1.71	0.37	1.30	1.11	1.75	1.10	10.92	6.27	89.08	93.73
Wanganui .. ..	0.31	..	3.11	1.39	1.04	..	0.39	1.39	4.85	2.78	95.15	97.22
Nelson .. ..	7.27	1.22	..	..	2.41	2.44	1.62	2.44	11.30	6.10	88.70	93.90
Pictou .. ..	7.53	2.22	..	..	0.65	..	0.98	2.22	9.16	4.44	90.84	95.56
Timaru .. ..	4.88	4.54	0.02	0.91	2.44	3.64	1.37	0.91	8.71	10.00	91.29	90.00
Oamaru .. ..	6.27	4.35	..	..	0.28	..	2.01	2.17	8.56	6.52	91.44	93.48
Bluff .. ..	5.85	0.50	0.15	..	0.82	..	1.13	2.00	7.95	2.50	92.05	97.50
Westport .. ..	1.10	3.70	0.01	..	1.79	..	1.00	3.71	3.90	7.41	96.10	92.59
Greymouth .. ..	2.97	..	4.24	8.60	1.34	2.15	2.55	5.38	11.10	16.13	88.90	83.87
All ports .. ..	10.50	7.92	0.85	1.66	3.94	2.05	1.57	1.11	16.86	12.74	83.14	87.26

NOTE.—The column "Working" includes, in addition to the actual days of work, days when men were available for work when no work was offering and days absent on statutory and annual holidays.



mentioned. The seasonal export trade is a main factor in causing fluctuations in shipping at Nelson, New Plymouth, Timaru, and Bluff, and at these ports the percentage of non-union to union and non-union labour was for the year mentioned 18.31 per cent, 24.69 per cent, 23.24 per cent, and 19.38 per cent respectively.

206. The general right of employers in the waterfront industry to utilize non-union labour in this industry at times when union labour is not available was recognized by the main order of the Waterfront Industry Commission. Clause 50 sanctions the employment of persons who are not members of the union at times when union members are not available, and it goes further and provides that when members and non-members are employed together there shall be no distinction between them and they shall work together in any capacity under the same conditions and shall receive equal pay for equal work.

207. The right of waterfront employers to employ seamen is also recognized. Clause 40 provides that seamen may be employed on vessels handling cargo of up to 275 tons net register together with waterside labour loading and discharging cargo if such vessels are registered in New Zealand. Seamen, it provides, shall not be employed on any vessel above 275 tons net register if union labour is available, but the employers may employ seamen or non-members of the union on vessels of any tonnage if union labour is not available.

208. It is in fact recognized that at times in all ports in New Zealand the union labour is not sufficient to enable ships to be discharged and loaded and turned round with reasonable despatch, and that it is necessary to use non-union labour, or the labour of men other than of those who have priority of employment.

209. Formerly the membership of the union was limited. At present there is no such limitation of membership of the unions, but there is a limited number on the bureau register. These are guaranteed daily attendance money and a weekly wage and men on the register are given preference of employment. The unions are now open unions. The distinction now is between those on the register who have priority of employment and those who are not on the register. It is convenient to refer to those on the register as unionists, as in fact they are, and those who are not on the register as non-unionists, although in fact some few may be union members.

210. There have grown up in the form of bureau rules restrictions on the engagement of unionists, and they have in return for the daily attendance money and guaranteed weekly payments on their part undertaken to attend for employment at certain times and places so that they may get priority of employment and so that, paid as they are, their labour shall be regularly available. All this is part of the scheme for equalization of hours and for the provision of a proper wage for those regularly following waterfront work; but no purpose is served in requiring non-union casual labour to comply with these restrictions. Once it is recognized that non-union labour is necessary and must be employed, then there is no reason why—seeing that the unionists have the work if it is available—non-unionists should not be engaged informally at any time, and at any place, over the telephone, or in whatever way is convenient. The main thing is, with the minimum inconvenience to everybody, to have the labour on the spot when required. This was formerly the way non-union labour was procured and engaged. There might be an equivalent of gangs or of groups of men who worked together and they were often engaged by sending a message to one of them. Any restriction on the method of engagement protects no legitimate interest of the unionist or of the non-unionist worker. It simply is an inconvenience, a waste of time, and, in some cases, a disguised prohibition.

211. Generally the right to use non-union labour has been freely admitted, but restrictions have been imposed which serve no purpose and whose aim must be to make it so inconvenient or impossible for non-union labour to comply with it that the non-union labour ceases to be available. The practice for many years was to engage non-union labour informally at any time prior to a 6 p.m. start and on Saturdays prior to an 8 a.m. start. Be it noted this was only in the event of union labour not being available. This continued until a decision of the Commission in 1949 prohibited it. A decision of the Waterfront Industry Commission at Wellington and at Auckland required all non-union labour for a 6 p.m. start or for an 8 a.m. start on Saturday actually to attend at 8 a.m. to 10 a.m. in the morning—if to work at 6 p.m.— or to attend on Friday morning for engagement if to work on Saturday at 8 a.m. Whatever the merits of this decision as a mere matter of interpretation, in fact it served no proper purpose and was an unnecessary and wasteful formality. If the intention had been to prohibit non-union labour, then it is thought that the Waterfront Industry Commission should not have shrunk from so saying, but if it was not, then this order imposing a restriction which could not be complied with and so prohibiting should not have been retained. This labour could be used only in default of union labour not being available. It could be used only if union labour had an opportunity of working and had not availed itself of that opportunity, or if all union labour was working and non-union labour was still required. The restrictions were not dictated by any regard for the interests of non-unionists. In fact, men working at other occupations in the daytime could not and were not going to attend in their ordinary times of work merely for engagement later. The result of this ruling was to exclude a great number of non-unionists from work which they had been accustomed to do. The union did not insist on any such restriction when the convenience of its own members was served and, notwithstanding this rule, replacements by non-unionists informally engaged were permitted. Of course, when the union opposed 6 p.m. starts it insisted that non-unionists should not work. This meant that coastal ships arriving in the afternoon could not, having arrived late, take advantage of a 6 p.m. start with non-union labour, as had been the custom when union labour was not available. They had been accustomed to draw gangs from offices and other workers engaged during the day, but free in the evenings to work. The routine of some ships may be to arrive in the morning and to leave at night.

212. I add notes on the availability of non-union labour at various ports. They refer to the time before the strike unless otherwise mentioned.

In all ports there were unionists who did not work in the evening or on particular Saturday mornings. There were also in all ports workers for the most part engaged during the day who were regularly available for work in the evening and for work on Saturday.

213. In Auckland there was a large number of unionists known as five-o'clockers who did not work in the evening as a matter of course. There was a regular pool of non-unionists who were sometimes referred to as "seagulls" of about two hundred to three hundred men who were available for day or night work and who might be engaged for replacements. Since the strike a number of non-unionists have been absorbed into the union and there is no great number of non-unionists available. The union and the employers have come to an arrangement under which there is constituted a pool of non-unionists who are treated as supplementary members of the union and who are available for work as may be required.

214. In Wellington the supply of non-union labour dropped when non-unionists had to attend a call for engagement. During some holiday and vacation periods there is still a good supply of non-union labour. It is not a regular supply throughout the year.

215. At Lyttelton there is no great pool of non-unionists. Replacements by non-unionists are made at any time. It was once proposed by the branch at this port that non-union workers should be limited to one in nine. The availability of non-union labour varies with the season, the least being when work is offering in the freezing-works and wool-stores. Non-union labour is engaged through the bureaux. There is a shortage of deckmen, and sometimes non-unionists have had to be sent home because sufficient deckmen were not available. Before the imposition of restrictions on engagement in 1949 as many as four gangs of non-unionists were regularly available as required. Crews of overseas vessels were employed by their own ships without regard to priority, but it was insisted that they had to be engaged within the hours of call, no other labour, union or non-union, being available.

216. At Greymouth the branch objected to the use of non-union labour. There had been no non-union labour available for many years, but shortage of labour was said to be rare.

217. At Nelson a limited number of non-unionists were always available, but the branch had insisted they be engaged in the hours of call and be available for vessels in order of manning. The branch had endeavoured to force a rule that non-unionists must not be drawn from the employees of a shipper or of the person receiving cargo. It objected to advertising for labour when required. When emergencies have arisen during the fruit season orchardists and their assistants have come down to the wharf and worked, but here the local branch has insisted that they assist generally and not merely in handling their own fruit. The preference of the waterside workers for overhaul work has resulted in some cases in non-union labour being dismissed from overhaul at 5 o'clock and in waterside labour coming up from the ships and leaving cargo work to get the overtime hours on overhaul.

218. At Dunedin the branch as a matter of policy objected to non-union labour except to complete gangs of unionists. This attitude was first adopted in an attempt to enforce the introduction of the guaranteed wage and then later, on its introduction, as a protest against the amount. By threats of the refusal of overtime and so on shippers were intimidated—in fact, very little non-union labour had in recent years been used. Shippers found they could not surmount the obstacles placed in their way. For instance, it was proposed, failing union and non-union labour, to use the crew of the "Pipiriki," and it was objected that this was not in order of priority and the crew must go to the bureau and be allocated to other ships. Of course, no ship permits its crew to be diverted from maintenance work to work on other ships, although they may be permitted to work their own ship to get despatch. This requirement simply meant the crew were not available. It was not an unusual thing for a ship which might have worked with a crew gang, lying idle at Dunedin for as many as twelve days doing nothing. This is a vital matter in this port. It has a particular effect on the despatch of the smaller coastal ships. Far from restricting these ships, they should be encouraged to use their own crews when other labour is not available.

219. The employers at Dunedin submitted the table appearing below to show the labour shortages at Dunedin and Port Chalmers during the year 1950. Part of the delay, it was claimed, could have been avoided by the use of non-union labour.

## Delays Through Shortages of Labour at Dunedin During 1950

Month.	Vessel.	Number of Gangs.	Delays, in Days.	
January	Waitaki	4	2	
	Wainui	5	2	
	Storm ..	3	$\frac{1}{2}$	
February	Holmglen	2	1	
	Waimarino	5	2	
March	Waimarino	5	5 $\frac{1}{2}$	
	Kanna	3	6	
	Kaimanawa	5	2	
	Wainui	3	1	
	Pipiriki	3	5	
	Rudby	4	2	
	Wairata	5	5	
	Ericbank	5	2	
	City of St. Albans	3	1 $\frac{1}{2}$	
	April	Wainui	5	1 $\frac{1}{2}$
Nelson Star		3	4	
Tielbank		5	2	
Dan-y-Bryn		4	3	
Coptic		6	2	
Waipiata		5	1	
Holmdale		3	1	
Viti ..		2	2	
Piri ..		1	4	
Korowai		6	2 $\frac{1}{2}$	
Waitaki		5	2 $\frac{1}{2}$	
Kanna		3	4	
Gale ..		3	1	
May		Defoe ..	7	1
		Waipahi	4	2
	Holmburn	2	4	
	Holmdale	3	1	
	Polamhall	5	2	
	Katui ..	3	3	
	Karu ..	3	2	
	Waitemata	5	2	
	Kaimanawa	5	2	
	Wye Valley	5	1	
June	Waimarino	5	7	
	Piri ..	1	5 $\frac{1}{2}$	
	Gale ..	3	7	
	Wainui	4	2	
	Katui ..	3	11	
	Mill Hill	5	4	
	Wainui	5	7	
	Holmdale	4	11 $\frac{1}{2}$	
	Roganaes	5	1	
	Port Waikato	3	3	
July	Waipahi	4	2	
	Duke of Athens	5	2 $\frac{1}{2}$	
	Kelvinbank	5	9	
	Eastgate	5	1	
	Mountpark	5	3	
	Wainui	4	1	
	Karo ..	3	1	
	Stamford Hill	5	1	
	August	Gale ..	3	1
		Waiana	5	2
Holmdale		1	1	
Waimarino		5	1	
Stonegate		5	1	

*Delays Through Shortages of Labour at Dunedin During 1950—continued*

Month.	Vessel.	Number of Gangs.	Delays, in Days.
October	Katui	3	1
	Kopua	3	1
	Hokianga	1	2
	Hotonui	2	2
	Ascuncion de Larrinaga	5	1
	Ramon de Larrinaga	5	1
	Wainui	5	1
	Timaru Star	4	1
	La Cumbre	5	1
	November	Port Quebec	4
Holmdale		3	2
Kartigi		5	1
Waipahi		4	2
Kairanga		6	1½
Papanui		7	4
Mountpark		5	2
Waihemo		5	1
Holmburn		2	1
Gale		3	2
Katui		3	2
Waiana		6	1
<i>Port Chalmers</i>			
March	Forrestbank	4	1
April	Papanui	4	2½
June	Leicester	1	3
August	Maidan	6	3
September	Bisbane Star	5	1½
November	Haparangi	8	1

Non-unionists have, in fact, been so discouraged from going down to work that the number before the strike was small. It would be increased considerably if there were reasonable prospects of men being engaged to work.

220. At Timaru the branch for some years insisted on non-union men being engaged by 9.30 a.m., even for 6 p.m. starts. There is labour engaged in the wool-stores, and it is suggested that when the wool has left the stores by 5 p.m. the same men could go on to the ship at 6 p.m., but they cannot be employed because they are, at 9.30 a.m., engaged in their own work. They cannot attend at 9.30 a.m. for engagement to work at 6 p.m.

221. At New Plymouth the branch endeavoured to limit the number of non-unionists, and a Port Committee decision was obtained and some attempt was made to enforce this by direct action. Replacements by unionists here are at 8, 10, 3, and 6 o'clock. This replacement at 3 o'clock is inconvenient. After the strike many non-unionists were absorbed into the new union. Formerly a high percentage of non-unionists were engaged, but the number now available is small. All non-union labour, including ships' crews, is engaged by the Commission Bureau. Where no union or non-union labour is available crews of overseas ships are employed irrespective of the order of priority. No restrictions on the engagement of non-unionists have been imposed since the strike.

222. In Gisborne there is a limited amount of non-union labour. Formerly it had to be engaged from 8 to 9 o'clock Monday to Friday. Employers desired to recruit labour at any time for the purpose of building up gangs and for commencing overtime hours or Saturday morning work and desired to retain non-unionists to the completion of a four-hour minimum before being replaced

by unionists. Since the strike the union has assisted in bringing in additional non-union labour when required and commenced the use of the 4 p.m. call for labour and employers recruit at any time for the purpose of building up gangs.

223. At Napier now there is no regular call of non-unionists and there are few men available when seasonal work is offering in Hawke's Bay. For a number of years there were men in other employment available from 6 to 9 on Monday to Friday, and also on Saturday mornings, and great assistance was given by them to coastal ships. They were formed into gangs and were engaged through their foremen, but a requirement as to attendance for engagement within the hours of call resulted in their not being available. Non-union labour is engaged by the individual shipping companies. Since the strike all available non-unionists have been freely engaged. It is believed workers in other employment will again be attracted for overtime and Saturday work.

224. I make further reference to the requirement that non-union labour should be engaged within the hours of call, which may mean before 10 a.m. on Friday for Saturday work. The order back for Saturday need not be given to the unionists in employ before 4 p.m. on Friday. In fact, under the conditions obtaining with uncertainty as to the truck position and cargo clearance from ships it is often quite impossible to say so early—that is, by 10 a.m.—whether there will be Saturday work at all. The requirement is a needless restriction which serves no good purpose and which should be cancelled. There is no reason why non-union labour should not be informally engaged at any time up to the time that it is required. This worked well in the past, and there is no reason to think it should not work equally as well now.

225. In other industries where non-union labour is engaged, there being no union labour available, the non-unionist is retained for the minimum hiring period. In the waterfront the non-unionist is given a limit of four hours and he may be relieved of his job at 1 o'clock or 6 p.m. and, of course, at 9 p.m. In some ports he may be relieved at 3 p.m. It is suggested that this relief at 3 p.m. may be unduly restrictive of his use.

#### *Later Note*

226. The crews of overseas and coastal ships are now employed as far as possible at most ports when regular non-unionists are not available. Arrangements have been made to pay overseas crews before they sail additional payment at the rate of the average bonus earned at the port during the previous three-monthly period.

At Dunedin the latest information is that there is still very little non-union labour available.

### RESTRICTION ON USE OF PERMANENT STAFF

227. Up to 1933 the Wellington Harbour Board had its own permanent employees in its sheds to give delivery of goods to the owners. In carrying out that work its employees might make up slings, hook on the same to the shed cranes, and load the same on to vehicles sent by the owners to take the goods away. This was the custom of the port.

228. In 1933 there was a recession in trade and a shortage of waterside work, and the Wellington Harbour Board agreed that waterside workers should do gangway and trucking work, but it retained the right to employ its permanent staff to load and unload vehicles and to deliver cargo from sheds and also to work in wool-sheds. Trucking and gangway work is receiving cargo on to hand trucks at ship's side and taking the same to the stackers in the Board's sheds and also trucking cargo from the Board's sheds to ship's side.

229. This work of delivering cargo the union claimed, and the Commission decided, that, whenever it was estimated that sufficient work was available to provide a full minimum term of employment for a casual waterside worker or workers, such workers should have claim to the work available. This limits the Harbour Board in the employment of its permanent employees, and it is suggested that the Board should be free to employ its permanent employees to deliver goods from its sheds when they are free to do that work. They must do that work when the waterside workers are all employed and during stop-work meetings.

#### PERMANENT AND SEMI-PERMANENT EMPLOYMENT

230. Permanent employment in the waterfront industry is both possible and desirable. If it were introduced, the men would have the security and certainty which goes with regular employment, workers and employers would come closer together, and it is thought a better spirit would prevail. Over the years workers and employers have become further apart, and their relations, instead of being friendly and personal, have become impersonal. When the Commission declared it would load and unload ships and later took over the foremen employed by the stevedores it almost looked to the worker as if the Commission had become his employer, and at first this idea was not discouraged. They were sent to employment by it, supervised by its foremen, and paid by the Commission. The foremen were handed back to the employers, but under a system of equalization of hours a man might work at times under many employers, and workers and employers had no real opportunity of getting to know each other. If the industry is to function efficiently and harmoniously employers and workers must come closer together, and this can be effectively achieved only in permanent employment.

231. The employers would then have better and more efficient service in being able to use men according to their suitability and because of the greater mobility of the labour. The man would also get to know their particular jobs and become more proficient working for the same employer and under the same foreman.

232. Permanent employment would, of course, involve the employment of men upon terms similar to those in which men are employed in other industries. The employment might be expected to be terminated for a good reason, but otherwise the men would expect to have continuous employment. They would, in short, cease to be casual workers.

233. In the past waterside workers have not shown much desire to accept permanent employment. For a long time there prevailed the notion that if permanent employment was to come it must, at one stroke, be permanent employment for all. This objection has extended even where there is very great convenience in having permanent and not merely casual workers. A few cases may be mentioned. It would be highly desirable to have hulk-shifting work done by permanent men with experience in that work. They might, of course, do some other work when not actually engaged in hulk-shifting. The regular arrival and departure of ferries require regular services and seem to call for permanent men. In various sheds upon the wharves one would think that the key men at least should be permanent. This would give them an opportunity of building up a knowledge of particular cargoes and of consignees and of marks. They, too, at times, might have to fill up their time by doing ordinary work in the sheds. This list, of course, is not exhaustive. In these and similar cases the employment might well be permanent employment by individual employers.

234. The tendency has been in the past for the union to take objection to such permanent employment and for it to be surrendered under pressure to casual workers. Whatever may be the view of the men upon the question,

whether they themselves will accept permanent employment if it is offered, neither employers nor workers should be discouraged from the permanent employment of the limited number of workers in the special fields mentioned. So far as permanent employment was adopted in the past it worked well, and it should work in the future. I think it better to diminish rather than to increase the area of casual employment.

235. When offered a choice in other industries there would be no doubt as to what the answer would be as between permanent and casual employment. Water-front workers have much of the freedom of casual workers, and at the same time they have come to have some of the advantages of permanent employment. They have a guaranteed wage and they may expect to continue indefinitely in the industry. In times of over-employment permanent employment may not seem to offer much additional advantage to the worker, but there are advantages to be valued more when labour is not in such short supply.

236. There was for some years, especially at Auckland, such a campaign of abuse and calumny directed by union leaders against all employers as to preclude the idea of permanent employment. This abuse, with some extraneous support, reached its peak at the time of the strike and has since faded away. A better spirit is now prevailing on the waterfront between employers and workers, and there is more respect and less distrust. The conditions prevailing favour the introduction of permanent employment. Much better work is being done throughout New Zealand, and some abuses which were intolerable with casual labour and impossible in permanent employment have gone. There is now a smaller but more effective labour force.

237. At Auckland and at Wellington the cost of the guaranteed wage is relatively small, and this discloses the past regularity of available work at these ports. One cannot, of course, proceed on the expectation that regularity of employment will indefinitely continue everywhere and there are certain risks which employers in offering employment at the ports must estimate and face. We were informed the employers would consider offering permanent employment to 60 per cent of the regular labour force in the main ports.

238. Permanent employment has been arranged at Wellington and it has been offered to all men on the register at Auckland and also at Dunedin, but it has not been accepted. Permanent employment to a substantial number could be offered at some of the secondary ports.

239. The permanent employment agreed to at Wellington is permanent employment of the members of the Wellington Maritime Cargo Workers' (Permanent) Industrial Union of Workers. There are two unions at this port, and this union of permanent workers came into existence when the members of the deregistered union were wresting control of a new union from those who had gone down to work on the waterfront during the strike.

240. Permanent employment may take two forms—it may be permanent employment by some group of employers, or by some association or body representing them. The group or association undertakes to provide regular employment to the men engaged, and it allocates to individual employers the labour so employed from time to time.

241. Permanent employment may also mean that the men are permanently employed by an individual employer. The men work regularly in the employ of that employer and under the direction and control of his foreman. This is permanent employment in the usual sense.



242. The permanent employment arranged with the Wellington Maritime Cargo Workers' (Permanent) Industrial Union of Workers is the first kind. The arrangements are between the union and the New Zealand Port Employers' Association. The association engages on a permanent basis members of the union and arranges for such permanent workers in its employ to be allocated to port employers requiring workers. While allocated to a particular port employer the men carry out the lawful orders of that employer and perform their duties in accordance with the agreement. They may be transferred as and when required from ship to ship or job to job.

243. This form of permanent employment may then be one under which the worker has still many employers. There is, however, no reason why workers permanently employed by the association should rotate from employer to employer, and a permanent allocation of the same workers to an agreed number could be made to the main shipping and stevedoring companies. There are six shipping and stevedoring companies in the Port of Wellington who might apply for and could accept a permanent allocation of workers. These workers, so allocated, would work under the one employer and his foreman and the relationship between worker and employer would be as near as possible that obtaining in other industries. Men could have their particular jobs and could be used to best advantage. To some extent this has already come about in a permanent allocation to the Anchor Shipping and Foundry Co., Ltd. It could be arranged otherwise. Various shipping and stevedoring companies could take a number of permanent workers into their individual employment, and if necessary they might draw an allocation to supplement from the permanent workers engaged by the New Zealand Port Employers' Association.

244. The Wellington Harbour Board is a large employer of labour. A big proportion of its workers could be permanently employed by it. The chief difficulty may be one of pay. It may well be that to get permanent workers it might have to offer a wage remuneration so high as to disturb its wage structure and to create unrest and unsettlement with its other permanent employees.

245. At Auckland there are four shipping or stevedoring companies which might engage permanent workers and possibly draw on their association for an additional allocation of its permanent workers. Alternatively, these shipping or stevedoring companies might accept permanent allocations of workers from their association. At Lyttelton one shipping company at least could permanently engage a large part of its labour, and the same applies at Dunedin.

246. At some secondary ports permanent employment could equally be offered although the numbers to be employed might be such that it would be a convenient arrangement to have them employed by a group of employers or association and allocated by it to individual employers.

247. Mr. Henry Basten, in his report on the turn-round of ships in Australian ports, recommended a scheme for permanent employment which is not essentially different from that which has been set out.

248. The industry, once purely casual, has become largely decasualized. Progress would seem to be towards permanent employment, but the advantages now attached to casual employment make the choice more difficult for the worker. I think there is some reluctance to give up casual habits. There is some perplexity as to what best to do. There is some fear that the mobility which comes with permanent employment may in some manner be to the worker's disadvantage. With casual workers there must come increased mobility if work is to be done efficiently and economically, and under the system prevailing with equalization

of hours amongst casual workers it is difficult to see how, in the long run, this is any disadvantage to casual labour. For the moment all is going well with casual labour, and it is not easy to take the longer view.

249. Those on the register who do not accept permanent employment would still have the protection of the guaranteed wage, and the offer of permanent employment to some does not involve the loss of this by those who do not accept.

250. I think permanent employment is a solution of many of the difficulties in the waterfront industry. It is strongly recommended by many who have made a special study of this industry in Australia and in England. It is good for the worker and good for the employers. Its general introduction should be pressed forward as an immediate aim.

### TALLY CLERKS

251. Tallying in many ports is done by tally clerks who are members of an industrial union of tally clerks. In other ports waterside workers act as tally clerks and they are allocated to this work. The main order provides that "at ports where it is customary to employ members of the Waterside Workers' Union as tally clerks, the present practice shall continue."

252. The qualifications were frequently in the past given to older members of the union who were no longer capable of doing waterside work, and it was not really based in any way on ability to do the work of a tally clerk. It was impossible to find in the ranks of waterside workers sufficiently elderly men who, after spending their lives engaged in physical work, were able, competently, to do the work of tallying. It was a disqualification if they carried into tallying practices which were once common on the waterfront, and there is some evidence that they did.

253. The work of watersiders acting as tally clerks at Bluff, Timaru, and New Plymouth specially came under notice. There is no doubt that in each of those ports the work of tallying has been so badly and incompetently done that added checking was constantly required, and the errors have been so numerous at times and so repeated as to point unmistakably to the unfitness of the men to do the work. The kind of errors made were often explainable only on the ground that the men did not tally at all, but copied from consignment notes and other material or made rough calculations or were absent at times from the work. In fact, much tallying required equivalent office staff for checking. Claused bills of lading were often the result. These were not isolated occurrences, but had gone on for some years at each of the ports. Quantities of some commodities might be shipped without any tallying at all. We had examples of 30 bales of wool, 9 bales of wool, 36 sacks of buttermilk powder being missed, and the position in many cases in doubt until the out-turn in England gave the true figures. Sometimes cargo of considerable value was in issue, and in one case brought under our notice the value was about £1,200. In the case of a discharge the necessary data was often not given, and some tallying was useless as a real record and check. Tinplate, for example, might be tallied as "a quantity of steel plate." Without going further into detail, it may be briefly stated that the use of waterside workers as tally clerks failed to command anything like competent and reliable work, and a change must be made. What I have said applies to all the ports mentioned. At New Plymouth the work was so incompetently done that supervision which should have been unnecessary had to be undertaken. Inaccuracy extended to all commodities, and included wool, meat, butter, bales, and sacks. It is safe to say that had there been any option the kind of work which was done would never have been tolerated. It is clear that from this source competent tally men have not been obtained.

254. It is suggested that it is necessary to recruit tally clerks from some other sources and the work should not be restricted to waterside workers in ports where there is no union of tally clerks. The work should be performed by such suitable labour as may be available. The interests of those doing tally work might be covered by an industrial union of tally clerks as in many ports, or the men might seek membership of some existing tally clerks' union. There is a shortage of waterside labour proper, but it does not appear that there will be any shortage of men with the necessary clerical experience to do the work of tallying. I should add that there was evidence of the work done by members of a tally clerks' union. Their work was in marked contrast to that done by waterside workers. It was, so far as one could see, well done and with a proper sense of responsibility.

#### DIRT-MONEY DISPUTES

255. Dirt-money claims have been a frequent matter of dispute. There have been many interruptions of work related thereto. This has not been because suitable provision for the settlement of such disputes has not been made, but in spite of it. The disputes have not been settled promptly in many cases because of the militant and aggressive spirit prevailing which lead to the pressing of exaggerated claims even after a decision has been given against them and to their reliance on intimidation by threats of interruption of work or by actual stoppage until somehow a settlement has been more or less patched up. So much was often demanded and there was so much interruption of work for dirt-money claims and other issues that few employers and Commission officers were unaffected by this threat and by the fear that a local dispute might result in a general stoppage of work. The carbon-black dispute in June and September 1950, for example, resulted in stoppages costing 433,419 man-hours and wages amounting to £107,217.

256. There has been for many years some provision or other to deal with dirt-money disputes which might have been expected to have worked out successfully. Similar machinery had been successful in other industries.

257. The Court of Arbitration in its 1937 award provided special cargo rates for the handling of dirty, dangerous, or noxious cargoes, and also special cargo rates for the handling of special cargo—for example, frozen meat. In exceptional circumstances an additional amount was to be paid over and above the special rates scheduled. Dirt-money disputes were to be settled by the Local Disputes Committee (consisting of an equal number of representatives of the workers and employers), and if agreement could not be reached, then by the decision of an independent arbitrator, whose decision was to be final. If the Local Disputes Committee could not agree on the appointment of an independent arbitrator the matter was to be referred to the National Disputes Committee, which would either appoint an independent arbitrator or determine how the dispute should be settled. The difficulty in practice was getting an independent arbitrator. Undue delays sometimes occurred for this reason.

258. The Waterfront Control Commission, constituted in April 1940, by its main order referred dirt-money disputes to the Local Disputes Committee. Failing settlement there they were referred to the final determination of the Waterfront Controller, a port officer of the Commission. In 1946 Port Committees took the place of Local Disputes Committees. Their constitution was practically the same except that an independent chairman was substituted for the Waterfront Controller. Some Commission officers were appointed as independent chairmen.

259. Under the Waterfront Industry Emergency Regulations 1946, Amendment No. 10, Port Conciliation Committees are appointed for each port. They hold office for a term not exceeding two years. They consist of an equal number of employees' representatives and employers' representatives with an independent chairman. The decision of the majority of the members prevails, but when the majority are unable to agree the decision of the chairman is the decision of the committee. Disputes in respect of dirt money and head room are now referred to the final determination of the Port Conciliation Committee.

260. Clause 4 of the Commission's main order made in June 1940 contained a schedule of special cargo rates. The Order ran: "Except in the event of exceptional circumstances, the foregoing rates for special cargoes are to cover all the inconveniences due to dust, dirt, discomfort, or other incidentals connected with the loading or discharging of these cargoes, and in the case of bulk cargoes, other than coal, include trimming to grabs, or shore cranes or ship's gear." Clause 48 of the main order gave the Local Disputes or Port Committee power from time to time as the occasion might arise to fix rates and conditions for labour required at a wreck or marine casualty, or for specific cargo damaged by fire or water, or alleged to be exceptionally dusty or dirty, or for work alleged to be noxious or difficult, provided always that the men forthwith proceeded with the work as required leaving the special rates and conditions to be determined as aforesaid. If the Local Disputes or Port Committee was unable to agree, the matter was to be referred to the Waterfront Industry Commission. There was, however, to be no appeal against the decision of the Chairman of the Port Committee, in (a) disputes regarding dirt money, head room, and disputes of fact, or (b) all other disputes where members of a Port Committee unanimously agreed that the dispute was of local significance only.

261. There were many dirt-money disputes in which special payment was claimed as if the circumstances were exceptional not being covered by the schedule rate. There was much complaint by the employers, who objected that the union was giving the go-by to the schedule rates and claiming that any inconvenience due to dust, dirt, discomfort, connected with the handling and discharging of cargo was not covered by the schedule rate, but was exceptional, and to be covered by a special additional rate. The schedule rate, it was said, in practice was treated as if it covered the special cargo, but without—although it said so—any allowance for dust, dirt, discomfort, or other inconvenience.

262. The Waterfront Industry Authority revised the special cargo rates in March 1949 by making a general increase to compensate for the general increase in basic wage allowance and took the occasion to make the following statement: "Attention is particularly drawn to paragraph L (ii) of clause 4 of the main order of the Commission, which indicates that the foregoing rates for special cargoes are to cover *all inconveniences due to dust, dirt, discomfort, or incidentals connected with the loading or discharging of these cargoes, and in the case of bulk cargoes (other than coal) include trimming to grabs or shore cranes or ship's gear, and that they may be departed from only in exceptional circumstances.*" The concluding words "exceptional circumstances" still gave the union the opportunity of giving the go-by to the schedule and in practice gave face to a claim for extra dirt money. This enabled many claims well within the schedule to be exploited. In spite of the terms of the main order the schedule dirt-money payments were in practice treated as minimum payments for the particular cargo in the best possible condition. Normally cargo can never be in such condition when it has come by sea. The schedule rates covered the good and bad condition of cargo, but not that which was exceptional.

263. Over the ten years ending in 1951 there has been a marked increase in insufficient or faulty packaging of goods. There was a shortage of jute, and the use of paper bags came in. Stowage was often faulty and bag cargo often suffered damage through sheer weight of heavy cargo such as iron or steel. New kinds of cargo began to come in and old cargo packaged in a new way. Cement in paper bags, bagged North African phosphate, and foreign coals—dustier than our own—were imported. These cargoes appeared at different ports. At Auckland bagged phosphate came in during the year 1947-48, and no less than 10,600 tons were discharged at Auckland. Bulk wheat appeared about the same time. During the next year, 12,680 tons of basic slag was landed in Auckland, and 24,560 tons during the following year. In Wellington a great quantity of cement was landed in 1949-50. Considerable quantities of basic slag, phosphate, and cement came through New Plymouth, and cement in paper bags came through Napier and Lyttelton. Some carbon black came in, but relatively small quantities. Some cargoes—for example, paint-powder—now came in bags, where they had been previously contained in drums. Second-hand bags were used for containers, where formerly new sacks had been the rule. Such cargoes so stowed and bagged were bound at times to be in such condition as to found claims for dirt money.

264. Dirt-money claims were to be expected, and allowance therefore in terms of the order was only fair and proper; but extravagant claims were also brought and pressed, with threats of stoppage and of direct action. For various reasons the allowances got pushed up and up until the actual amounts allowed got out of all parity with allowances in comparable industries and out of all parity with the Commission's own schedule of special rates. Particularly the union discovered in dirt-money allowances a technique for getting increased pay, and this technique was exploited. There was some evidence that in isolated cases conditions had been deliberately worsened before inspections. You might get in some cases allowances which were five or six times that of the schedule rates. Allowances of retrospective pay of up to six or seven hours were claimed when the grab had preceded the trimmers going in, yet in modern ships a grab can take out a great bulk of the cargo before any trimmers are necessary. Prior to the strike, dirt-money claims day in and day out were all claimed to be founded on exceptional conditions. This should not, however, obscure the fact that over the period there were many cargoes in such condition that they properly called for additional dirt-money payments.

265. Large allowances were made by chairmen of the Port Committees, and the employers settled claims at large figures to under-bid a large award. They often, for their own reasons, settled individual claims at high figures regardless of the general consequences. Allowances became unreasonably high and completely out of parity with allowances made by the Court of Arbitration in its awards in comparable industries. In such a climate voluntary settlement was diminished, and for the year ending 30 September 1950 no less than 44 per cent dirt-money disputes came before the chairmen of Port Committees for settlement. Before the war it was said to be unusual for a dirt-money dispute not to be ultimately settled by agreement. The result of high allowances and special allowances under ordinary circumstances was a welter of claims for dirt money. Dirt-money allowances got out of hand. The Commission officers must accept a full share of blame. They did not merely get caught up in high allowances, but had much responsibility therefor. Awards by some officers were, and with reason, attributed to lack of proper responsibility. The Commission at one time had to fix a limit to the amount which some officers might without reference allow for

exceptional circumstances. This reflected upon the Commission. The decisions of some Commission officers in their capacity as chairmen of Port Committees at the main ports attracted constant criticism. All this reached its worst phase prior to the strike. Some allowances could not in any view be regarded as other than the minimum payment which would get peace.

266. Since the strike there is evidence that claims are made on a much more reasonable basis, and where allowances have been made they have been made on a more reasonable scale and have been accepted. At least one chairman of a Port Conciliation Committee showed that he was endeavouring to bring his allowance to some sort of parity with the allowances made by the Court of Arbitration in other comparable industries, and it is thought that this is a way in which some guide can be obtained to a just allowance. In one large port the outlook since the strike is so different that it has warranted the observation that before the strike the union was dirt-money conscious. Now it is bonus conscious.

267. The conclusion of this discussion is that, whatever form of words is used, dirt-money claims are inevitable and many are fair and proper. It depends upon the prevailing spirit whether these claims are fairly made or whether they are improperly exploited. They should, in any event, be disposed of as promptly as may be as they do tend to cause interruptions of work, and these may spread. So much depends upon inspection and view that the machinery should provide for the view and inspection at the earliest opportunity, and a decision in such case must necessarily be final. The independent chairman need not necessarily have had experience on the waterfront, but, of course, he must command respect by his fairness and firmness. They should be appointed for their suitability, and it is too risky to make officers of the Commission *ex officio* chairmen.

268. There must be certain lines of cargo the condition of which is so generally uniform that a special rate provided could fairly cover all conditions likely to be met, and an exceptional circumstances clause should not apply to such lines.

269. There arises a claim akin to dirt money—that is, a claim for stoop money or head room, when men are working in a confined space. This has importance chiefly in loading certain types of overseas ships. At some ports there is agreement on the payment of stoop money. It may, for example, be if space is from 4 ft. to 5 ft., say, 2d., between 3 ft. and 4 ft., say 4d., and from 2 ft. 6 in. to 3 ft., say 6d. These figures are not actual figures, but illustrations. At other ports there is no agreement, and disputes arise upon each vessel. The problem is the same throughout New Zealand. It would obviate disputes if there could be a general agreement upon a graduated scale applying to all ports.

270. The time that trimmers go in in some cases is a debatable matter, and in case of dispute under the main order fell to a Port Committee to decide. There came a practice of ordering retrospective pay. Allowances made in the past may need reconsideration to bring them into accord with the realities of the situation.

271. The Commission has not kept records of the cost of dirt-money payments. It kept a record of special cargo rates (including dirt-money payments) for various classes of cargo.

272. On pages 87 and 88 appear tables prepared by the Waterfront Industry Commission:—

(a) A table showing the cost per ton of cargo handled for special cargo rates (including dirt-money payments) for the years ended 31 March 1944 to 1950 inclusive.

(b) A table showing the cost per ton of cargo handled for special cargo rates (including dirt-money payments) for the years ended 31 March 1951 and 1952.

Table Showing the Cost Per Ton of Cargo Handled for Special Cargo Rates (Including Dirt Money, &c., Payments) Paid on Overseas Vessels Discharging General Cargo, and Union Steam Ship Co. and Small Coastal Vessels Discharging and Loading General Cargo, for the Years Ended 31 March 1944 to 1950 Inclusive

Ports.	Overseas : General Cargo Discharging.							Union S.S. Co. : General Cargo Discharging and Loading.							Small Coastal General Cargo Discharging and Loading.							
	43-44.	44-45.	45-46.	46-47.	47-48.	48-49.	49-50.	43-44.	44-45.	45-46.	46-47.	47-48.	48-49.	49-50.	43-44.	44-45.	45-46.	46-47.	47-48.	48-49.	49-50.	
Auckland ..	d.	d.	d.	d.	d.	d.	d.	d.	d.	d.	d.	d.	d.	d.	d.	d.	d.	d.	d.	d.	d.	d.
Wellington ..	1.20	0.81	1.04	2.49	4.82	7.94	11.86	0.48	0.75	0.98	1.50	1.67	1.82	1.85	..	..	..	..	..	..	..	..
Lyttelton ..	1.59	1.43	1.50	2.31	3.13	5.56	7.07	0.73	0.72	0.84	0.89	1.35	1.54	2.12	1.59	2.31	1.54	0.78	0.93	1.26	2.04	..
Dunedin ..	1.17	1.42	1.08	1.35	1.92	3.32	4.33	0.82	0.72	0.44	0.62	0.60	0.72	0.66	0.69	0.50	0.31	0.44	0.53	0.58	0.70	..
Port Chalmers	1.87	9.31	1.33	1.83	1.27	1.94	2.59	0.46	0.35	0.50	0.64	0.44	0.53	0.53	0.33	0.44	0.31	0.28	0.19	0.26	0.39	..
Gisborne ..	1.86	0.76	4.41	1.24	3.12	4.03	2.23	..	..	..	2.21	..	..	..	..	..	..	..	..	..	..	..
Napier ..	..	..	..	..	..	..	..	1.89	1.69	2.00	0.47	1.04	0.74	1.12	..	1.94	1.78	1.90	1.74	1.17	2.30	..
New Plymouth	1.60	..	1.80	0.73	1.46	3.30	5.69	1.02	0.57	0.50	0.20	0.17	0.14	0.29	2.78	1.07	1.20	0.95	0.73	1.17	1.30	..
Wanganui ..	..	2.89	4.86	7.23	12.80	10.46	19.96	0.72	0.74	0.49	0.46	0.33	0.53	0.58	1.03	0.64	0.26	0.26	0.41	0.50	0.67	..
Nelson (A) ..	..	..	..	..	..	..	..	0.60	0.26	0.38	0.36	0.47	0.53	0.68	0.38	1.15	0.87	0.51	1.81	1.58	2.21	..
Nelson (C) ..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	(A) 0.19	0.13	0.13	0.34	0.49	0.59	0.62	..
Picton ..	..	..	..	..	..	..	..	0.29	0.24	0.34	0.10	0.16	0.23	0.27	(C) 4.11	1.77	1.17	0.54	0.56	1.33	2.49	..
Timaru ..	..	..	0.44	0.17	0.50	1.17	1.10	0.28	0.14	0.39	0.45	0.40	0.61	0.61	0.26	0.39	0.51	0.40	0.35	0.47	0.29	..
Bluff ..	1.29	2.48	0.75	1.02	3.31	5.65	3.98	0.43	0.59	0.54	0.52	0.53	0.66	0.64	..	..	0.39	0.28	0.18	0.38	0.41	..
Westport ..	..	..	..	..	..	..	..	..	1.06	1.28	2.00	1.38	0.42	0.77	..	2.29	1.55	0.83	0.49	1.51	7.17	..
Greymouth ..	..	..	..	..	..	..	..	0.93	0.68	0.72	0.61	0.58	0.69	0.44	3.40	6.19	4.98	1.85	3.17	3.45	6.36	..

*Table Showing the Cost Per Ton of Cargo Handled for Special Cargo Rates (Including Dirt Money, &c., Payments) Paid on Overseas Vessels Discharging General Cargo, and Union Steam Ship Co. and Small Coastal Vessels Loading and Discharging General Cargo, for the Years Ended 31 March 1951 and 1952*

Port.	Overseas : General Discharging.		Union S.S. Co. : General Discharging and Loading.		Coastal : General Discharging and Loading.	
	1951.	1952.	1951.	1952.	1951.	1952.
	d.	d.	d.	d.	d.	d.
Auckland .. ..	15.09	4.71	3.15	1.54	..	..
Wellington (C) ..	8.50	4.82	2.41	1.48	2.21	1.02
Wellington (P) ..	..	1.88	..	1.34	..	1.33
Lyttelton .. ..	3.78	1.99	0.60	0.46	0.45	0.52
Dunedin .. ..	4.50	1.37	0.89	0.71	0.54	0.41
Port Chalmers ..	3.41	1.71	..	0.98	..	..
Gisborne .. ..	..	..	0.87	4.87	2.60	1.57
Napier .. ..	16.01	12.62	0.47	0.61	1.01	0.46
New Plymouth ..	29.37	12.27	1.34	1.13	1.47	0.65
Wanganui .. ..	..	..	..	..	1.86	1.00
Nelson .. ..	..	..	0.71	1.43	..	..
Nelson (A) .. ..	..	..	..	..	0.69	0.38
Nelson (C) .. ..	..	..	..	..	..	..
Pictou .. ..	..	..	0.32	0.10	3.18	1.11
Timaru .. ..	3.02	5.50	0.94	1.50	0.83	1.19
Bluff .. ..	9.15	9.06	0.58	0.92	..	1.97
Westport .. ..	..	..	0.42	0.84	6.32	3.15
Greymouth .. ..	..	..	0.34	1.15	9.45	3.56

NOTES.—(1) The year 1951 covers the period from 1 April 1950 to the commencement of the waterfront strike on 15 February 1951.

(2) The year 1952 covers the period from the formation of the new port unions at each port until 31 March 1952.

(3) Special cargo rates were increased from 7 March 1949 (order No. 78) by approximately 33½ per cent.

(4) Special cargo rates were further increased by 15 per cent as from resumption of work at each port following the waterfront strike.

(5) The return covers general cargo only and does not cover "freezer" cargo, coal, bulk phosphate, bulk sulphur, &c.

## THE ADEQUACY AND EQUITABILITY OF MEANS FOR SETTLING DISPUTES

273. There is great variety in the nature and conditions of the cargo carried and in the ships which discharge and load and in the facilities at the various ports. The terms and conditions of employment as settled by awards or by the main order of the Commission are very detailed and not easy of interpretation. Waterside workers as a class are militant, and disputes do arise much more frequently than in other industries where conditions are not so varied and liable to change. Questions arise often with different workers, for it is not usual for workers to be restricted to any particular class of cargo. There is also an area of work at which it has been the custom to leave matters for agreement between the parties, when the special circumstances of the case may be considered. All this leads, even with goodwill, to disputes on either side. The difficulties increase if it is the policy of either side to exploit the circumstances for some other purpose, to disrupt the work, to increase dissatisfaction, or to promote ill will. It is almost impossible for the parties to deal with disputes themselves unless there is good faith and an assurance that agreements will be observed and not repudiated.



274. In such an industry there are many circumstances in which parties may not be able to agree and many matters in which their rights depend upon the interpretation of the awards or orders or upon ascertaining what has been customary. Disputes do frequently arise as to the condition of special cargo and what special allowances shall be paid to the workers. Such questions should be speedily resolved because all the evidence of the condition of the cargo largely disappears as the cargo is unloaded, and, in any event, such disputes unresolved are disturbing to the men, and disputes on the waterfront have a tendency to affect other industries.

275. The method of settling disputes has been the subject of much varied provision. The best method is discussion between the parties with agreement. But if agreement cannot be reached, disputes must be resolved apart from the parties. I refer to the various methods to show that at one time or another all obvious methods have been tried.

276. The industry until 1940 was still subject to the Arbitration Court. The 1937 award provided for the settlement of disputes as follows:—

- (a) Discussions between the employer concerned and union representatives;
- (b) If no agreement, reference to Local Disputes Committee consisting of three representatives each of employers and workers;
- (c) If no agreement, dispute referred to National Disputes Committee, consisting of four representatives each of employer and union;
- (d) If no agreement, either party could refer the dispute to the Arbitration Court, or the National Disputes Committee could itself refer it to the Court.

The decision of the Local Disputes Committee was final in dirt-money disputes. If the Committee could not agree, the dispute was referred to an independent arbitrator, whose decision was final. If the Local Disputes Committee could not agree on an independent arbitrator, the matter was immediately referred to the National Disputes Committee, who either appointed an independent arbitrator or determined in what manner the dispute would be dealt with.

277. The above methods were not entirely satisfactory. It was difficult to get people at short notice to act as independent chairmen to settle port disputes. There was a tendency on the part of the workers to cease work until their claims had been settled. The National Disputes Committee was, in fact, able to settle only about one-third of the disputes coming before it; thus of 470 considered by the National Disputes Committee between January 1938 and November 1939 only 142 were settled by the Committee. This left 328 disputes for settlement otherwise.

278. The Waterfront Control Commission, by its main order issued on 6 June 1940, provided by clause 48 the same procedure as existed in the suspended 1937 award of the Court of Arbitration, except that—

- (a) Where a dispute on dirt money could not be settled by the Local Disputes Committee it was referred to a Waterfront Controller, whose decision was final; and
- (b) Other disputes not settled by the National Disputes Committee were referred to the Waterfront Control Commission and not to the Court of Arbitration.

The Local Disputes Committee continued to meet without any chairman. The Commission in March 1945 empowered the Waterfront Controller or Assistant Waterfront Controller to act as chairman of the Local Disputes Committee at

Wellington, and, where he considered the dispute was of local significance only, to give a decision. This procedure was extended to Auckland. It led to quicker settlement of disputes, but there was much criticism by the employers of decisions.

279. The Waterfront Control Commission was reconstituted in July 1946, becoming the Waterfront Industry Commission. Port committees now took the place of Local Disputes Committees. They consisted of an equal number of representatives of the employers and of the workers, with an independent chairman appointed by the Minister of Labour. The Minister of Labour appointed at each main port the branch manager of the Commission to be the independent chairman. In some other ports the parties concerned agreed to the appointment of a Commission officer as independent chairman. The National Disputes Committee disappeared, and disputes were referred direct to the Commission from Port Committees.

280. Regulation 13 (4) of the Waterfront Industry Emergency Regulations 1946 (Reprint) (1950/97) provided as follows:

On any matter coming before a Port Committee, the decision of the members of the Committee other than the Chairman shall be a decision of the Committee, provided that where the members of the Committee are unable to reach a decision, the decision of the Chairman shall be the decision of the Committee, provided also that, except as provided in any order of the Commission, and subject to any such order, every such decision of the Chairman shall be subject to a right of appeal to the Commission by any other member of the Port Committee.

The Commission's main order provided that there was no appeal against the decision of a Chairman of a Port Committee in—

- (a) Disputes regarding dirt money or head room and disputes of fact;
- (b) All other disputes where members of a Port Committee unanimously agree that the dispute is of local significance only.

A Port Committee was bound, subject to the control and direction of the Commission, to take measures to prevent disputes.

281. Commission officers at some ports in their capacity as chairmen of Port Committees had to give many decisions. It was objected that they were in fact still under the control and direction of the Commission and not really independent chairmen. Their decisions were not generally accepted by the employers, and many were criticized as being subservient to Commission policy.

282. In 1948 the Waterfront Industry Authority was created as a final judicial tribunal. The Commission continued to carry out administrative functions and retained some other powers. There was a right to appeal from the Commission to the Authority. The Commission's powers of dealing with disputes were limited in that it could not issue or amend an order prescribing conditions or terms of employment which were of general application except pursuant to a decision or direction of the Authority or pursuant to a unanimous resolution of the Commission. The method of settling a dispute, then, from 1948 until the strike was as follows:—

- (a) Discussions between employers and workers at a port.
- (b) If no agreement, reference to the Port Committee, with provision for an independent chairman's decision, with right of appeal to the Commission except in dirt-money disputes, &c.
- (c) Decision of Commission with right of appeal to Waterfront Industry Authority.
- (d) Final decision by the Waterfront Industry Authority.

The Waterfront Industry Authority was unable to function for a time due to the act of the union in refusing to allow its two representatives to attend meetings.

283. Of the disputes dealt with for the three-year period ending the 30 September 1950, 49 per cent were settled by agreement at the Port Committee meetings, 28 per cent were decided by the Chairman of Port Committees, and 23 per cent were referred to the Commission.

284. During this period out of 453 disputes referred to the Commission, 123 were decided by the Commission, 74 were referred to the Waterfront Industry Authority, either directly or by way of appeal, and 44 were decided by the Waterfront Industry Authority, leaving a balance of 287. The accumulation of disputes before the Commission and the Authority was largely brought about by the prolonged interruptions to the full functioning of the Commission and Authority caused by stoppages of work on the waterfront and by lengthy negotiations for the reconstitution of the two bodies. In some cases the parties had responsibility for the disputes not being disposed of. Other disputes were governed by decisions already given by the Commission or by the Authority. There was still a great accumulation of disputes undisposed of.

285. Changes were made in December 1951 by the Waterfront Industry Emergency Regulations 1946, Amendment No. 10. After the strike new port unions were registered at all the principal and secondary ports. In place of one union for the whole of New Zealand there are now separate industrial unions of workers at each port. The bodies now concerned with disputes are Port Conciliation Committees and the Waterfront Industry Tribunal. A Port Conciliation Committee consists of an equal number of employers' representatives and workers' representatives, with an independent chairman appointed by the Minister of Labour. Subject to the control and direction of the Tribunal in relation to any port for which they are appointed, they are bound to take steps to prevent local disputes.

286. On a matter coming before a Port Conciliation Committee the decision of the majority of the members of the Committee other than the chairman is the decision of the Committee, provided that where a majority of members of the Committee are unable to agree the decision of the chairman is the decision of the Committee. Every decision of the chairman is subject to a right of appeal to the Tribunal by any other member of the Committee, except—

- (a) Decisions on disputes in respect of appeals against the removal of members' names from the bureau register;
- (b) Decisions on disputes in respect of dirt money or head money;
- (c) Decisions on disputes on questions of fact;
- (d) Decisions on any other dispute which the members of the Committee unanimously agree is of local significance only.

The decision of a Port Conciliation Committee in any matter is pronounced by the chairman, and no separate pronouncement is made by any other member of the Committee with respect to any decision of the Committee.

287. The Waterfront Industry Tribunal consists of not more than three persons to be appointed by the Governor-General on the recommendation of the Minister. The functions of the Tribunal are (a) to make principal and other orders prescribing the terms and conditions of employment; (b) to decide any disputes that arise in relation to waterside work and to take such action as it thinks fit to prevent or settle disputes; (c) to determine appeals from any decisions

of the Port Conciliation Committees that are subject to appeal; and (d) to control and direct the activities of Port Conciliation Committees. Any employer or any association of employers or of workers affected by any decision, order, determination, or action of a Port Conciliation Committee, from which there is a right of appeal, may, within fourteen days after the date of the decision, order, determination, or action, by written notice to the Tribunal, appeal therefrom.

In general then, disputes are settled as follows:—

- (a) By discussion between the parties and agreement:
- (b) Failing agreement, by the Port Conciliation Committee with a right of appeal, except in the cases mentioned, to
- (c) The Waterfront Industry Tribunal.

A Port Conciliation Committee may at any time, whether before or after it has heard any interested parties in relation thereto, refer to the Tribunal for decision any application made to the Committee concerning any dispute or any question before the Committee.

288. The employers were much dissatisfied with the decisions of officers of the Commission when acting as chairmen of Port Committees and alleged that they were too compliant with unreasonable demands. They were not specially qualified to hold the scales evenly, though in many cases they may have done so. It never got to the stage in which their determinations were received with general respect, and in some cases, especially in dirt-money disputes, the Commission had to intervene in the end and impose a limit on some officers.

289. Then there was the delay before the Commission. It was too preoccupied with questions of administration and with other problems to deal with any but the most urgent disputes. Not the least of its difficulties was that involving the constitution of the Commission and of the Authority itself and action by the union which brought all function to an end for a time.

290. The procedure for the settlement of disputes in 1937 was lengthy and it took long to get finality. There were so many channels through which a dispute had to go. It was said that a dispute was considered first from a local point of view and then from the national point of view before going to the Court. The number of disputes settled by the National Disputes Committee was not great. If a substantial number had been disposed of by the National Disputes Committee, one might have thought it well to continue, but this was not so. In the end it became the channel through which disputes went.

291. It was a step in the right direction for appeals to go direct from the Port Committee to the Commission in that it shortened the process. The Waterfront Industry Authority supplied an additional tribunal. The retention of the Commission as an intermediate body would have led in any event to some delay in getting finality even if the Commission had not been much engaged with its other affairs.

292. Under the present system there is one body or tribunal beyond a Port Conciliation Committee and, if that tribunal is readily accessible, it should be possible for disputes to be promptly resolved. There are now unions at each port, and while a national viewpoint must not be forgotten, there is not the same case for a National Disputes Committee.

293. A great many of the disputes that will come before a Port Conciliation Committee will be dirt-money disputes. They must be settled promptly. So much depends on view that this is an occasion on which one must trust the independent chairman. Experience has shown such a person in such a position need not

necessarily have had experience in wharf work, and there are those filling that position whose just and firm disposal of the problems before them have won the respect of both sides. It is indispensable that the independent chairman should be promptly available for the settlement of dirt-money disputes. From the nature of the evidence there cannot be further appeal, and the decision of the independent chairman must be final in dirt-money disputes.

### STOPPAGES OF WORK AT THE PORTS

294. Since the last war ended an increasing amount of time has been lost at the ports through stoppages of work. The following return prepared by the Waterfront Industry Commission shows the man-hours and wages lost for the years ending 31 March 1949, 1950, and 1951.

Year Ended 31 March,	Total Man-hours Worked.	Man-hours Lost: Total.	Wages Lost: Total.
	Hours.	Hours.	£
1949 .. .. .	13,099,798	294,616	64,902
1950 .. .. .	15,444,641	591,624	157,686
1951 .. .. .	14,279,236	2,889,678	843,004
Totals .. .. .	42,823,675	3,775,918	1,065,592

### NEW PLYMOUTH

295. What was happening at many ports may be illustrated by the summary of stoppages at New Plymouth over the period 14 March 1950 to 9 February 1951. The comments in that summary were made by the employers at New Plymouth.

#### *Summary of Stoppages of Work by Direct Action at New Plymouth*

*14 March 1950:* Union refused to stand by in wet weather, claiming that shed accommodation is not sufficient. Rain commenced during midday meal hour, and work could not be recommenced at 1 p.m. Just before 3 p.m. the weather cleared, and it was then found that all labour had gone home and no work was done for the rest of the day. Vessels in port were the "Kanna," "Levernbank," and "Coralstone."

*28 May 1950 to 3 June 1950:* On m.v. "Defoe" union refused to work overtime on account of the alleged danger of handling hatch covers peculiar to this type of vessel.

*28 June 1950:* No work—opening of Parliament and as protest against National Government's finance policy. Vessels in port: "Mahana," "Coralstone," "Moraybank," "Eastwave," "Karu," and "Hauturu."

*6 July 1950 to 19 July 1950:* Union refused to work overtime and Saturday mornings as protest at the Commission's decision on their wage claims.

*28 July 1950 to 2 August 1950:* Go-slow policy adopted by union on s.s. "Alcyone Hope." Estimated two days' work lost.

*2 August 1950 to 7 August 1950:* Union on strike in support of dispute at Auckland. Work resumed when agreement reached to set up Royal Commission of inquiry into the waterfront industry.

14 September 1950 to 22 September 1950: Union on strike after stop-work meeting. Supporting action of Wellington Union in "lamp black" dispute.

3 November 1950: Ship Carpenters' Section of New Plymouth Waterside Workers' Union went on strike as from 8 a.m. on 3 November 1950 on account national dispute on wages' claim. Work resumed 8 a.m. on 9 November 1950. The m.v. "Timaru Star" was delayed by this strike, losing 68 gang-hours' working time.

15 December 1950: Re time off for the late Mr. P. Fraser's funeral. Union asked for four hours off, and employers' offered two hours off on pay. Union decided to take four hours off from 8 a.m. to noon. Employers then refused any payment on account of the union's action, and union ceased work at 3 p.m. on 15 December 1950, and did not resume until 8 a.m. on 18 December 1950.

22 December 1950 (Friday): Union ceased work at noon on Friday, 22 December 1950, for the Christmas holidays. No order issued by the Waterfront Industry Commission, and the union took the matter into their own hands.

15 January 1951 (Monday): After an unauthorized stop-work meeting from 8 a.m. to noon the union refused to lift engagement disks to start work on the "Corinthic" and the "Puriri," and no work was done from 1 p.m. to 9 p.m. on these vessels. Union demanded that four gangs be engaged for the "Puriri" and balance of labour to go to "Corinthic." On Friday four gangs had been requisitioned for the "Puriri" before it was known that the "Corinthic" was also arriving for the same labour call as the "Puriri" on Monday. Employers would not accept this demand, but amended requisitions to three gangs for each ship, any further labour available to be allotted to the "Puriri." At a hastily convened meeting of the Port Committee employers' representatives confirmed the amended requisitions, and the Chairman agreed to this. The union again demanded that four gangs be engaged first for the "Puriri," and as they did not get their own way walked out of the meeting and told the labour standing-by awaiting engagement to go home.

30 January 1951: Dispute over dirt rate on "Olivebank" discharging bitumen. Union claimed 2s. 6d. per hour, employers offered 8d. per hour, chairman awarded 1s. per hour. This award was not accepted by union, and labour on this vessel ceased work at 4 p.m. Work resumed next morning at the request of the union.

9 February 1951 (Friday): Ban on overtime work and Saturday morning work imposed by union as from 5 p.m. Action taken owing to disagreement with employers at negotiations in Wellington on wages' claim. On Wednesday, 14 February 1951, employers dismissed labour, and men were placed on penalty for two days for collectively refusing overtime. Engagement offered to union Monday, 19 February 1951, subject to normal conditions of work, including overtime. The union would give no undertaking to work overtime, and employers refused to engage labour.

#### ALL PORTS

296. The table on page 95 gives an indication of the length of stoppages at each port, the occasion, and the loss of man hours and of wages for the year ending 31 March 1951. It, and the accompanying notes, are taken from the 1951 annual report of the Waterfront Industry Commission.

*Analysis of Man-hours and Wages Lost, Showing Totals for Ports, and Disputes from 1 April 1950 to  
31 March 1951*

Ports.	1. Cost of Living and Wage Decision Protests, June-July 1950.		2. "Rangitoto" Dispute.		3. Carbon Black Dispute, June and September 1950		4. Fifteen Per Cent Wage Increase Dispute.		5. Unauthorized Stop-work Meetings and Miscellaneous.		6. Port Totals.		7. Average Per Man-hour Worked.	
	Man-hours.	Amount.	Man-hours.	Amount.	Man-hours.	Amount.	Man-hours.	Amount.	Man-hours.	Amount.	Man-hours.	Amount.	Man-hours.	Average.
Auckland ..	43,987	11,051	148,311	36,989	100,912	25,035	586,015	176,585	25,196	5,913	904,421	255,573	4,458,235	1 1-76
Wellington ..	35,089	9,983	22,574	5,259	205,596	50,325	541,992	170,979	12,653	2,987	817,904	239,533	3,972,825	1 2-47
Lyttelton ..	7,909	1,910	18,697	4,747	30,987	7,766	193,879	59,366	153,160	42,687	404,632	116,476	1,418,450	1 7-71
Dunedin ..	3,453	812	7,800	1,976	19,395	4,794	101,750	31,828	2,060	546	134,458	39,956	748,741	1 0-81
Port Chalmers ..	1,226	261	5,070	1,285	10,400	2,614	52,115	16,532	600	127	69,411	20,819	395,997	1 0-62
Whangarei ..	..	..	218	52	2,394	595	15,120	4,857	..	..	17,732	5,504	118,074	0 11-19
Gisborne ..	..	..	..	..	1,311	279	18,218	5,038	..	..	19,529	5,317	135,946	0 9-39
Napier ..	2,090	505	8,767	2,259	23,471	5,824	80,886	26,116	476	185	115,690	34,887	579,346	1 2-45
Onehunga ..	616	149	2,018	488	1,704	441	12,029	3,318	418	101	16,785	4,497	111,841	0 9-65
New Plymouth ..	16,377	4,943	6,554	1,705	10,079	2,496	84,909	28,237	1,040	221	118,959	37,652	625,679	1 2-44
Wanganui ..	772	215	1,315	328	1,696	360	17,279	5,512	..	..	21,062	6,415	125,858	1 0-23
Nelson ..	792	168	1,443	346	1,304	297	25,298	7,517	172	37	29,009	8,365	184,824	0 10-86
Pieteron ..	215	60	722	182	1,743	436	7,858	2,520	..	..	10,538	3,198	90,584	0 8-47
Timaru ..	2,058	561	5,796	1,476	5,116	1,434	46,918	15,458	2,772	634	62,660	19,563	358,167	1 1-11
Oamaru ..	..	..	188	40	890	189	11,402	3,136	..	..	12,480	3,365	75,843	0 10-65
Bluff ..	..	..	6,604	1,673	10,888	2,603	68,520	22,312	2,529	638	88,041	27,226	509,748	1 0-82
Westport ..	250	60	..	..	1,238	265	7,440	2,847	..	..	8,928	3,172	85,598	0 8-89
Greymouth ..	1,170	296	3,510	889	4,795	1,464	15,968	5,306	1,800	574	27,243	8,529	147,410	1 1-89
Minor ports ..	..	..	..	..	..	..	10,196	2,957	..	..	10,196	2,957	136,070	0 5-22
Disputes Totals ..	116,004*	30,974*	239,587	59,694	433,419	107,217	1,897,792	590,471	202,876†	54,648†	2,889,678	843,004	14,279,236	1 2-17

	Man-hours.	Amount.		Man-hours.	Amount.
* Cost-of-living protest ..	63,518	15,863	† Assembly hall, Lyttelton ..	125,916	35,204
* Wage decision protest ..	52,486	15,111	† Unauthorized stop-work meetings ..	10,265	2,181
			† Miscellaneous ..	66,695	17,263
	<u>116,004</u>	<u>£30,974</u>		<u>202,876</u>	<u>£54,648</u>

BRIEF EXPLANATION OF CAUSES OF STOPPAGES FOR YEAR  
ENDED 31 MARCH 1951

1. *June 1950: Cost-of-living Protests.*—Stoppages of work at various ports as a protest against the increased cost of living and lifting of subsidies.

*July 1950: Wage Decision Protests.*—Stoppages of work at various ports as a protest against the decision of the Waterfront Industry Authority dated 5 July 1950, *re* increased rates of wages. Union claimed increase of 2s. per hour; granted 3d. per hour as from 8 May 1950, equivalent to slightly more than the interim wage increase of the Court of Arbitration from the same date.

2. *25 July to 5 August 1950: "Rangitoto" Dispute.*—The union contended that the pay of certain men was wrongfully stopped, and refused to refer the dispute to the Port Committee. Work ceased on nearly all vessels at Auckland, and eventually spread to most of the main and secondary ports. Normal work was resumed on 7 August 1950 on the understanding that the Government would forthwith set up a Royal Commission to investigate and report on every aspect of the waterfront industry.

3. *June and September 1950: Carbon Black Dispute.*—8 to 21 June 1950, "Myrtlebank," at Wellington: Men refused to accept rate awarded by chairman, Port Committee. Normal work resumed 21 June 1950 on recommendation by the Commission to the Authority to increase the special cargo rate for carbon black, and provide a clothing-allowance.

6 to 22 September 1950, "Asuncion de Larrinaga," Wellington: Authority issued decision on special cargo rate for carbon black on 8 September 1950. Men on "Asuncion de Larrinaga" had been on strike since 6 September, and when they still refused to resume work after 8 September they were placed on penalty. As a result all work ceased at the Port of Wellington on 12 September 1950. The dispute spread to all ports, and a state of emergency was proclaimed on 20 September 1950. Normal work was resumed 22 September 1950 by direction of the national executive of the union, as a unanimous agreement on the terms of settlement of the dispute was reached at a conference between employers and workers under the chairmanship of Mr. J. A. Gilmour, S.M.

4. *15 February to 31 March 1951: 15-per-cent Wage Increase Dispute.*—Claim by union that 15 per cent general wage increase should be based on 4s. 3d. per hour rejected by employers. Forty-hour week instituted. Employers reported men for penalty, and men ceased work at all ports. Dispute not settled 31 March 1951, when, except for four minor ports, waterfront work was being carried out by services personnel only. Total loss of wages through this dispute was £590,471 to 31 March 1951 and £910,226 from 1 April till resumption of normal work at each port, making a total loss of wages of £1,500,697 for the duration of the dispute.

5. *During Year: "Unauthorized Stop-work Meetings" and "Miscellaneous."*—A number of unauthorized stop-work meetings were held at main and some secondary ports during the year. "Miscellaneous" stoppages include—

(i) A refusal by the Lyttelton branch of the union between 2 June and 9 September 1950 to perform overtime on Friday nights and Saturdays as a protest against the delay in starting construction of the new assembly hall.

(ii) 2 January 1951 observed as an additional unpaid holiday at some ports.



## 1951 STRIKE

297. On 30 January 1951 the Court of Arbitration made a general wage order increasing wages under awards and industrial agreements by 15 per cent (including the interim general wage order of 5 per cent limited to 7s. per week as from 15 February 1951). The union made a claim for 6s. per hour direct with the employers, and when requirements were not agreed to overtime was refused at Wellington and New Plymouth, and the strike began on 9 February 1951. This spread throughout New Zealand. This event and subsequent changes in the industry are of great importance. We asked Mr. A. E. Bockett, General Manager of the Waterfront Industry Commission, to prepare a factual survey of the events preceding the strike, of the strike, and of the subsequent events until the complete resumption of work. The statement he prepared is too lengthy to summarize or to incorporate in this report, but it should be referred to almost as if it were an appendix. It appears at pages 6353 to 6417 of our notes of evidence.

## CHANGES FOLLOWING THE STRIKE

298. I summarize the changes in the industry which followed the strike:—

- (1) Spelling has been abolished and early leaving substantially diminished.
- (2) Fixed breaks for "smoko" have been introduced.
- (3) Many restrictive practices have gone. This includes some limitation of sling loads and the abuse of sheeting.
- (4) The abuse of the wet and windy weather clause has almost disappeared.
- (5) The abuse of stop-work meetings has ceased.
- (6) Overmanning peculiar to some ports has ceased.
- (7) There are separate unions at each port. Employers now have an initial selection of workers as in other industries.
- (8) Unreasonable stoppages have almost ceased.
- (9) A start has been made with permanent employment.
- (10) Higher rate of working by men. Much higher bonus payments. Reduction in non-cargo working time.
- (11) Better attitude to dirt-money claims.
- (12) Port Conciliation Committees at each port with independent chairmen to deal with disputes.
- (13) General acceptance of the principle that disputes in the industry will be settled by methods of conciliation and arbitration. This has been observed.

## PENALTIES FOR UNREASONABLE STOPPAGES OF WORK

299. It is in any industry desirable that work shall proceed steadily and without interruption. The labour force available in this industry is now, within existing hours of work, insufficient. Other industries are much dependent upon it. In the loading and unloading of ships there must be co-ordinated the operation of the cranes, the work of transport by motor or rail, the arrival and departure of vessels bringing cargo and taking transhipments, and the work in freezing and cool stores. Unreasonable stoppages of work affect not only the workers in the industry, but disturb, slow down, inconvenience, delay, and frustrate work in many other industries. The cumulative effect in rendering labour effort useless is great. There is great loss in ships, sheds, and gear remaining idle, and in the delayed clearance of cool stores and sheds. In the waterfront industry the loss from unreasonable stoppages of work is great. Many of these stoppages were strikes.

300. The awards or effective orders applying in the industry have emphasized by express provision the essence of the matter is that the work shall proceed normally notwithstanding disputes, and have always provided some mode of resolving and settling disputes.

301. In industry generally this applies with such force that it has been sought to prohibit certain stoppages of work and to enforce that prohibition by sanctions and penalties for those who disregard it. It is common experience that the prohibitions of the law are not likely to be obeyed by some unless there is a penalty for disobedience. So these prohibitions are reinforced by sanctions or penalties. In the original Industrial Conciliation and Arbitration Act 1894 there were no penalties on strikes or lockouts. Penalties may not wholly deter, but they may reduce the occasions on which prohibitions are disregarded. But if they are never or rarely enforced, they may come to be disregarded and may be no longer deterrent. Penalties, however, in industrial matters have to be enforced with discretion. There are occasions on which it is thought the better course is to impose responsibility on the union or association itself when it may properly be regarded as equally or solely responsible, and thereby affect the funds contributed by its members.

302. One cannot disregard the power and interference of the executive officers of a union or association and the difficulty members must have in expressing their wishes in mass meetings or the possibility of the intimidation of some members. There is reason to think that sometimes stoppages have not the support of a majority of the members. So it has been thought necessary in other industry, and I think it is proper in this industry, to impose some procedure for the ascertainment of the real wishes of members and to prevent what may be the impulsive action of minorities. To enforce this heavier penalties are imposed on workers or employers or on the executive officers of the union or association itself where a strike or lockout takes place before the will of the union or association has been ascertained by secret ballot, or where, after a ballot has been taken, there is a strike or lockout in disregard of the will of the majority.

303. For over ten years the general provisions of the law forbidding strikes and lockouts and penalizing other unreasonable stoppages of work have not applied in the waterfront industry. They are to be found in the Industrial Conciliation and Arbitration Act 1925 and its amendments and in the Labour Disputes Investigation Act 1913. The relevant provisions of the Act first named apply to workers and employers bound by awards or industrial agreements. There are, of course, some penal provisions which apply to others. Strikes or lockouts by workers or employers bound by awards or industrial agreements are unlawful. The latter Act applies to those who are not so bound.

304. The provisions of the Industrial Conciliation and Arbitration Act 1925 did apply in the waterfront industry until in 1940 the Minister of Labour by order suspended the application to the industry of most of its provisions. All of the provisions of the Labour Disputes Investigation Act 1913 were suspended at the same time. There did apply some penal provisions of regulations. These were the Strike and Lockout Emergency Regulations 1939 and the Waterfront Control Commission Emergency Regulations 1940. The Waterfront Industry Emergency Regulations 1946, Amendment No. 10, at present in force makes penal provision.

305. Since the war ended there have been many strikes and unreasonable stoppages of work in the industry. With reference to these there were merely the provisions of the regulations mentioned. It is said that, in particular, unreasonable stoppages by unauthorized stop-work meetings would have been stopped and never allowed to develop as they did if penal provisions applicable to other workers had applied in this industry and if they had been available to employers.

306. *The Strike and Lockout Emergency Regulations 1939*: These regulations provided that during their continuance no person should (a) be a party to a strike or lockout, or (b) encourage or procure a strike or lockout, or continuance of a strike or lockout, (c) incite any person or class of persons or persons in general to be a party to a strike or lockout. Penalty: imprisonment for three months or £50 fine and £200 fine for a body corporate. These regulations have been revoked.

307. *The Waterfront Industry Emergency Regulations 1946, Amendment No. 10*. Prior to the making of these regulations on 12 December 1951 the only relevant provision of the earlier regulations was a general one making it an offence (a) to act in contravention of, or fail to comply in any respect, with any provision of the regulations, or any order, direction, or decision of the Commission, and (b) in any way to attempt to prevent, delay, or otherwise interfere with the expeditious performance of any waterside work or despatch of any ship.

308. *The Waterfront Industry Regulations 1946, Amendment No. 10*, makes specific provision. It provides for strikes, lockouts, or discontinuance of employment, which term includes the refusal of any workers to accept engagement for any waterside work in which they are usually employed and any method and/or omission in the course of employment that is or is likely to have the effect of interrupting or impeding waterside work. If the majority of the members of any union or association of workers or employers in the waterfront industry are parties to the strike, lockout, or discontinuance, the union or association is deemed to have instigated the same. There is no specific penalty provided, and there is available the general penalty for breach of regulations—namely, twelve months' imprisonment or fine of £100, or both.

309. Unreasonable stoppages of work may be—

- (a) Breaches of an award, or its equivalent.
- (b) Strikes.
- (c) Lockouts.

310. I make special reference to the provisions of the Industrial Conciliation and Arbitration Act 1925 and its amendments upon these matters as a necessary foundation for a recommendation hereafter made:—

(1) Unreasonable stoppages of work may be breaches of an award or industrial agreement, and in such case a worker is liable to a penalty of £5 and an industrial union, industrial association, or employer is liable to a penalty of £100. The penalty is recoverable by action in the Magistrate's Court or in the Court of Arbitration. The action may be brought by an Inspector of Awards or by any party to the award or industrial agreement.

No industrial union or industrial association may bring any such action until a resolution to that effect has been passed at a meeting of the committee of management of the union or association. The penalties are recoverable to the use of the Crown.

(2) Strikes and lockouts by persons bound by awards or industrial agreements are unlawful. They are not made lawful by passing a resolution to strike or lockout. They are not legalized by the prior taking of a secret ballot.

Penalties by way of fines are imposed if a strike or lockout precedes the taking of a secret ballot or if it is in disregard of the result of the ballot. In those circumstances a specific responsibility rests upon the union or association and its executive members.

Strike means “the act of any number of workers who are, or have been, in the employment of the same employer or of different employers—

“(a) In discontinuing that employment, whether wholly or partially;

or

“(b) In breaking their contracts of service; or

“(c) In refusing or failing after any such discontinuance to resume or return to their employment; or

“(d) In refusing or failing to accept engagement for any work in which they are usually employed; or

“(e) In reducing their normal output or their normal rate of work,—the said act being due to any combination, agreement, common understanding, or concerted action, whether express or implied, made or entered into by any workers—

“(f) With intent to compel or induce any such employer to agree to terms of employment or comply with any demands made by the said or any other workers; or

“(g) With intent to cause loss or inconvenience to any such employer in the conduct of his business; or

“(h) With intent to incite, aid, abet, instigate, or procure any other strike; or

“(i) With intent to assist workers in the employment of any other employer to compel or induce that employer to agree to terms of employment or comply with any demands made upon him by any workers.”

Lockout means “the act of an employer—

“(a) In closing his place of business, or suspending or discontinuing his business or any branch thereof; or

“(b) In discontinuing the employment of any workers, whether wholly or partially; or

“(c) In breaking his contracts of service; or

“(d) In refusing or failing to engage workers for any work for which he usually employs workers,—with intent—

“(e) To compel or induce any workers to agree to terms of employment or comply with any demands made upon them by the said or any other employer; or

“(f) To cause loss or inconvenience to the workers employed by him; or

“(g) To incite, aid, abet, instigate, or procure any other lockout;

or

“(h) To assist any other employer to compel or induce any workers to agree to terms of employment or comply with any demands made by him.”

The following are liable to penalties:—

(a) Every worker who is party to a strike. Penalty, £50.

(b) Every employer who is party to a lockout. Penalty, £500.

(a) and (b) above apply only to workers or employers bound by an award or industrial agreement.

(c) Every person who incites, instigates, aids, or abets an unlawful strike or lockout or the continuance of any such strike or lockout, and

(d) Every person who incites, instigates, or assists any person to become a party to any such strike or lockout. Penalties as follows:—

(i) If a worker or other person to whom the following paragraphs do not apply. Penalty, £50.

(ii) If an officer or a member of the committee or executive of any industrial union, industrial association, or trade union or of the branch (if any) concerned. Penalty, £250.

(iii) If an industrial union, industrial association, trade union or employer. Penalty, £500.

When a strike or lockout takes place and a majority of the members of any industrial union or industrial association are at any time parties to the strike or lockout the union or association is deemed to have instigated the strike or lockout.

The above penalties are recoverable by an Inspector of Awards, and not otherwise.

311. Section 127 of the Industrial Conciliation and Arbitration Act 1925 gives the Court power, in the case of a conviction for certain offences in connection with strikes or in the case of a judgment for certain penalties, to suspend the registration of a union or association for up to two years.

312. Section 2 of the Industrial Conciliation and Arbitration Amendment Act 1939 was not suspended by the Suspension Order made in 1940. It provides not so much a penalty as it enables certain administrative action to be taken where there is discontinuance of employment. It provides as follows:—

(1) If in respect of any discontinuance of employment the Minister is satisfied that it has caused or is likely to cause serious loss or inconvenience and that it has been brought about wholly or partly by any industrial union of employers or of workers or by any member or members thereof, the Minister may, by notice in the *Gazette*, cancel the registration of the union, or cancel any award or industrial agreement in so far as it relates to the union.

(2) Any notice under this section may be general or may be limited to any specified locality.

(3) Every notice under this section shall have effect according to its tenor, and shall take effect on the date of its publication in the *Gazette*, or on such later date as may be specified in that behalf in the notice.

(4) Upon the cancellation under this section of the registration in respect of any locality of any industrial union registered in respect of any industry (whether that locality is the whole or part of the area in respect of which the union is registered), all awards and industrial agreements shall be deemed to be cancelled in so far as they relate to that union and to that locality or any part thereof; and thereafter, until the Minister consents thereto, no other industrial union of employers or workers, as the case may be, shall be registered in respect of that industry and in respect of that locality or any part thereof, and the scope of any other union of employers or workers, as the case may be, that is registered in respect of that industry shall not be extended to that locality or to any part thereof.

(5) For the purposes of this section the expression "discontinuance of employment" shall be deemed to include the refusal by any employer to engage workers for any work for which he usually employs workers, the refusal of any workers to accept engagement for any work in which they are usually employed, and any method, act, or omission in the course of employment that has or is likely to have the effect of interrupting or impeding the work in any industry.

313. There are special provisions which attribute responsibility to unions or associations and to their executive officers in certain circumstances. Their object would seem to be specially to penalize those really responsible for a strike or lockout taking place before and in disregard of a secret ballot. The Legislature would seem to intend to prevent executive members taking the decision to strike or lockout out of the hands of the members of the union or association, and to

prevent individuals acting before the mind of members has been properly ascertained or in disregard of the will of the majority. There are the following provisions:—

(a) If a strike or lockout takes place and any members of an industrial union or of any section of an industrial union are parties to the strike or lockout, the union shall be deemed to have instigated the strike or lockout unless the union proves that before the strike or lockout took place a secret ballot was held as required by the rules set out in section eight of the Industrial Conciliation and Arbitration Amendment Act 1947 on the question whether the strike or lockout should take place, or the union proves, with respect to every officer of the union, either that he had no means of knowing of the imminence of the strike or lockout, or that he took every step possible to ensure compliance with such rules and to prevent the strike or lockout.

(b) If a strike takes place and any members of an industrial union or of any section of an industrial union are parties to the strike, then, unless before the strike took place a secret ballot was held as required by the rule set out in subsection (1) of section 8 of the Industrial Conciliation and Arbitration Amendment Act 1947 on the question whether the strike should take place and a majority of the valid votes cast at the ballot were in favour of the strike taking place—

(i) Every member of the union who is a party to the strike shall be liable on summary conviction to a fine not exceeding £100.

(ii) Every officer or member of the committee or executive of the union and of the branch (if any) concerned shall be liable on summary conviction to a fine not exceeding £500, unless he proves that he had no means of knowing of the imminence of the strike or that he took every step possible to ensure compliance with the said rule and to prevent the strike.

(c) If a lockout takes place and any members of an industrial union or of any section of an industrial union are parties to the lockout, then, unless before the lockout took place a secret ballot was held as required by the rules set out in subsection (2) of section 8 of the Industrial Conciliation and Arbitration Amendment Act 1947 on the question whether the lockout should take place and a majority of the valid votes cast at the ballot was in favour of the lockout taking place,—

(i) Every member of the union who is a party to the lockout shall be liable on summary conviction to a fine not exceeding £1,000.

(ii) Every officer or member of the committee or executive of the union and of the branch (if any) concerned shall be liable on summary conviction to a fine not exceeding £500 unless he proves that he had no means of knowing of the imminence of the lockout or that he took every step possible to ensure compliance with the said rule and to prevent the lockout.

314. Formerly there was one industrial union of waterside workers in New Zealand—namely, the New Zealand Waterside Workers' Industrial Union of Workers. It had branches at the separate ports. The branches had local autonomy, but the rules provided that members were not to take such action as would involve other branches in an industrial dispute without first submitting it to the national executive or branches. If the members of a branch struck at any port, the union itself would in practice be under no responsibility because a majority of the whole union would not be parties to a strike if work was proceeding

at the other ports. Since the strike, however, there are separate unions at each port, and the action of the majority of its members at a port may be attributable to the union.

315. The Labour Disputes Investigation Act 1913 also does not apply to waterside workers and employers, although expressed to apply to all other workers and employers who are not bound by awards or industrial agreements. It contained a provision requiring a secret ballot and penalizing strikes and lockouts before a ballot had been taken or before the expiration of a voluntary agreement filed under the Act.

316. Some provisions of the Industrial Conciliation and Arbitration Act 1925 have come to apply. It may be a question whether some of the amendments applied in any case. Regulation 39 of the Waterfront Industry Emergency Regulations 1946, Amendment No. 10, provides: "The provisions of the Industrial Conciliation and Arbitration Act 1925 and its amendments relating to the taking of a secret ballot on any question of a strike or lockout shall apply to every union or association of workers in the waterfront industry, provided that this regulation shall not be deemed to render lawful any strike or lockout which would otherwise be unlawful, either under these regulations or any order made thereunder or under any other enactment." (Regulation 40 gives the Minister of Labour suspensory powers in the case of discontinuance of employment in the waterfront industry causing serious loss or inconvenience, and Regulation 41 attributes responsibility to the union or association where a majority of members are parties to a strike or lockout or discontinuance of employment.)

317. There is no reason why provisions of the Industrial Conciliation and Arbitration Act 1925 and its amendments as to strikes, lockouts, and unreasonable stoppages of work should not apply to waterside workers and employers. Waterside workers and employers were formerly so bound. There have since the war been many unreasonable stoppages of work, and it is thought they will be reduced and offenders deterred if the unions and associations, their executive officers and workers, and employers themselves were fixed with responsibility for their participation in these acts and penalized in the way set out in the Industrial Conciliation and Arbitration Act 1925 and its amendments.

318. It will not be sufficient now to attract the provisions of the Industrial Conciliation and Arbitration Act 1925 by mere revocation of the suspension order made in 1940. In lieu of or in addition thereto they should be attracted by an appropriate amendment so that the Act applies to every union or association of workers or employers in the waterfront industry and to the workers and employers although they may be bound only by some order of a tribunal and not by industrial award.

319. The provisions of the Act as to secret ballots and imposing penalties by way of fine in case of a strike or lockout before or in disregard of a secret ballot should in particular apply.

320. The substance of this recommendation is that workers and employers in the waterfront industry should be on the same footing under the law as workers and employers in other industries.

### COMMISSION CONTROL

321. The question is whether Commission control should be abolished or continued. I go back to the constitution of the Commission in 1940. It was in origin an emergency authority to deal with special conditions. The Commission was empowered to do all such things as it deemed necessary for the purpose of ensuring the utmost expedition in loading, unloading, and storage of cargo. At any port it had the most ample powers of control. It might control the use and

administration of wharves; direct loading, unloading, or storage of cargo in such a manner as it thought fit; direct the continuance of or variation of existing methods of engaging labour; introduce new methods of employing men or unloading cargo; employ labour itself and prescribe the terms and conditions of employment, including a guaranteed wage, and impose levies for various purposes.

322. Some of these powers were exercised during the war and there was certain achievement. Changes were later made and there is no need to refer to what was done during the war. I mention rather what still remains. First, the Labour Bureaux were taken over or established by the Commission; secondly, central pay offices were taken over or established; thirdly, a system of co-operative contracting was imposed on the industry; and, fourthly, the Commission attended to the provision of amenities and levied moneys for all these purposes; and, fifthly, it commenced the preparation of statistical record.

323. The Commission by order prescribed terms and conditions of employment, including the guaranteed wage, and these and subsequent amending orders for the most part remain. They govern the industry just as awards in other industries do. They were introduced by the Commission. They form no longer an element of Commission control in this sense that their continuance or removal will not now depend upon Commission, but will rest with the tribunal governing the industry. The power which the Commission itself had to prescribe terms and conditions of employment had largely gone by 1948 and was by that time given mostly to the Waterfront Industry Authority. There must in any industry be some such authority or tribunal, call it what you will. I do not regard such control as in the nature of Commission control.

324. I point out, however, that the Commission retained a modicum of judicial and legislative power until 1951. I have elsewhere referred to the accumulation of undisposed disputes which the Commission had under decision and to the dissatisfaction following on decisions of its officers. I refer to the Commission being diverted by urgent administrative work and the problems created by the action of the union leaders.

325. But apart altogether from this, constituted as it was and engaged as it was in administrative work, it was in no position with an appearance of fairness to exercise such powers. As it had in fact been found proper to reduce its judicial and legislative power in 1948, so no doubt for similar reasons the remaining power was withdrawn in 1951. I think this was as it should be. It was impossible for a body whose work had largely become administrative to do judicial or legislative work. The two could not be mixed. Certainly it could not give the appearance of exercising its powers fairly.

326. The Commission retained in being other wide powers of control until 1951. The Commission's function was in 1946 said to be to secure the utmost expedition in waterfront work, to ensure the provision of sufficient labour and to ensure that waterfront labour was used to the best advantage, and generally to provide for the regulation and control of waterfront work. Its powers included power to direct the performance of waterfront work in such a manner and in such order of priority as it thought fit; to take such action as it thought fit to ensure the efficient performance or continuance of any waterside work in accordance with its directions; to take such action as it thought fit to deal with cases of misconduct or with cases of failure or refusal to comply with any reasonable directions of the Commission; to direct the continuance of any existing methods of engagement, employment, and provision of waterside labour and introduce new methods and to investigate and implement schemes for the decasualization of the industry; to employ all such waterside workers and other persons as it thought



necessary; to prescribe the conditions and terms of employment for waterside work, taking such action as it thought fit to prevent or settle disputes. These were wide powers, but the power given to the Waterfront Industry Authority and given to Port Committees very much reduced their application.

327. I do not now refer to the earlier years, but take as a convenient period, say, from 1946 to 1951. A consideration of the state of the industry in this period leads one to say that in a time in which there was so much spelling, early leaving, restrictive practices, lost time, disputes, stoppages of work, stop-work meetings, and low rates of work the Commission was not then succeeding much in fulfilling what was stated to be its function, and all that it did or might do in the exercise of wide powers was going little towards securing the utmost expedition on the waterfront and that labour was used to the best advantage.

328. Nor, once the emergency had passed and normal conditions returned, was much to be expected. It is one thing to give great powers and have high aims, and it is another and different thing to accomplish those aims. The membership of the Commission will be remembered. At first there was a small body of practical men with waterfront experience, then there came a chairman with representatives of either side, and finally you come to a sole Commissioner, who, without disrespect to one of undoubted capacity, might be regarded as a civil servant. The Commission was not in a much better position to know what it was best to do than people in the industry and elsewhere, although the Commission had ample power to exercise if it did. Some control might seem to duplicate that already given to Harbour Boards. The Commission over this period was much concerned with the management of its bureaux and pay offices, including the holiday provisions, the administration of the co-operative contracting system, and a concern with amenities. It was also concerned with the compiling of statistics, chiefly in connection with the co-operative contracting system and the collection of the necessary funds for all the above purposes.

329. There was, of course, more. There was after 1948 that which would be described as covered by general direction and some particular direction. This was mainly through Port Committees. From a consideration of its activities I have formed the opinion that, in so far as it went beyond the matters I have mentioned, it was in later years not actually accomplishing very much in the way of securing expedition in waterfront work and that labour was used to the best advantage. The industry claimed that it could get on with its work best without the interference or control other than that imposed by the authorities governing the industry, and that was true. I think Commission control should be regarded as an instrument for getting certain results, and, in so far as it failed or ceased to get those results, then the case for its continuance went. In spite of complaints in individual cases, the Commission was coming to make less use of the very extensive powers given to it, and by 1951 many were withdrawn and the powers that are left remaining are chiefly administrative. It would be easy to exaggerate the change in Commission control. There was a difference between what it was doing and what it had power to do. Its intervention never came to be accepted by employers, and the industry was much vexed with disputes and debates as to the justice and wisdom of what it did. If it had achieved its purposes to any reasonable degree, it must have been accepted.

330. The question whether Commission control should be retained or not is a narrow one. It comes to the question whether the Commission should still retain control of the labour bureaux and of the central pay offices with the administration of the holidays provisions, the administration of the co-operative contracting system, and its concern with amenities and its powers to levy.

331. As long as a system of equalization of hours prevails you must have labour bureaux of some kind by whomsoever managed. It may well be that bureaux could be managed by Harbour Boards or by the Railways Department or by any other employers, as well as by the Commission. And if one has doubts about this, one has to remember there are two labour bureaux independent of the Commission—one managed by the Wellington Harbour Board and the other managed by the Railways Department at Lyttelton. Before the advent of the Commission employers introduced and managed bureaux. The management of particular labour bureaux might be again surrendered to, say, Harbour Boards, acting as wharfingers and so on. Similarly, central pay offices might be taken over by particular employers. It will be remembered that the Wellington Harbour Board has its own central pay office and employers did have their own central pay office prior to its being taken over by the Commission. If a labour bureau is taken over, so should the corresponding central pay office and the administration of holidays as they all must work in together. There will not be much to choose between management by the employers and management by the Commission.

The employers represented before us are not the only employers of waterfront labour, and it may well be at some particular ports as a mere matter of the convenience of all better for the Commission to continue to manage the bureaux as before.

332. As long as co-operative contracting is the system determining the remuneration of workers it requires to be administered, and I think administered by somebody apart from the workers and employers. It must, in my opinion, continue to be administered by the Commission. If some other incentive scheme is adopted the administrative work might be different, and it could, perhaps, as well or better be left with the employers. It should not automatically go to the Commission. The Commission can be expected to continue to give the necessary impetus to the provision of amenities in the industry. I would retain Commission control in so far as that involves the administration of the labour bureaux and the central pay offices, the administration of the holiday provisions, and the co-operative contracting scheme and the collection and preparation of statistics. I would leave it to deal with and care for amenities and to levy moneys for these purposes. In cases it might well surrender the management of some bureaux and central pay offices and the administration of the holiday provisions. This recommendation amounts almost to confirmation of the existing position as established by the 1951 regulations. The Commission with such administrative functions might well furnish the tribunal governing the industry with a useful instrument to get information which it may require from time to time. It might also furnish the kind of organization to which Governments in their concern about industrial troubles on the waterfront might resort.

333. Nothing that I have said is intended to indicate the view that employers should not be free to establish and manage labour bureaux and pay offices for their own permanent employees and to take care of the provisions for their holidays.

334. Something should be said about co-operative contracting. This is very largely a formula or a technique for ascertaining the remuneration of the men and for ascertaining in particular what bonus or additional payment they should have. Although the Commission order might say, as it does, that the Commission will load and unload ships, in reality the Commission now does nothing of the kind. Ships control the loading and unloading, and the statement in the order that the Commission will load and unload is almost a matter of form. The same result could have been obtained by adopting the device of the purely notional loading or unloading. In the end the question of co-operative contracting or not has become an industrial issue as to remuneration. It is not one of Commission control.

## ARBITRATION AND CONCILIATION

335. I start with the view that the wages and conditions in the waterfront industry and its disputes will ultimately be settled by methods of conciliation and arbitration. It would seem, then, that the proper course would be to bring the industry again under the jurisdiction of the Court of Arbitration. It was formerly, as all industry was, under the jurisdiction of that Court and it ceased to be in 1940. In my opinion, all private industry should be subject to that Court, and a special reason should be shown before any industry is withdrawn from its jurisdiction. There is a great advantage in this. A Court with an experience not of one industry, but of all industries, can deal with the problems of one and can secure, if it is desirable, that all industry is more or less in balance.

336. Some in the industry take a different view and would wish the industry to come under a separate tribunal. This may be due in some cases to a fear that the industry may not be able to maintain any position of privilege which it may have if it came under the Court of Arbitration. The industry has had an unfortunate experience of delay since it left the Arbitration Court. Some point to delays before the Commission was established and think that the Court could not really find the time to deal with its disputes. I think, in time, this objection will cease to have what force it now may have.

337. There are, however, for the time being, practical difficulties which prevent the immediate return of the waterfront industry to the jurisdiction of the Court of Arbitration. There has been no real revision of conditions of employment in the industry since 1940, and there are many problems which have been created by the various orders issued by the Commission and the practices adopted and prevailing. If the system of co-operative contracting is to continue, a general overhaul must be made, and particularly there must be a revision of rates at the different ports. If a new incentive scheme is adopted, generally or at particular ports, then there will arise the question of rates. To add that work to that which the Court of Arbitration already has would, I think, overload the Court. It may, however, be far from being a full-time job in itself, and it may be expected to have very much diminished within two years. Until things have settled down as in other industries the tribunal should be more readily accessible than a Court could be that has the whole of New Zealand industry within its care.

338. I am forced, then, to the conclusion that in the meantime the industry should be subject to a separate tribunal, but it should be one analagous to the Arbitration Court itself. I would suggest that it be composed of three members, of whom the chairman should have the qualifications which one must have to be eligible for appointment as a Judge of the Court of Arbitration, and that the appointments be for a period of not exceeding two years. Its jurisdiction should be over the waterfront industry, and no further. It should not be given a jurisdiction over industries now subject to the Court of Arbitration. I mention this because in a few ports waterside workers may at times do what is termed outside work, such as dock repair work, and come under the awards governing that particular industry. There has been a request that this work done by them should be detached from the jurisdiction of the Arbitration Court and brought under the jurisdiction of a new tribunal. It is perhaps hoped that if this work is treated as waterfront work it will attract higher pay than it does in its own proper industry. I do not think this consideration should prevail to detach part of an industry, subject to the Court's jurisdiction, from that Court.

339. Such a tribunal as is contemplated could well be the Waterfront Industry Tribunal established under the Waterfront Emergency Regulations 1946, Amendment No. 10, and its scope, jurisdiction, functions, and procedure should be as set out in those regulations. These regulations establish all the machinery of

conciliation and arbitration to function in the industry. In brief, I recommend that the industry come under the jurisdiction of that Waterfront Industry Tribunal. That tribunal should be regarded, however, as acting, in the meantime, in relief of the Court of Arbitration and not as a permanent new tribunal.

340. The Waterfront Industry Commission, if retained, and the tribunal should have the authority of a statute for their constitution, although that statute might, in terms, largely reproduce the regulations.

## PART II

341. I refer to the joint report submitted by my fellow Commissioners.

342. I am not merely in agreement with, but I am a party to all that appears under the following headings in that report:—

1. The adequacy and efficiency of the facilities provided at the various ports throughout New Zealand for the working of cargo with particular reference to—

(a) The adequacy, efficiency, and suitability of existing wharf berthage space, shed accommodation, mechanical wharf equipment and methods of working cargo for the present and immediate future.

(b) The provision of facilities and amenities for waterside workers and other workers connected with the waterfront industry including the suitability and sufficiency of those now provided and your opinion as to the persons by whom and the means by which there should be provided such additional facilities and amenities as may be found by you to be required.

(c) The efficiency of the measures taken for the prevention of accident the provision of first-aid facilities and generally safeguarding the safety and health of waterside workers and other workers connected with the waterfront industry.

2. The adequacy of the labour force now available to cope with the waterfront work which is now offering including—

(d) The allocation of labour to various ships including particularly its allocation as between coastal and overseas ships.

6. The practicability of co-ordinating the hours of work of all sections of workers employed in connection with the delivery and receipt of cargoes.

7. The causes of the delay in clearing goods from wharf and railway goods sheds.

8. The adequacy and suitability of railway rolling-stock, marshalling yards, and storage facilities.

9. The practicability of providing for the standardization of packages for shipment and for the limitation of the number of marks on packages with the object of simplifying and expediting the sorting and stacking of cargo in wharf sheds: the provision of means to reduce delays caused through the inadequate and indistinct marking of goods by shippers.

10. The steps (if any) which could be taken by the Customs Department to expedite the release of documents; and the practicability and desirability of abolishing or "staggering" the expiry date of import licences.

11. Any other factors affecting the speed and efficiency of cargo handling and the turn round of shipping in New Zealand ports.

12. The further steps (if any) which should be taken to reduce losses caused through damage to goods in their handling and through pillaging of cargo.

14. The desirability of retaining Cargo Control Committees.

I have the honour to be,

Your Excellency's most obedient servant,

ROBERT KENNEDY, Commissioner.

[L.S.]

Dated at Wellington, this 25th day of July 1952.

**REPORT BY THE HON. THOMAS BLOODWORTH AND JAMES SAWERS,  
ESQUIRE.**

TO HIS EXCELLENCY THE GOVERNOR-GENERAL OF NEW ZEALAND.

MAY IT PLEASE YOUR EXCELLENCY,—

INTRODUCTION

The waterfront industry is a name for a set of operations carried out at a point where transport by land and transport by sea meet. The ramifications of these operations are widespread. The industry presents a scene of great activity with many occupations, all of which, however, are related more or less closely to the primary occupation of servicing ships and cargoes. There are Harbour Boards, ships' chandlers, carriers, marine engineering works, stevedores, providers, the Customs, and many others. All types of labour are employed ranging from the highest skill represented by managers and executive officers of various companies and other organizations operating on the waterfront down to the unskilled work necessary for the efficient functioning of the industry. Many of these occupations did not enter into our inquiry and we have assumed that the reason for this was that their functions were being carried out with reasonable expedition and efficiency. Other parts of the industry appeared in our inquiry only incidentally.

The centre of this industry is the loading and unloading of ships carrying cargoes of all types, sizes, and shapes, and round this centre revolve all the other occupations engaged on the waterfront. It was the more important of these that engaged our attention and, indeed, it is a fact that if one or more of these major occupations fails to synchronize with the remainder, then the whole industry is adversely affected. Before proceeding to discuss in detail the various matters presented for our attention we desire to give a short description of the principal agencies engaged in this industry.

In New Zealand the agency which controls the port is the Harbour Board. With minor exceptions, this body consists of a number of members elected by electors of a district defined by statute. Prior to 1950, in addition to the elected members, representatives of payers of dues on ships, of payers of dues on goods; and of labour engaged in the port were members of the Board. The principal function of these Boards is the control of the port which includes the provision and maintenance of seaways leading to the port and the wharves sheds and mechanical equipment necessary for the berthage and working of ships and cargo. There is, however, a diversity of methods by which this function is carried out by the various Boards. Some provide only the wharves and equipment necessary to work the wharves and have an arrangement whereby the Railways Department takes delivery from or delivers to the ship's side in railway wagons and discharges or loads these wagons at points distant from the wharf. Examples of this arrangement are the Ports of New Plymouth, Lyttelton, Timaru, Port Chalmers, and Bluff. The Otago Harbour Board at the port of Dunedin provides wharves, wharf equipment and sheds, and contracts with a stevedoring firm to handle overseas cargo to and from the ship's side. In Auckland the Board provides the wharves, the sheds, and the mechanical equipment for handling cargo, and the shipping companies or stevedoring firms receive from and deliver cargo to the consignor or consignee, as the case may be. Two other Boards, Wellington and Nelson, are what is termed wharfing boards and, in addition to providing all facilities needed for the working of cargo, undertake the work of

receiving and delivery of cargo from the ship's side into wharf sheds and consequent delivery to the consignee. The Napier Harbour Board operates a modified version of this system together with a short railway to Port Ahuriri. Most of these diversities are due to the physical conditions of the port and to the policies of the various individual boards of the past.

The next organization which we will describe is the shipping companies, which, as the name implies, own and charter the ships engaged in the trade of the port and carry out various operations connected with the cargo carried in their ships. The operations differ according to the functions performed by the Harbour Boards, but at all ports the shipping companies are responsible for the ordering down of cargo by land transport to the ships and the employment of labour on the ships for cargo-working operations. The provision of labour on the wharf is generally the function of the organization responsible for handling the cargo at the ship's side. This in certain ports such as Auckland is undertaken by the shipping companies themselves. At each port an organization representing the shipping companies and other employers of waterside labour, called the Port Employers' Association, has been constituted primarily to deal with matters arising from industrial relations with the workers employed by them. These bodies are branches of the New Zealand Port Employers' Association situated at Wellington and, as far as we are able to judge, have limited powers to deal with matters arising in their individual ports. Another organization of shipowners is a committee in Wellington called the Overseas Shipowners' Allotment Committee which allots cargo space for ships owned by the principal lines engaged in the United Kingdom trade in New Zealand. This committee also has the important function of ensuring the supply of ships at the various ports in New Zealand. The shipping companies also have a senior committee in London which is called the New Zealand Tonnage Committee, which controls that end of the overseas trade and also ensures the supply of ships to New Zealand.

The Railways Department is prominent on the waterfront and acts as a common carrier, receiving and delivering cargo in railway wagons to and from the ship as required. In the ports commonly known as railway ports the Railways Department acts as wharfinger and handles all cargo entering or leaving the port. Practically all the refrigerated cargo exported from New Zealand is delivered by the Department to the ship.

The work involved on the waterfront requires a great deal of labour of all descriptions. The largest group are those workers engaged in the handling of cargo on ships, on the wharves, and in the transit sheds. In New Zealand these workers are known as waterside workers, in England as dock workers or dockers, and elsewhere in the world as longshoremen, wharf labourers, and stevedores. The men engaged are, with the exception of one union in Wellington, casual workers and are employed on an hourly basis (subject to qualifications which will be discussed later in this report) on jobs to which they are allocated by a central labour control office known as a bureau. On the job they are employed in gangs, and a gang may consist of various numbers of workers depending on the operation and type of cargo to be handled. These workers are members of an industrial union comprised mainly of the workers registered at the port labour bureau, and this union is the agency which primarily attends to all matters affecting members in their employment. Prior to February of last year the local unions were branches of a New Zealand Union called the New Zealand Waterside Workers' Industrial Union of Workers, but one of the

consequences of the industrial strife on the waterfront last year was that this national union ceased to function and the now separate port unions are autonomous. At the present time one association of these separate unions has been formed and another association is being organized in order to consult with one another on matters of mutual interest and also act as agents for negotiations with the New Zealand Port Employers' Association on conditions of employment. In addition to the waterside workers, there are tally clerks, foremen, and Harbour Board employees all more or less closely associated with the handling of cargo. The work performed by these workers is often similar to or is an extension of the work performed by gangs of watersiders. For example, a crane-driver is a Harbour Board employee and his operation is essential to the work of handling cargo. When the ship's gear is used the men operating the winches are members of the Waterside Workers' Union, but yet their functions are practically identical with that of the crane-drivers. The lines of demarcation between these various groups of workers are difficult to define and owe their origin in many cases to practices which developed in the past and have become part of the accepted order.

Reference is made in the order of reference (and is made throughout this part of this report) to the Waterfront Industry Commission, and as the existence and function of that Commission is not generally understood it seems appropriate that we should give a brief explanation of it, how and why it came into being, and what its functions are.

Throughout the world, until recent years, the industry was of a casual nature, and so far as the waterside workers engaged in it were concerned it was poorly organized. Many attempts were made to remedy the casual nature of the industry and the method of engagement in it. It is an industry in which a man is not regularly employed; there are times in all ports when fewer ships arrive, and a man, when employed, is not always with the one employer as is the case with most other industries. In New Zealand in the early years of this century and up to about 1936 there were separate unions of waterside workers in each port, and the conditions of work were determined under the conditions of the Industrial Conciliation and Arbitration Act 1925. In 1936 the New Zealand Waterside Workers' Industrial Union of Workers came into being, and on 30 November 1937 the Court of Arbitration made an award for the industry, the award to be in force from 1 October 1936 to 30 June 1938. The delay in getting a new award made caused grave dissatisfaction to the workers, and negotiations were still in progress when war broke out in September 1939. Important as the industry is in times of peace, it is much more important in time of war, and as the parties did not appear likely to amicably settle the terms of the proposed new award, or to prevent serious disputes arising within the industry, the Waterfront Control Commission was set up by the Government in 1940, with very extensive powers, including the employment of labour and the prescription of terms and conditions of employment. In 1946 this was reconstituted as the Waterfront Industry Commission, with a Judge as Chairman, and representatives from either side of the industry. A further change was made in 1947, and again in 1948, when these bodies were established—the Waterfront Industry Commission and the Waterfront Industry Authority—this change representing a severance between the administrative and the judicial functions. After the strike (February to June 1951) new regulations were brought in which set up a Waterfront Industry Commission of one Commissioner and a Waterfront Industry Tribunal to consist of not more than three members.

The establishment of the Waterfront Control Commission in 1940 and the maintenance of that Commission and its successors to the present time is not something peculiar to New Zealand, and has its counterpart in other countries. There have been and there still are in both Great Britain and Australia waterfront authorities bearing a general resemblance to the Waterfront Industry Commission here. Problems which arise in the waterfront industry in Great Britain and Australia—countries whose general social outlook is similar to that of New Zealand—are similar to the problems which arise in this country, and it is not strange that this should be so, for the same ships visit the ports of all three countries and cargoes which are loaded by the watersiders in one country are discharged by the watersiders in the other. The men in each of the three countries come largely from the same stock, and the history of the waterfront industry in each of the three countries follows very much the same pattern—namely, casual employment and bitter antagonism between workers' organizations and employers. Gradually over the years the social conscience has been awakened to these evils, and improvements in pay and conditions have been made, sometimes willingly conceded by the employers, sometimes bitterly opposed by them. Commissions and Committees have made inquiries and furnished reports and recommendations for the improvement of conditions in the industry in Great Britain and in Australia, and as a result there are, as we have said, authorities in those two countries with similar functions to those of the Waterfront Industry Commission here. Some of the inquiries into this industry took place years ago—in Great Britain, early in this century—yet it is correct that the Commission form of control was established in each country as a wartime measure, and the question is now asked, Is that form of control necessary, efficient, or economic, and has it given the results it was set up to achieve?

In New Zealand Commission control had one further objective that was to introduce measures which would further decasualize the industry and improve employer-employee relationship within the industry. The war followed fairly close on the depression years, when there had been serious and general unemployment. Up to the outbreak of war there had been some improvement, but with the war the employment position was soon reversed. Instead of unemployment there developed a labour shortage. This continued throughout the war and up to the present time, so that throughout the whole period of Commission control it has had to deal with a condition where not only was full employment a matter of Government policy, but also the general conditions obtaining during the post-war period sustained this shortage.

*1. The adequacy and efficiency of the facilities provided at the various ports throughout New Zealand for the working of cargo with particular reference to—*

- (a) The adequacy, efficiency and suitability of existing wharf berthage space, shed accommodation, mechanical wharf equipment and methods of working cargo for the present and immediate future.*

#### (1) THE CO-ORDINATION OF HARBOUR DEVELOPMENTS

The majority of the present harbours in New Zealand were commenced in the pioneering days of the Dominion when shipping was practically the only means of transport available for a large number of settlements. Roads and railways had not been developed to any extent. During the intervening years with the development of rail and road transport it was natural that at least some of the ports which had been prosperous in the early days would suffer a decline in traffic.



In New Zealand certain places were endowed by nature with suitable harbours and, as a result of the absence or inadequacy of inland transport, some smaller harbours which were opened in the pioneering days are still retained. That they are still kept in operation is due principally to the fact that a town or a particular industry was established in the vicinity. Indeed, there are examples in New Zealand today where the locality of a port has been adopted more or less haphazardly, and it may be said in all fairness that once a certain trade route and certain vested interests have been established it is difficult to make a change.

Transport development during the last fifty years has outstripped developments in other spheres of our economic life. Roads are inadequate for the purpose demanded of them, cities are not planned for efficient movement of both commercial and private motor traffic, railway marshalling yards are not capable of extension to handle modern railway traffic, airports are distant from passenger terminals, harbour facilities are inadequate to handle larger ships and cargoes. The result of this is congestion. It is manifested in cities, public vehicles, streets, wharf-transit sheds, warehouses, and often the harbours themselves. It is the ports and their facilities that we are concerned with here, although from time to time the results of congestion in other spheres of the economy will be shown to have an adverse impact on the efficiency of working the ports.

Shipping equally with other forms of transport has been subject to many new developments, and today we have trading to New Zealand from practically all the principal ports of the world larger, faster, and more comfortable ships than ever before. The new ships have a greater capacity for cargo, and, in fact, do carry on the average a greater cargo. In the Wellington Harbour Board's annual report of 1949 the following figures for 1938 and 1949 are given:—

*Total Overseas Trade*

	1938.	1949.
Number of ships .. .. .	460	334
Tonnage of cargo handled .. .. .	1,261,946	1,254,455

The average tonnage of cargo per ship was 2,743 tons in 1938 and 3,756 tons in 1949. This is an increase of 1,013 tons, or approximately 37 per cent, of additional cargo carried in an average overseas ship. The figures for the United Kingdom trade for the same port are even more striking.

*United Kingdom Trade: Inwards and Outwards*

	1938.	1949.
Number of ships .. .. .	183	116
Tonnage of cargo handled .. .. .	506,245	542,741
Average tonnage of cargo per ship .. .. .	2,766	4,679

The increase in the average in this case is 1,913 tons per ship, or 69 per cent.

These average figures do not give a full appreciation of the development. A modern cargo liner may reach a length of 560 ft., whereas a length of 500 ft. before the war was exceptional. The Overseas Shipowners' Allotment Committee informed us that before the war an average refrigerated ship carried a cargo of 9,408 freight tons inwards cargo to New Zealand and 5,825 freight tons of exports. The average modern ship carries 11,920 freight tons of inwards cargo and 6,731 freight tons of outwards cargo. The Overseas Shipowners' Allotment Committee also informed us that the typical large modern vessel has a capacity for 14,820 freight tons of inwards cargo and 8,510 freight tons of outwards cargo.

This increase in the cargo-carrying capacity of the modern ship is a factor of prime importance in considering comparisons of the rate of turn-round of shipping; turn-round, in this instance, being calculated from the time a ship arrives at her first New Zealand port of call until she leaves again for overseas. Only too often have we seen comparisons of turn-round without any reference being made to this factor, and the implication is that the increased time of turn-round is solely due to deterioration in loading and unloading operations. Proper comparisons over time can only be made if quantity units of cargo handled per unit of time are made the basis of comparison. Taking the example of the total United Kingdom trade at the Port of Wellington, if all other things remain constant, for every week spent in Wellington by an average 1938 United Kingdom ship, an average 1949 ship would expect to spend nearly twelve days. This is a theoretical proposition, and in fact would be qualified by changes in the rate of work in handling cargo, the accessibility of the cargo in the ship, delays in obtaining a working berth, the number of New Zealand ports visited, and so on. To arrive at a proper comparison of the turn-round, due allowance must be made for all these factors.

Not only has the size of overseas ships increased, but also the size of ships engaged in the coastal trade has increased. Evidence has been given to us that whereas in 1939 a Union Steam Ship Co. coastal steamer arrived in ports with a cargo of 1,000 to 1,500 tons, now a steamer of the same company arrives with 3,000 to 4,000 tons. It is true that the service is less frequent, but that does not surmount the immediate difficulty met by the port in handling the larger cargo.

It may be thought that with fewer ships there may not be the need for more wharves and facilities for handling cargo. The answer is that as the present average ship carries more cargo and is of greater dimensions it tends to spend a longer time in port and at the same time requires better facilities than were required by the average pre-war ship. In short, the development of the larger ship has made many present wharves and harbour facilities out of date, and many Harbour Boards in New Zealand will be required to undertake extensive works to equip their ports efficiently to handle modern ships and their cargoes.

The capital required to develop a port to full modern standards to deal with overseas trade is very large and much greater than that required for a port dealing with coastal trade only. During our sittings we heard evidence of development plans at certain ports, the expense of which would amount to some millions of pounds. It is desirable that such expenditure should not be undertaken lightly. In the past many harbours and their attendant facilities have been developed without much regard to the realities of the economics of the situation. We consider that active steps should be undertaken to prevent this state of affairs occurring again. Under today's conditions where larger ships require extensive facilities it is of vital importance that any capital expenditure should be made only in ports where the overseas trade, much of which is seasonal and demands a prompt clearance, can be handled expeditiously. It is also most desirable that no large-scale development should be made unless it is reasonably certain that it will become economically sound within the foreseeable future. Many of the schemes that have been submitted to us will certainly require detailed investigation which may result in substantial additions to the capital expenditure required. From the evidence given to us we do not consider that the individual boards are able to assess correctly the need for the most efficient and economic development of harbours in the national interest.

Wharves are simply a transport terminal—that is, a point where a change in the form of transport takes place. The difference in the capacities of the carrying vehicles—*e.g.*, ships and land vehicles at which the exchange is made

is much greater at wharves than at other terminals. This is an important factor in the congestion which has occurred at the main New Zealand ports for some years past. A ship can carry hundreds of truck loads of cargo, and to enable the terminal to operate smoothly a complicated and efficient organization is required. It also requires highly technical appliances and a large area of land for its operation. A common fault with ports is that there is insufficient area adjacent to the wharves for traffic movement and other operations necessary for efficient working.

In New Zealand the total tonnage handled at all ports is approximately equally divided between coastal trade and overseas trade, although during the last decade the proportion of coastal to overseas trade has declined slightly. In the North Island the overseas trade is dealt with at four main ports—Auckland, Wellington, Napier, and New Plymouth—and for a limited quantity of timber at Tauranga and phosphate at Whangarei, and in the South Island at Bluff, Otago, Timaru, Lyttelton, and, to a certain extent, at Nelson for the export of fruit and a small quantity of frozen meat.

The evidence placed before us covered a comparison made by the Waterfront Industry Commission of shipping statistics taken from returns made by Harbour Boards to the Department of Census and Statistics for the years 1938 and 1949. The year 1938 was taken because this year did not have any impact from import licensing which was introduced on 7 December 1938. For the purpose of comparison reference will be made to the shipping statistics for 1950. As 1951 cannot be regarded as a normal year due to the dislocation of work on the waterfront, we have decided that any comparisons made between this year and past years may lead to some misleading conclusions, but we have examined these figures to ascertain whether there has been any significant change in the general trend of trade. All figures are expressed in manifest tons, which is the unit adopted by the Department of Census and Statistics for these returns. The tonnage handled includes the transhipments which are shown separately in the figures published by the Government Statistician. For this purpose we have estimated the apportionment between the coastal and overseas trade on such information as was available.

The total trade of all ports in New Zealand between 1938 and 1950 has increased by 10 per cent.

In 1938 it was 8,164,616 tons, in 1949, 8,636,370 tons, and in 1950, 8,987,316 tons. The volume of the coastal trade has diminished over this period from 4,276,857 tons to 4,070,521 tons, a decrease of 4·7 per cent. It is therefore the overseas trade which has developed, and the total increase in this trade is, in 1950, 26 per cent of the volume in 1938. For 1938, 1949, and 1950 the figures are 3,887,759 tons, 4,563,929 tons, and 4,916,795 tons respectively. Overseas inwards cargo has increased by 27 per cent, from 2,835,652 tons to 3,611,264 tons, over this period, and exports by 24 per cent, from 1,052,107 tons to 1,305,531 tons.

Most of the total trade is handled in the North Island at Wellington and Auckland, and in 1950 these two ports handled 56·8 per cent of the total trade, 69·3 per cent of the total overseas imports, and 60·7 per cent of the total overseas exports, the relevant tonnages being 5,107,964 tons, 2,506,737 tons, and 789,544 tons.

As a result of our investigations we deem it necessary to draw attention to the marked difference in the total overseas trade handled at North Island ports as compared with the South Island ports.

The following table shows the changes in the volume and percentage of the total trade handled by ports in the South Island for the years 1938, 1949, and 1950:—

*Table Showing Totals and Percentages of the Volume of Total Trade and Overseas Trade Handled by all Ports in the South Island for the Years 1938, 1949, and 1950*

Year.	Dominion Total Trade.	South Island Total Trade.	Percentage of Dominion Total Trade.	South Island Overseas Trade.	Percentage of Dominion Overseas Trade.	South Island Overseas Inwards Trade.	Percentage of Dominion Overseas Inwards Trade.	South Island Overseas Outwards Trade.	Percentage of Dominion Overseas Outwards Trade.
	Tons.	Tons.		Tons.		Tons.		Tons.	
1938 ..	8,164,616	2,522,198	31	934,692	24	653,132	23	281,560	26·5
1949 ..	8,636,370	2,668,172	30·9	1,015,998	22·3	704,862	21	311,136	25·7
1950 ..	8,987,316	2,751,236	30·6	1,085,699	22·1	774,054	21·5	311,645	23·7

The South Island ports handle less than a third of the total trade and only 22·1 per cent of the overseas trade. Five ports handle this overseas trade—Lyttelton, Otago, Timaru, and Bluff, and to a lesser degree Nelson.

Both Auckland and Wellington handled considerably more overseas tonnage than the combined South Island ports in each of these years. With the increased size of overseas vessels and the desirability of having, wherever possible, one port loading, the provision of satisfactory depths of water in the harbour and alongside berths is a matter of major importance. In addition to this, the provision of suitable wharves, cranes, and other mechanical equipment is essential in order to improve the discharging and loading rate of cargo, which is a vital matter in connection with the turn-round of ships. To bring these ports up to the standard which will enable full cargoes to be received and despatched and at the same time provide the necessary wharf facilities will require a substantial capital expenditure.

We consider that the volume of trade is insufficient to justify this number of overseas ports in the South Island, and that in order to make the best use of future capital expenditure and provide for efficient and economical receipt and dispatch of cargo the number of South Island ports to be brought up to the standard required for modern overseas vessels should be limited.

We think that the time has arrived when the ports most suitable for overseas trade should be adequately developed for that trade, while others should be maintained for coastal and inter-colonial trade only. Development of the ports in this manner would, we affirm, make possible speedier turn-round of shipping (coastal and overseas), relieve congestion of wharves and sheds, and regularize the employment of labour.

The major part of the increase in New Zealand's trade is in the overseas section, which has increased in the twelve years by 26 per cent. It is in this trade where the difficulties of accommodation are to be found. The coastal section, although complicated by the larger cargoes, can be handled reasonably satisfactorily by the existing berthage. The larger ships, the greater cargoes, and the increasing congestion around the ports necessitates serious consideration of ways and means by which the whole organization from ship to consignee can be improved. The cost of development necessary to make harbours and their facilities adequate to handle modern ships and their cargoes expeditiously, efficiently, and economically is so great that only the presence of and the certainty

of a future substantial increase in the volume of trade can justify it. Not all ports which have schemes of development have such prospects. This is illustrated in the South Island.

We consider that it is essential to control this development in an orderly manner, both in the interests of the national economy and of the localities concerned. Harbours should be able to be financed without recourse to rate-payers. It is also equally essential to ensure that any scheme of development proposed is so planned that the resulting work will be adequate to meet the demands of the trade, both present and future. Only too often have harbour works proved inefficient within a few years for the purpose for which they are constructed. The cost of such works is so great that full and expert preliminary investigation and expert supervision of the work is a vital condition of any scheme. We consider that control by a central body is the only answer to these requirements.

Accordingly, we recommend that a Central Harbour Commission be constituted with wide powers of control of development of all harbours.

The primary function of this Commission will be co-ordination and development of major harbour engineering works. On request by a Harbour Board or on its own initiative it will fully investigate all proposals for development or major works. If it is satisfied that the proposals are necessary to the efficient working of ships and cargoes, it will carry out the preliminary engineering work, prepare plans and a specifications, and oversee the construction of the work. For this purpose it will require a staff of engineers and draughtsmen. These may be obtainable from Harbour Boards generally, and in the case of any plan for a particular harbour by secondment. Service in the Harbour Commission would be advantageous to both the Boards and the officers concerned. In the case of Auckland and Wellington it may be practicable to permit those Boards to prepare their own plans of development in consultation with the Commission, the latter to possess the right of approval of the plans before further steps are taken to commence the work.

By this means the Commission would be able to control effectively the orderly development of harbours to meet the needs of the situation both locally and in the national interest. The Harbour Board would benefit in two ways—firstly, that it would free its officers to concentrate their efforts on the day-to-day administration and maintenance of the port and relieve them of the necessity of planning ahead in detail. Secondly, it would enable engineering staff, which to a smaller Board is a relatively heavy expense, to be reduced to the number required for the normal working of the port. Some disadvantage may ensue because the Commission would have no responsibility for working the port, but close liaison and perhaps secondment of officers would mitigate this. Full and frank discussion should enable differences of opinion on details to be overcome.

The second function of the Commission is administrative and general. It must be informed on all matters relating to harbour administration and development, and it should undertake the collection of returns of shipping, cargo handled, and other statistics and financial statements considered necessary. It should co-ordinate these so that the system of collection and collation is common to all ports. It should keep itself informed on all developments of harbour and shipping elsewhere and disseminate information to the Boards. It also should maintain constant liaison with organizations connected with the waterfront industry such as the Overseas Shipowners' Allotment Committee, New Zealand Shipowners' Federation, the Harbours Association of New Zealand, the Railways

Department, the Waterfront Industry Commission, and primary produce Boards. Finally, it should advise the Minister of Marine on all matters connected with harbour development and administration.

We consider that it consist of three members to be appointed by the Government. The Chairman should have a full-time appointment and, for preference, be an expert on harbour engineering. The other two members should be part time and chosen for their business or other special qualifications.

We consider that the financing of harbour works be carried out by the individual Harbour Boards as at present through the Local Government Loans Board. However, if this Commission is constituted the present procedure of each Harbour Board promoting a private Bill for harbour development should be discontinued. Harbour Boards should be given borrowing powers similar to those available to Electric Power Boards.

The financing of the Central Harbour Commission could be undertaken by (a) fees from Harbour Boards for engineering work performed in connection with harbour works, (b) by a grant from the Consolidated Fund equivalent to expenditure at present incurred by Departments on functions taken over by the new Commission, and (c) by levies on Harbour Boards based on some convenient unit.

Similar problems have been faced in other countries.

In 1932, at the request of the Government of the Dominion of Canada, Sir Alexander Gibb made a survey of the national ports of Canada. In his report Sir Alexander Gibb stated that he found the principal causes of failure or inadequacy in engineering and of heavy over-expenditure in the past had been:—

(a) Inexperience in port layout and operation; resulting in unworkable or uneconomic piers and wharves.

(b) Insufficient data, or failure to appreciate the data; by which inappropriate sites are chosen, where, for instance, silting may demand continuous dredging, or cross-currents make navigation difficult or dangerous.

(c) Inappropriate design of structures, which are sometimes based on works at other ports where conditions may be different.

(d) Insufficient preliminary study of the conditions and of details of the design, which, coupled with inexperience and optimism, is the usual reason why so many engineering estimates are exceeded.

(e) Inadequate staff, resulting in the details being left to the contractor to work out.

(f) Inexperience of large contracts, as a result of which the contract documents are often difficult to administer satisfactorily, and the contracts are allowed to get into a serious state of confusion.\*

He recommended the constitution of a Central Harbour Board consisting of three members.

The board should administer all "major ports," both inland and seaboard, in which I would include all those of more than purely local importance. In my opinion, their jurisdiction should be further extended to cover some of the duties now in the hands of the Departments of Public Works and Marine—viz., dredging and maintenance of channels and approaches, construction and maintenance of breakwaters, buoys and lighting approach channels, &c. They would thus be the constitutional and actual authority for all port developments within the Dominion; and they alone would actually initiate and would be solely responsible for the carrying out of capital works for the improvement of the ports.†

In 1936 the Dominion of Canada passed legislation‡ constituting a National Harbours Board similar to that recommended by Sir Alexander Gibb. At present this Board administers the eight principal harbours of Canada.

\* National Ports Survey, 1931-1932, Dominion of Canada, para. 59.  
Canada, 1936, chap. 42. An Act respecting the National Harbours Board.

† Ibid., para. 93.

‡ Statutes of

In Australia the harbours come within the jurisdiction of the State Governments. In 1936 both the Governments of New South Wales and South Australia passed acts constituting central harbour authorities called the Maritime Services Board and the South Australia Harbours Board respectively. These are the controlling and administrative authorities for all ports and harbours in the respective States.

In South Africa all harbours are controlled and administered by the South Africa Harbours and Railways Department. It is therefore a Government undertaking, and at each port provision is made for consultative committees.

In Great Britain control of ports has been in the hands of authorities such as the Port of London Authority and the Mersey Docks and Harbour Board. In 1947 the British Transport Commission was constituted by the Transport Act 1947. It is, *inter alia*, required to keep the trade harbours under review with a view to determining whether schemes should be prepared to secure their efficient and economic development. In 1951 it issued reports by the Docks and Inland Waterways Executive on a Review of Trade Harbours, 1948-1950. The executive stated that they had made a review of the principal harbours of the country and that they considered that schemes should be drawn up for the improvement and development of certain ports. The British Transport Commission has accordingly drawn up these schemes for submission to the Minister of Transport.

## (2) BERTHAGE ACCOMMODATION

At the principal ports in New Zealand some inward cargoes require special facilities, including equipment, for their prompt discharge.

### 1. *Oil and Motor-spirits in Bulk*

The imports of this class of cargo are increasing, and it is considered that where the quantity handled is sufficient to warrant the provision of a special berth this should be provided. At the Port of Auckland there is one special berth at the tide deflector which is away from all other wharves and does not cause any inconvenience to the working of the port. The remaining oil berth is at the Western Wharf, and, as this particular wharf is used for other types of cargo, a certain amount of congestion does occur. At Wellington special oil berths are provided in the vicinity of the bulk storage equipment of the various oil companies. At New Plymouth tankers berth on the outside of the Newton King Wharf, and when a tanker is berthed the operation of the General Harbour Regulations with regard to the discharge of petrol causes inconvenience to loading or discharging vessels berthed at the same wharf. The regulations restrict the movement of locomotives and powered vehicles within 50 ft. of the tanker, and overseas ships have suffered delay on account of interference with shunting operations.

We consider that development plans of the New Plymouth Harbour Board should make provision for a separate oil berth. At Lyttelton a special oil berth is provided, and there is no inconvenience caused to the other shipping in the port.

### 2. *Bulk Cargoes Such as Coal and Phosphate*

The berthage for ships carrying these cargoes requires special facilities and equipment for handling such as grabs, "hoppers," and space to enable motor-lorries to receive the cargo and manoeuvre without causing traffic congestion. The position in the port of these berths is important as dust blowing on to loading vessels can cause deterioration of exports.

### 3. *Bulky Lines*

Bulky lines of cargo such as steel, pipes, rails, poles, and timber require adequate space on wharves for landing, stacking, and sorting. Where such cargo is landed at a wharf alongside transit sheds much inconvenience and delay is caused to carriers and others in getting access to the sheds to collect goods from them. At Wellington some space is provided for dealing with this class of cargo where it does not interfere unduly with other work of the port. Existing conditions at Auckland make only very limited provision of this sort, but we are assured that adequate provision is being made at the import wharf which is now being built. Any port which receives this class of cargo should make adequate provision for it in future development plans.

### 4. *Refrigerated Produce*

With respect to berthage accommodation required to handle this produce, particularly at the main ports, it is considered that more co-operation between the shipping companies and harbour authorities is necessary. The schedules for despatch of meat, dairy products, and fruit seem to be prepared without due regard for conditions at the ports.

Loading ships arrive in a port where already the whole facilities for the handling of produce are fully engaged on ships already berthed.

The export trade of New Zealand is largely derived from pastoral occupations. Of the various products exported, meat, butter, cheese, and fruit require refrigerated vessels for their carriage; the remainder, consisting mainly of wool, tallow, hides and skins, derivatives from milk, together with other by-products of the pastoral industries, requires non-insulated vessels or non-insulated space in refrigerated vessels. Throughout the years the volume of these commodities has been increasing, and it is anticipated that this trend will be maintained. In addition, New Zealand has large exotic forests, and the export of this class of timber, particularly from Tauranga, is increasing.

For some years past the principal customer for New Zealand's export of foodstuffs, meat, and dairy produce has been the Ministry of Food, Great Britain, and this arrangement seems likely to continue. This trade, requiring as it does refrigerated vessels, is subject to requests from the British Ministry of Food for certain classes of produce. For the reason that there is not unlimited storage in New Zealand for these exports, it will be seen that the prompt removal of this traffic is of vital importance. The freezing-works and cool stores must be cleared regularly during the peak season to make room for further produce, and, of course, the produce is required in England as early and regularly as is possible.

This overseas trade is controlled, subject to requirements of the Ministry of Food and to the produce being available, by what is known as the Overseas Shipowners' Allotment Committee. This committee has a permanent secretary and office in Wellington. It meets at stated times, and its functions are to make the allocations for refrigerated space. During the war and since that period it has in addition regulated the allotment of non-insulated space. While this Committee exercised a general supervision over non-insulated space in pre-war years, it left the individual shipping companies to deal direct with the exporters for this class of cargo. The reasons for the committee continuing to regulate the non-insulated space are due, firstly, to a shortage of shipping tonnage which is being gradually overcome and, secondly, because of the slow turn-round of shipping in New Zealand ports.



The Overseas Shipowners' Allotment Committee represents the principal overseas lines serving New Zealand, and is in touch with a senior committee of the same lines in London known as the New Zealand Tonnage Committee. Vessels bring to New Zealand general cargo, none of which needs refrigerated holds, and when vessels come to a port to discharge their cargo the Overseas Shipowners' Allotment Committee cannot determine until information is released by the New Zealand Dairy Products Marketing Commission or the Apple and Pear Marketing Board where and what that vessel will require to load. Even after instructions have been given changes have been made at the request of the British Ministry of Food for produce other than what was at first indicated.

The coastal shipping and inland transport services, rail, and road, are important links in the efficient turn-round of the overseas shipping. At the Port of Auckland the export traffic of butter, cheese, and wool is conveyed by coastal vessel, rail, or road to the cool and wool stores, from where it is later transported to the overseas ships. At Wellington, which has the largest proportion of transhipped cargo for overseas, butter and cheese is received from Patea and Wanganui, which are dairy produce grading centres, and this class of produce is thus available for direct transshipments to overseas vessels. The remaining transshipments at this port for overseas vessels are wool, tallow, and frozen meat and fruit from Picton and Nelson. At other New Zealand ports the transshipments for overseas vessels are not of any quantity. The railways are an important link in conveying export cargo such as frozen meat from the various freezing-works to the ports in addition to dairy produce from the cool stores adjacent thereto. The assembling of all this cargo on the dates required by the overseas shipping companies calls for organization, more especially when weather and other circumstances interfere with the loading or when the original loading schedules are amended.

Evidence tendered to us at Auckland and Wellington indicated that the position could be improved materially by a better appreciation by the overseas shipping companies of the particular difficulties which have to be met by cool stores, freezing-works, and the Railways Department when the loading schedules are amended. We recommend that there should be closer co-operation between the interested parties regarding this particular phase of the ordering down of cargo. We realize there is an advantage of having one port loading for export cargo, and wherever possible the efforts should be directed to this end. The berthage required for loading exports should be adjacent to the cool stores where these are situated at the port. There should be ample facilities for rail and road transport to operate without causing congestion on the wharves. Rail traffic is essential to this trade and berthage should be constructed so that access between the marshalling yards and the wharves is not hindered and so that shunting operations can be carried out expeditiously.

### (3) SHED ACCOMMODATION

Transit sheds are provided on the majority of the wharves in New Zealand except in railway ports where cargoes are loaded direct to railway wagons and conveyed to railway goods-sheds some distance from the port.

The sheds provided by Harbour Boards are transit sheds only, and it has not been the practice at any port for Boards to provide warehouse accommodation.

Up to the war period Boards did provide a certain amount of short-term storage, but with the modern vessels bringing much larger cargoes, and requiring much more shed space, it is no longer possible for the Boards to provide this temporary storage on the wharves.

The majority of transit sheds at existing wharves were built at a time when the average amount of cargo discharged by a vessel was much less than that from a modern vessel, and the larger cargo now carried requires more shed space. This is accentuated by changes which have taken place in commercial practice—*i.e.*, larger number of importers importing smaller parcels of goods and making use in many cases of wharf sheds as distributing centres. Also there is multiplicity of marks on standard lines of goods. These changes all tend to render inadequate the shed space provided.

#### (4) MECHANICAL WHARF EQUIPMENT

The extent to which the use of mechanical equipment is possible or economic must depend on factors which to some extent differ from port to port. The largest item of expenditure is a wharf crane for loading and discharging vessels. At such ports where there is a large tonnage of bulk cargoes such as coal, or phosphate, a special type of equipment is provided such as grabs and hoppers. The cost of mechanical equipment is such as makes it imperative that it be used to the fullest extent possible. The Lyttelton Harbour Board has compiled a comprehensive analysis of the operating time and costs of cranes together with the revenue returned. This, we think, is worthy of study by Boards who may be contemplating installing further cranes of this type.

Provision of mobile equipment at the ports has been determined to some extent by whether or not the Board acts as wharfinger. At Wellington, where the Board does undertake receipt and delivery of cargo, the transit sheds are for the most part well equipped with overhead cranes, though in some of the older sheds the equipment is somewhat out of date. This port has a large fleet of tractors and trailers. Modern cranes are provided on the newer wharves, but some of the older cranes, while being efficient, are slow. At Auckland, where the Board does not at present handle cargo, the wharves are well equipped with cranes and there is mobile equipment on the wharves, but very little equipment in the transit sheds. Evidence shows that the rate of work has not always been increased by the provision of mechanical equipment; in some cases the surface of wharves or sheds is such as to make full use of equipment difficult. The rate of loading at some ports where there are no wharf cranes, and where only ship's lifting gear is used, is faster than in ports where wharf cranes are provided. Reasons for this are said to be that wharves in smaller ports are less congested with traffic, and in some cases a better layout of rails for rail traffic causes less delay in removing empty trucks.

Bulk cargoes are increasing in New Zealand. There is, however, a wide variation of discharging rates for these commodities at the different ports. There seems to be no reason why ports with poor discharging rate should not improve these by the use of more efficient mechanical equipment.

There is a marked difference in the discharge rate of coal at Auckland as compared with Wellington. In 1950 the discharge rate at the former port was 46 tons per net gang-hour, as compared with 21 tons per net gang-hour at Wellington.\* The Wellington Harbour Board is providing a new coal berth on Aotea Quay with modern up-to-date cranes, and it is quite possible that with these improvements an increase will be made in the discharging rate for coal at this port.

---

\* Waterfront Industry Commission Report, 1950.

The imports of rock phosphate are increasing each year, and there is a wide variation in the discharge rate per net gang-hour at the ports where this commodity is discharged. The discharging rates per net gang-hour for 1950 are as follows:—

Auckland	.....	.....	26 tons
New Plymouth	.....	.....	20 tons
Lyttelton	.....	.....	45 tons
Ravensbourne	.....	.....	22 tons
Dunedin	.....	.....	15 tons

Our investigations disclosed that the Ports of Auckland and Lyttelton have wharf cranes operating the grabs. At Lyttelton the largest grabs in New Zealand are in use, but only the top portion of the cargo is discharged. This accounts for the faster discharge rate at this port. At Auckland and New Plymouth the usual practice is to discharge the total cargo carried by the ship, the difference between the rates at these ports being due to full use of mechanical equipment at the former port.

At Dunedin and Ravensbourne the lower portion of the cargo is discharged, and this results in slower work. The absence of suitable cranes with grabs at these two discharging ports is another factor contributing to the slower rate of unloading.

A return supplied to us by the British Phosphate Commissioners from 1 July 1951 to 31 May 1952 shows that the unloading rate at Auckland has increased to 33.89 tons per net gang-hour, at Lyttelton to 47.35 tons, and at Dunedin to 17.90 tons. The discharge rate at New Plymouth and Ravensbourne remains practically the same as in 1950.

These marked variations indicate that in Dunedin and New Plymouth the discharge rates for phosphate should be improved. Where necessary modern mechanical equipment and facilities should be provided.

The importation of wheat in bulk is tending to increase, and from information supplied to us it would appear that in the near future most of the wheat arriving in New Zealand will be in bulk shipments. At present the Port of Auckland has dealt with the largest proportion of bulk wheat from the holds of the ship by grab into a special hopper, from where it is distributed to the waiting lorries. Representations were made to us suggesting that suction equipment should be used for the discharge of such bulk cargoes.

In October 1951 the "Waynegate" discharged a cargo of 7,475 tons of bulk wheat in 198 grab-hours, which equalled 37.75 tons per grab-hour. At nine hours actual working per day each grab discharged 339 tons; with five grabs working in one day the discharge rate would be approximately 1,698 tons. One suction machine discharges 70 tons per hour for nine hours actual working per day; two machines would discharge 1,260 tons. The net gain of five grabs against two machines equals 438 tons per day. The cost of pneumatic discharging equipment is heavy, and it is considered that under present circumstances the use of grabs with a hopper for receiving the wheat is economical and reasonably efficient. It is understood that at the Port of Wellington, where bulk wheat will be received in the near future, an installation on lines similar to that at Auckland will be utilized for the discharge of this commodity.

#### *Methods of Working Cargo*

The method of working cargo varies at different ports, and this is largely governed by the policy of the Harbour Board. We have discussed the methods adopted in our report on the working of each port.

## THE PORT OF AUCKLAND

Auckland is the largest port in New Zealand and handled in 1950 about one-third of the total cargo and two-fifths of the overseas cargo handled by all ports in New Zealand. It is situated on the Waitemata Harbour, in the North Island, and serves the Province of Auckland, which contains approximately a third of the population of New Zealand. The wharves are situated on the south bank of the harbour and are within easy reach of the centre of the City of Auckland. The total berthage is approximately 24,000 lineal feet, of which 10,900 lineal feet is suitable for overseas vessels. It consists of six main wharves jutting into the harbour, together with provision for coastal vessels and oil-tankers, the whole installation being protected from tidal conditions by deflectors. All the overseas and most of the coastal berthage is equipped with transit sheds and cranes are provided on overseas berthage. On the opposite bank of the harbour at Devonport is the Calliope Dock, owned by the Auckland Harbour Board, and at Chelsea the refinery of the Colonial Sugar Refining Co., Ltd., where most of the sugar consumed in New Zealand is processed.

The total tonnage of cargo handled for 1938, 1949, and 1950 is as follows:—

Year.				Total Tonnage.	Increase on 1938.	Percentage Increase on 1938.
				Tons.		
1938	..	..	..	2,235,897	..	..
1949	..	..	..	2,641,649	405,752	18.1
1950	..	..	..	2,830,393	594,496	26.6

These figures are divided between overseas and coastal trade as follows:—

Year.				Overseas.		Coastal.	
				Inwards.	Outwards.	Inwards.	Outwards.
				Tons.		Tons.	
1938	..	..	..	1,106,545	255,429	565,005	308,918
1949	..	..	..	1,405,280	352,666	602,262	281,441
1950	..	..	..	1,536,009	409,617	620,762	264,005

The share of New Zealand's total seaborne trade passing through the Port of Auckland has increased from 27.3 per cent in 1938 to 31.5 per cent in 1950, its percentage of the overseas trade increasing from 34.9 in 1938 to 39.5 in 1950. The coastal trade has remained comparatively static at approximately one-fifth (20.4 per cent in 1938, 21.7 per cent in 1950) of the total coastal trade of New Zealand. Outwards coastal trade has shown a decline in the tonnage handled due to the developments of land communications within the province and the development of the Port of Whangarei as a point of discharge for oil. Other subdivisions of the trade show an increase. Overseas imports rose during the same period by 429,464 tons, or 38 per cent, and overseas exports by 154,188 tons, an increase of 60 per cent. These figures show the growing importance of Auckland as a centre of overseas trade.

Important commodities included in this overseas trade are as follows:—

	1938.	1950.
	Tons.	Tons.
Overseas outwards—		
Butter .. .. .	102,730	126,798
Cheese .. .. .	17,656	16,187
Meat .. .. .	47,253	71,450
Tallow, hides, skins, and pelts .. .. .	20,819	21,201
Wool .. .. .	19,443	32,485
Overseas inwards—		
Manure and sulphur .. .. .	218,959	362,209
Oil and motor-spirit .. .. .	192,101	439,499
Sugar .. .. .	75,508	89,450
Wheat .. .. .	58,004	71,370
General cargo (unclassified) .. .. .	442,935	512,265

The two main items of the coastal inwards trade in 1950 were coal (189,447 tons) and cement (88,856 tons). Butter from coastal ports of the province for export overseas totalled 20,914 tons in 1950.

Of the increase during the period in the overseas inwards trade of 429,464 tons, 404,014 tons is contributed by the bulk items of oil and motor-spirit (247,398 tons), manures and sulphur (143,250 tons), and wheat (13,366 tons). These items do not require shed space as normally they are pumped into shore tanks in the case of oil and motor-spirit, or are discharged into land transport direct or into hoppers in the case of wheat. The ships, however, do require berthage space, and to that extent a certain amount of otherwise usable shed space may be rendered idle.

Most of the remaining items in the inward overseas trade require shed accommodation. In 1938 the transit sheds on the wharves had a net area of 660,000 square feet, and in 1951 the net area of shed space had increased to 742,176 square feet. Since 1946 the Auckland Harbour Board has developed off-wharf storage, and in 1951 the net area of this was 284,409 square feet. The total space available for transit and storage is 1,026,585 square feet. In addition to this space, one store is used mainly for Government stores and is controlled by the Waterfront Industry Commission.

The following figures, showing the proportion of inward cargo not requiring shed accommodation at Auckland, have been supplied by the Auckland Harbour Board:—

	1937-38.	1949-50.
	Tons.	Tons.
Total inwards tonnage handled .. .. .	1,648,545	2,153,570
Less—		
Bulk oil .. .. .	186,327	413,911
Bulk manures .. .. .	180,354	317,822
Bulk coal .. .. .	160,675	195,470
Bulk wheat .. .. .	..	56,785
Total tonnage, less bulk commodities .. .. .	1,121,189	1,169,582

These figures show an increase of only 48,393 tons, or 4.3 per cent, in the inwards cargo other than bulk handled from 1938 to 1950. Most of this cargo requires shed accommodation. It would appear at first sight that sufficient transit sheds and off-wharf storage had been built to handle the increase in the trade. Notwithstanding this fact, we received evidence of serious and continuing shed congestion, and we concluded that other factors require examination besides the actual area of shed accommodation.

The total overseas berthage available in 1938 was 8,900 lineal feet, and in 1951 this had increased to 10,900 lineal feet. In the submissions by this Harbour Board the ends of wharves were included as available overseas berthage, thus extending the total to 12,200 ft. From our inspections it is considered that wharf ends have a limited use for the discharge of cargo. In the first place, no cranes are available to deal with the discharge, and it is extremely difficult for loading vehicles to gain access to the area where the cargo is being discharged. In addition to this, there is a further disadvantage in that there is no rail connection to enable bulk cargoes to be shifted expeditiously. We are of opinion that the discharge of vessels at these wharf ends contributes to the difficulties of congestion on wharves with which this Board is faced.

Having regard to the development of the hinterland of the port it appears that the additional berthage provided by the Auckland Harbour Board has not been sufficient to enable the port to cope expeditiously with the increased trade. This was in part due to the fact that during the war and post-war years there was considerable difficulty in proceeding with any major works due to a shortage of labour and materials. During the war years, however, an export wharf was built, and at the present time a new import wharf is under construction. This wharf will provide four additional berths for vessels discharging bulk lines such as phosphate, sulphur, coal, wheat, and cargoes such as steel, poles, &c. The completion of this wharf will free a number of berths at other wharves where these cargoes are now discharged for the use of ships carrying cargo which requires shed accommodation. The Export Wharf cannot at present be used for the loading of export cargoes and is used for discharging cargoes for which purpose it was not expressly designed.

The increased size of ships now trading at this port has resulted not only in a shortage of berthage space from time to time, but the larger cargoes have caused congestion in the transit sheds, particularly those of the older type which are quite inadequate for the sorting and stacking of large lines of cargo. The shortage of berthage space, added to the inadequacy of transit shed accommodation, has at times necessitated the removal of a discharging vessel to another wharf in order to have shed space for the discharge of the cargo. Instances came under our notice where a vessel had been moved to three different wharves for discharging operations. In addition to the cargo being in three different sheds, some of the cargo had been removed to off-wharf storage sheds. An importer requiring delivery of cargo from a ship which had been moved to three different wharves for discharge had not only to inquire for his goods at the three discharging sheds, but also in many cases at the off-wharf storage sheds. This procedure is the cause of considerable delays in the removal of goods and contributes to congestion.

The Auckland Harbour Board has a comprehensive scheme for the development of further wharf accommodation in the upper harbour, more particularly for the discharge of petrol and oils in bulk. At a later stage of the development of this plan it is proposed to concentrate the discharge of bulk cargoes such as phosphate, sulphur, coal, &c., in this area. The upper harbour scheme is a long-term development, and, having regard to the immediate requirements of this port, we consider that, if at all possible, the berthage and shed accommodation on some of the older wharves should be extended and improved in order to permit larger types of vessels to discharge and load in an efficient manner.

Princes Wharf, which is the principal wharf for discharging inward cargoes at this port, was designed and erected in a period before mechanical equipment, other than wharfside cranes, was developed at this port. Under present working

conditions the roadways and ends and sides of sheds on this wharf are badly congested with bulk lines such as steel, pipes, roofing materials, and other bulky cargoes which are not sorted and classified in the transit sheds. The accumulation of such lines of cargo on the wharf is a factor which contributes substantially to the delays in movement which carriers experience when endeavouring to remove cargo from this wharf.

In a submission made by the Overseas Shipowners' Allotment Committee it was stated that the requirements of the British Ministry of Food, and the limitation on refrigerated storage space in New Zealand, necessitated a maximum number of loadings during the height of the export season, usually from January to May of each year. During this period the Overseas Shipowners' Allotment Committee considers that a minimum of three refrigerated vessels should be loaded each month at Auckland.

The Export Wharf is 700 ft. in length and accommodates two overseas vessels. This wharf is connected by a conveyer-loading system with the cool stores owned by the Auckland Farmers' Freezing Co., Ltd. Owing to grit trouble arising from the steam generating plant of the State Hydro-electric Department, which is adjacent to this wharf, it has been impossible to make any substantial use of this apparatus for loading butter. As approximately 78 per cent of the butter exported from New Zealand is loaded at Auckland it is obvious that any system which would accelerate the loading of this commodity would contribute in no small degree to an improvement in the turnround of overseas ships.

The New Zealand Port Employers' Association was critical of the layout of the wharves at this port for the expeditious handling of overseas ships, and submitted evidence that greater use should be made of road transport for conveying export cargoes to the ships. Already the bulk of wool, skins, and general cargo lines are conveyed by road and discharged into sheds, from where they are loaded into overseas vessels. Under present conditions the whole of the butter (except when the conveyer is used) and cheese from the cool stores adjacent to the wharf is loaded in railway insulated wagons which are placed alongside the steamer for discharge. When the construction of the export wharf was being investigated it was agreed between the interested parties that if the conveyer was used the Railways Department would reduce its estimate of insulated rolling-stock required for the Auckland area by one hundred four-wheeled wagons. Due to the inability of the Auckland Farmers' Freezing Co. to use the conveyer loading system for butter, the Railways Department is required to provide insulated wagons for the conveyance of this commodity for a few chains from the cool store to the loading berth.

It is our opinion that railway wagons should not be used for this short distance traffic, and unless the grit nuisance can be overcome to permit of the full use of the conveyer loading system transport other than rail should be used for export traffic from the cool stores to overseas ships.

At the Port of Auckland the butter for export is stacked by the cool-store workers five boxes high in the wagons, and if this was increased to six boxes high, for which the wagons are designed, it would mean a saving of one wagon in six.

In submissions made by the Railways Department at Auckland it was pointed out that from 4 April 1951 to 8 October 1951 a total of 19,137 insulated wagons had been placed alongside nineteen overseas vessels for loading, and of this number 3,730 (19.4 per cent) had not been discharged when work had finished for the day. At our request the Railways Department made a further analysis for the month of March 1952, when 2,514 wagons were placed alongside

overseas vessels for discharge and 460 (18·3 per cent) were not discharged when work was finished for the day. As the New Zealand Port Employers' Association at Auckland stressed the need for road transport to deal with the loading of export produce due to the inability of the Railways Department to supply sufficient wagons to meet requirements it would appear that the shipping companies have the remedy in their own hands by dealing more effectively with the ordering of cargo down to overseas ships.

In reply to a complaint made by the Railways Department concerning over-ordering, the shipping companies stated that the maximum amount of cargo that could be loaded in the working period under the best-anticipated conditions must be ordered down to the wharf. We endeavoured to ascertain how this position could be improved, but from our inquiries it seemed that the Overseas Shipowners' Allotment Committee gave the information regarding the amount of cargo required for the ship to the interested parties—freezing-works, cool stores, Railways Department, and stevedoring companies—and then left it to these organizations to do the best they could with the position.

Representations were made by the Auckland Harbour Board regarding the inadequacy of information from shipping companies as to the arrival of vessels, particularly in the case where a ship is diverted from another port to Auckland. We consider the shipping companies should in all cases furnish the Harbour Board with early advice of the arrival of vessels. In a submission made on behalf of the North Island Freezing Companies' Association, the South Island Freezing Companies' Association, and the New Zealand Dairy Produce Cool Stores' Association it was stated that the notice given by the shipping companies is frequently short. It was considered that to allow co-operation of transport and labour shipping companies should comply strictly with the requirements of reasonable notice, and with this we agree. In evidence, the officer in charge of the Dairy Produce Department of the Auckland Farmers' Freezing Co., Ltd., stated that there was no definite lead given to his company by the shipping companies as to which ship should have a priority of produce. In further evidence regarding the question of over-ordering this officer stated that recently his company had been able to exercise a certain amount of control in ordering out, particularly with dairy produce, but the matter of over-ordering was still a matter of some concern.

The Railways Department in its evidence stated that difficulties did exist when more than three vessels loading refrigerated produce were at the Port of Auckland, and that there were two alternatives. Firstly, the provision of additional wagons and, secondly, the better utilization of the existing rolling-stock. In so far as the former is concerned, the Department feels it should not be called upon to provide additional rolling-stock until such time as reasonable utilization is received from the present supplies. The Department was definite, and the figures produced show that reasonable utilization was not being achieved.

The transit-shed accommodation provided on the wharves at this port was the subject of adverse comment by interested parties. None of the transit sheds at discharging berths are provided with overhead cranes. The use of mechanical equipment at this port is confined to fork-lift trucks, mobile cranes, and tractors and trailers. This mechanical equipment is hired by the Auckland Harbour Board to the shipping company concerned, and when a carrying firm requires the use of such equipment for loading goods difficulty is experienced in securing it. The use of fork-lift trucks in transit sheds necessitates a wider space between the rows of cargo than would be necessary were overhead cranes provided. With the exception of the sheds on the Export Wharf, no overhead cranes have been provided at this



port nor are the sheds designed for their use. It is therefore obvious that the Harbour Board must make the best available use of mechanical equipment, other than overhead cranes, in dealing with the discharge and sorting and delivery of inward cargoes.

The uneven floor surface in some of the transit sheds and also on some of the wharves is not conducive to good working conditions for the employees concerned.

The method of operation at Auckland is that the shipping companies or stevedoring companies under contract to shipping companies control the discharge, sorting, stacking, and delivery of cargo. The Auckland Harbour Board supplies the transit sheds, cranes, and mobile mechanical equipment. In each shed is a storekeeper employed by the Harbour Board whose duty is to allocate the space for the cargo. He has no control over the men working in the shed. The result is that there is in actual fact no one with the necessary authority to deal efficiently with this work.

The matter goes deeper. For the whole of its existence the Auckland Harbour Board has been supplying facilities required for its port, and at no time has it ever been responsible for the actual work of cargo handling. No matter what qualifications its officers may possess, only experience in the actual working of the port can give that inside knowledge necessary to ensure that the most efficient facilities are provided. Our observations are that the present facilities are not adequate to deal expeditiously with the modern ship with its large cargoes. We saw inadequate and obsolete sheds, uneven floor surfaces, entrances to sheds cluttered up with rough cargo, traffic congestion, and other evidence that a strong control of the port was essential. The present system of divided control is not satisfactory, and we are convinced that this is a material factor in the congestion which has obtained in the port. We consider that this divided control should be ended and that the Auckland Harbour Board become a wharfing board with full control of cargo operations from the ship to the consignee.

At Auckland complaint was made by carriers and others regarding the inconvenience and delay occasioned by reason of the fact that all inward cargo requiring examination by the Customs Department had to be conveyed for examination to the upper floor of a shed on the Queen's Wharf. When such an examination is necessary the carrier has to collect the packages from whichever wharf at which the cargo has been discharged and take the packages to this shed. It is not possible at Auckland for movement of cargo to be made from wharf to wharf without the vehicles coming out on Quay Street, which is already badly congested with traffic. We consider that if at all possible some improvement is necessary in dealing with consignments which require customs examination.

Other features at Auckland wharves which require improvement are the poor and inadequate accommodation for tally clerks in the transit sheds, and also for the employment bureau and the people employed in it.

At Auckland there is an extensive coastal trade which is catered for by various types of vessels ranging from vessels of the Union Steam Ship Co., Ltd., in the New Zealand coastal trade to scows which trade mainly within the harbour. A proportion of the dairy produce from the Auckland Province is brought to Auckland by coastal vessels, discharged at wharves, and carted by lorry to the grading cool stores near the wharves. Vessels in this trade are generally given priority for discharge, and there appears to be sufficient berthage space generally for the coastal and smaller vessels, but delays do occur to them through shortage of wharf labour, lack of shed space, and occasionally lack of berthage space.

Under section 92 of the main order of the Waterfront Industry Commission exemption from the terms of the order is granted to scows trading out of Auckland, and the owners asked that this exemption be continued. There was no objection raised to this and there appears to be no reason against the exemption being granted. It would be practically impossible for the full terms of the main order to be observed as these small vessels have to work to suit the tides and are generally loaded and discharged by the members of their crew.

Evidence was brought by one owner of small vessels of 250 tons and under asking that a separate award or order be made for this class of vessel, which is mainly engaged in conveying dairy produce to Auckland, and for that reason required more flexibility in working than could be secured under the conditions of the main order. One reason given for this request was that some smaller vessels not bound by the order but worked by their owners were able to compete unfairly with these other vessels, thus rendering the trade uneconomic. These are matters for consideration, we think, when the revision of the main order is considered.

#### THE PORT OF ONEHUNGA

The trade at this port, which is situated on Manukau Harbour, is as follows:—

Year.					Tons.
1938	..	..	..	..	47,994
1949	..	..	..	..	45,905
1950	..	..	..	..	49,754

The wharf, which is controlled by the Auckland Harbour Board, is used principally by steamers engaged in trade to Awanui in the north, New Plymouth, Wanganui, and also with Lyttelton and Picton. The wharf has 520 ft. of berthage and the transit sheds have 12,930 square feet of space. The berthage space on the south side cannot be used due to shoaling. The wharf has no rail connection with the side on which steamers berth. There is a railway-line on the south side of the wharf, but until some improvements are effected on the Mangere Bridge end of the present berthage it will be impossible to provide a rail connection for the berths now used by the steamers trading to this port.

A request was made by the Port Employers' Association for an extension of the wharf towards the Mangere Bridge end, but from the fact that traffic is somewhat light—a statement handed in by the Auckland Harbour Board showed that the wharves were empty for 31 per cent of the days in 1950—it would appear that the extension is not warranted at present.

The trade figures show that there has been a small increase in the trade of this port, and evidence was given that some trade had been diverted to Auckland because of poor facilities at Onehunga. While the accounts show that the Port of Onehunga has been operated at a loss to the Harbour Board for some years, it is probable that more use could be made of the port by industry in the rapidly developing industrial area of Penrose.

#### THE PORT OF WELLINGTON

The Port of Wellington is the second largest trading port of New Zealand, and actually handles considerably more shipping tonnage than any other port due to its position as the northern terminal of the inter-Island ferry services. It is the overseas port for the Wellington Province and the northern provinces of the South Island and, of all the ports in New Zealand, handles the greatest quantity of transhipped cargo. The main berthage, totalling 23,554 lineal feet, is situated on a bay at the southern end of Port Nicholson, and the position

possesses the natural advantages of deep water, easy access to the city, shelter, and absence of tidal flows. In addition, adequate land is available at the base of the wharves for traffic movements and storage of cargo. The wharves and quays are well equipped with cranes and transit sheds. The port possesses sufficient berthage to provide berths for twenty-three to twenty-five overseas vessels, besides numerous coastal vessels, but it does not follow that this quantity of shipping can be worked simultaneously. Some of the berthage is old or not adequately equipped for cargo working, and delays do occur at peak periods before working berths are available for waiting ships.

Over the period from 1938 to 1950 the total trade handled shows a small decrease. The figures are as follows:—

Year.				Total Tonnage.	Decrease on 1938.	Percentage Decrease on 1938.
					Tons.	
1938	..	..	..	2,333,017	..	..
1949	..	..	..	2,213,107	119,910	5.1
1950	..	..	..	2,277,571	55,446	2.4

An analysis of the total figures into divisions of the trade is as follows:—

Year.	Overseas.		Coastal.	
	Inwards.	Outwards.	Inwards.	Outwards.
	Tons.	Tons.	Tons.	Tons.
1938	889,954	356,062	638,521	448,480
1949	972,436	319,982	534,997	385,692
1950	970,728	379,927	544,505	382,411

The total tonnage handled at Wellington in 1938 was 28.6 per cent of the New Zealand total; in 1949, 25.6 per cent; and in 1950, 25.3 per cent.

The principal changes in the overseas export trade from 1938 to 1950 are increases in the tonnage of frozen meat, wool, cheese, and general cargo, offset by decreases in fruit and bunker coal. In 1949 the latter decreases, together with decreases in exports of oil, tallow, and butter, were more than the combined increases of other items by 36,080 tons. Variations in the overseas inwards trade were larger imports of oil and motor-spirit, cement, and general goods.

The principal items of the overseas trade are as follow:—

	1938.	1949.	1950.
	Tons.	Tons.	Tons.
Overseas outwards—			
Butter .. .. .	22,263	15,504	18,326
Cheese .. .. .	37,560	47,875	47,671
Meat .. .. .	58,646	63,305	78,717
Tallow, hides, skins, and pelts ..	22,109	13,997	15,142
Wool .. .. .	39,471	55,810	58,339
Fruit .. .. .	42,398	13,308	25,664
Overseas inwards—			
Oil and motor-spirit .. .. .	317,580	344,198	347,246
General goods (unclassified) ..	466,794	462,151	497,489
Cement .. .. .	442	9,263	27,834
Coal .. .. .	36,980	70,740	26,906

The coastal trade has declined from 46.4 per cent of the total in 1938 to 40.7 per cent of the total in 1950. The principal items of this decline are outward motor-spirit now imported direct by Napier and Nelson, and inwards cement, coal, and timber.

Since 1881 the Wellington Harbour Board has operated the wharfing system of working. The Board, as wharfinger, receives cargo from the ship's sling, takes it into the transit sheds, where its employees sort, stack, and deliver to the consignee. It also receives cargo for shipment, tranships cargo to other vessels as required, and provides other ancillary services in connection with cargo working such as wool-stores to receive and press wool, and a cool store for cheese and fruit for shipment overseas. The Wellington Harbour Board has therefore not only the essential functions of controlling the port and providing and maintaining the cargo-working facilities, but also, it has the function of working these facilities. Consequently it has a great interest in ascertaining the most efficient methods and building its facilities to overcome difficulties which become apparent in cargo-working operations.

In our opinion it is therefore no accident that Wellington has the most adequate berthage and facilities of any port in New Zealand. That it gives general satisfaction is evident from the fact that we received no evidence to the contrary and no proposals for a change in the system. However, during the past six months berthage accommodation has not apparently been adequate. The reasons for this are twofold—firstly, a shortage of labour, and, secondly, a much larger number of ships than would be normal for this period. Both of these causes react on one another to produce delays in the turn-round of shipping, which have been serious. The Board has been delayed in its programme of development by shortages arising from the war and post-war periods, and in any case it is not expected that the abnormal quantity of shipping will be maintained.

The importation of general goods requiring shed space is lower than 1938, and, notwithstanding an increase in transit shed space, there has been congestion in sheds which has caused delay in the discharge of such inward cargoes. Instances have come under notice where, due to the congestion in the sheds, the rate of discharge has been slowed up, and in some cases waterside workers have been sent home. Refrigerated vessels which through shed congestion or other cause have been unable to discharge promptly inward cargo have consequently been delayed in commencing to load refrigerated cargo not only at Wellington, but also at other ports in New Zealand.

A considerable amount of evidence was heard in Wellington regarding this problem of shed congestion, and the principal cause of this trouble was stated to be lack of sufficient shed space not only on the wharf, but warehouse space off the wharf. In the past Harbour Boards have not provided facilities for warehouse cargo, nor are they under any obligation by the Harbours Act 1950 to do so. At other than ports where the cargo is discharged directly into railway wagons the Harbour Boards have provided transit sheds with, in particular at Wellington, modern equipment for the expeditious stacking and delivery of consignments. These are transit sheds only, and should not be used by merchants as warehouses. It has already been stated that the import cargoes requiring transit-shed space have not increased to any appreciable extent, and reasons advanced for the congestion which occurs were that there was undue multiplicity of marks and merchants used the wharf transit sheds as a distribution point. This was confirmed by representatives of the Chamber of Commerce and similar organizations.

A case which caused congestion in the port of Wellington was the "Trojan Star," where there were 546 bills of lading covering the same kind of cargo with about four different grades of a particular commodity. It was stated that this was now commercial practice, and there was no way by which such excessive sorting and stacking causing congestion of shed floor space could be avoided.

We conclude that if these practices continue there must be a considerable increase not only in the floor space, but in the staff required for sorting and stacking of such commodities.

Requests were made to us that the mechanized equipment on the Wellington wharves should be substantially increased. As a result of our observations at other ports we are of opinion that the introduction of mechanical gear to a limited extent is warranted at wharves even although they were not originally designed to carry such equipment. Its use, however, is strictly limited due to the fact that any substantial increase in the number of mobile vehicles in use would tend to increase the congestion on such wharves.

At Wellington representations were made for the increased use of fork-lift trucks in transit sheds. It is our opinion that while a fork-lift truck has a limited use for dealing with bulk cargoes such as cement, sugar, &c., it is not nearly as suitable for the handling of cargoes in the sheds at Wellington as the overhead cranes which are provided and which do not require passage-ways between the cargo for movement. Fork-lift trucks used in these sheds would add to the congestion. At the Port of Wellington there is a reluctance on the part of the shipping companies to load inward cargo direct into railway wagons and thus avoid the use of the transit sheds for such commodities. The reason advanced for this is that if part of the cargo has to go into sheds and part to railway wagons, the main order of the Waterfront Industry Commission provides more men for gangs for discharging to sheds than to railway wagons, but as the order also provides that the men not required for loading into railway wagons cannot be transferred to another job the shipping companies object to paying these men whom they cannot usefully employ. This is an instance where revision of the main order should be considered.

The Wellington Harbour Board's cool store has a net floor area of approximately 40,000 square feet. This cool store is used only for the storage of cheese received from coastal vessels from Patea and Wanganui which is not transhipped direct to an overseas loading ship. Cheese brought by coastal vessels from Nelson, Blenheim, and Picton is carted by motor-lorry from the wharf to the cool store of the Co-operative Dairy Producers' Freezing Co., Ltd., and later returned by railway wagon to the overseas ship. This cool store is about a quarter of a mile from the wharf, and all produce from this store for overseas shipment is conveyed in railway wagons for this short distance.

The cheese from the Harbour Board cool store is conveyed by trailers to the ship's side for export, and we recommend that much more use should be made of the Harbour Board cool store not only for the cheese from the coastal vessels, but also for that received by rail. Under present conditions, and owing to the distance, it is not practicable to use trailers to convey butter and cheese to the ship from the Co-operative Dairy Producers' Freezing Co., Ltd. With future additions to the cool stores or to wharves the use of such a system should then receive consideration with a view to quicker despatch and to the release of railway wagons for other work. Apart from the saving in railway wagons for this short-distance haulage it is considered that the use of the Wellington Harbour Board's cool store for grading cheese would be an economic proposition to all interested parties.

The Overseas Shipowners' Allotment Committee have advised that they require a minimum of three refrigerated vessels per month to load produce at Wellington. In submissions made by the Wellington Branch of the New Zealand Port Employers' Association complaints were made of shortage of railway wagons not only for insulated traffic, but also for ordinary goods at the Port of Wellington. It was also stated that when a refrigerated vessel is loading in other ports, such as New Plymouth or Napier, there is a marked shortage of such trucks at Wellington. The Overseas Shipowners' Allotment Committee estimate that they require for export of refrigerated cargo from December to June the following vessels per month: one at New Plymouth, two at Napier, and three at Wellington, or a total of six per month during this period for these ports.

With reference to Wellington, the New Zealand Port Employers' Association submitted particulars of delays to shipping for three months in 1950 at the port awaiting railway wagons, and it was submitted that the total lost time amounted to 559 gang-hours.

On the other hand, the Railways Department at Wellington submitted that over-ordering at Wellington was excessively high not only in the case of insulated rolling stock, but also in the case of general cargo wagons. The shipping company each day orders down cargo to be loaded into the ship, and over-ordering arises when more wagons are ordered than can reasonably be worked on that day. The loading of the "Port Napier" at Wellington between 5 and 17 September 1951 was regarded by the Department as a typical case. The weather was fine throughout the period and 1,095 insulated wagons were placed alongside this vessel, of which 425 (39 per cent) were at different times throughout the period not discharged. It may be difficult to access correctly the number of wagons required for each set-up having regard to delays which may possibly occur through weather or other causes, but there were no such interruptions in the period in which this ship was loaded. That such a large percentage of wagons placed day by day were not discharged points to faulty organization.

Reference has already been made to the location of the Co-operative Dairy Producers' cool stores in relation to the export loading berths at Wellington and the necessity for some other method of dealing with the transport of this short-distance traffic between the cool stores and the ship. The Railways Department quoted as a typical example 26 November 1951, when equal to forty-one VB wagons were ordered by the cool stores and supplied for loading out produce. Although the forty-one VB wagons were actually loaded with cheese and butter at the cool stores on this date they were not released from the ship's side until the following dates:—

Monday, 26 November .....	.....	.....	6 VB's
Tuesday, 27 November .....	.....	.....	19 VB's
Wednesday, 28 November .....	.....	.....	12 VB's
Thursday, 29 November .....	.....	.....	4 VB's

It will be seen that sixteen of the wagons loaded on Monday were not discharged until the following Wednesday and Thursday.

Another matter which causes dislocation in the supply of insulated wagons by the Railways Department for this short-distance traffic is the fact that substantial quantities of produce are transported by coastal vessels from Patea and Wanganui for loading into overseas vessels at Wellington. Occasions do arise when coastal vessels do not arrive at the time anticipated owing to weather or other conditions, and in order to avoid a stoppage of work on the overseas vessel urgent demands are made upon the Railways Department to provide wagons for the purpose of loading out produce from the local cool stores to the waiting vessels.

A somewhat similar disruption of traffic occurs when coastal vessels arrive at a time when railway wagons are set up for loading into overseas vessels. In such cases the discharging of the coastal vessels takes precedence over the discharging of insulated wagons, resulting in the latter remaining under load and being unnecessarily delayed.

For cargoes other than those requiring insulated wagons a typical case is that of the "Treleven," which loaded wool at Wellington from 17 to 23 January 1951 inclusive. The total number of wagons arriving at Wellington for this ship was 120, of which 36 were discharged within the first three days of arrival, the balance of 84 being delayed for periods from four to nine days.

Over-ordering is not confined to loaded wagons. A similar position obtains in relation to empty wagons ordered for loading, and in the period from 3 to 29 September 1951 a total of 2,265 wagons were placed alongside vessels for receiving coal and other lines of cargo, and of this number only 924, or 41 per cent, were actually loaded.

As the Overseas Shipowners' Allotment Committee considers that nine refrigerated vessels per month must be placed at the four North Island loading ports between the months of December and June, and as it has complained that it is practically impossible to load these vessels without delay due to the fact that the Railways Department is unable to supply sufficient insulated wagons to keep this number of vessels in continuous work, due consideration should be paid to the request of the Railways Department that over-ordering of wagons and short-distance traffic be controlled so as to keep these demands for wagons at the lowest possible point consistent with efficiency so that the Railways Department can use the maximum number of wagons to meet the peak demands. It is quite clear from the evidence submitted to us at the various ports that the matter of over-ordering not only of wagons for loading refrigerated cargo, but also of empty wagons, could be largely avoided if shipping company representatives would give more attention to the matter.

The installation of coal handling, bulk wheat, and other facilities is proceeding at Aotea Quay, and the Wellington Harbour Board has plans for the construction of other wharves in this vicinity. With the continued expansion of trade it is obvious that the Railways Department will require to provide additional sorting roads and assembly sidings in the vicinity of this area where it would appear that the bulk of the overseas and inter-colonial ships will concentrate in the future.

#### THE PORT OF NAPIER

Napier is the main port for Hawke's Bay, on the east coast of the North Island, and caters for a large sheep-farming district. Prior to the earthquake of 1931 a proportion of the trade of the port was handled at the Inner Harbour of Port Ahuriri. By lifting the level of the bed of the sea the earthquake rendered this harbour unusable, and since then all the cargo has been handled at the protected Outer Harbour, known as the Breakwater Harbour. It is controlled by the Napier Harbour Board, which is one of the three Boards which acts as a wharfinger, Wellington and Nelson being the other two.

The system at Napier is that the watersiders on the ship and on the wharf are employed by the shipping company concerned, which delivers the cargo to the Harbour Board shed, where the Harbour Board receives the cargo and sorts, stacks, and delivers. Watersiders in the shed are employed by the Harbour Board. In short, the wharfinger work undertaken by the Board at Napier is shed work, not wharf or ship work.

The total tonnage handled at Napier for the three years under review was as follows:—

Year.	Total Tonnage.	Increase on 1938.	Percentage Increase on 1938.
1938 .. .. .	174,838	Tons.	..
1949 .. .. .	279,644	104,806	59·9
1950 .. .. .	271,790	96,952	55·5

The figures for overseas and coastal cargo for those years are as follows:—

Year.	Overseas.		Coastal.	
	Inwards.	Outwards.	Inwards.	Outwards.
1938 .. .. .	Tons. 28,555	Tons. 51,679	Tons. 73,696	Tons. 20,908
1949 .. .. .	62,959	126,303	78,965	11,417
1950 .. .. .	69,652	120,136	70,943	11,059

Comparing 1950 with 1938, overseas inward cargo increased by 41,097 tons (143·9 per cent). The principal increases were in cement 13,848 tons, motor-spirit 35,147 tons, and wheat 3,894 tons. Decreases included coal 8,801 tons, timber 1,499 tons, and other cargo 1,492 tons.

The increase in overseas outward cargo in 1950 compared with 1938 was 68,457 tons (132·5 per cent). The principal increases were in fruit 7,690 tons, frozen meat 29,894 tons, tallow, hides, &c., 4,827 tons, wool 19,987 tons, and other cargo 5,959 tons. The coastal inwards traffic decreased slightly by 2,753 tons, and there was a decrease of 9,849 tons in outward coastal cargoes. A proportion of the increases in overseas exports is due to the fact that the export of frozen meat, tallow, hides, &c., and wool from Gisborne ceased in 1942 and was diverted to Napier. The production from the area served by this port is increasing and should continue to increase.

The principal commodities handled are as follows:—

	1938.	1950.
Overseas outwards—	Tons.	Tons.
Meat .. .. .	24,010	53,904
Tallow, hides, skins, and pelts .. .. .	3,493	8,320
Wool .. .. .	17,064	37,051
Fruit .. .. .	3,610	11,300
Overseas inwards—		
Oil and motor-spirit .. .. .	34	35,181
Cement .. .. .	55	13,903
General cargo (unclassified) .. .. .	15,474	14,277

The two wharves now used are each 750 ft. long and are of modern construction. One of these wharves has connections for the discharge of bulk oil. Glasgow Wharf, which is an old structure, is not used for cargo working, but coastal vessels are sometimes berthed at this wharf while awaiting labour to become available. The Napier Harbour Board has plans prepared for a new wharf to replace Glasgow Wharf, and when this is constructed the port will be equipped to handle 600,000 tons of cargo per annum. At present it estimates that the existing berthage will not be overtaxed until the total cargo handled through the port is 400,000 tons per annum.



The construction of works at Napier for the manufacture of artificial manures will make a further demand on the wharf facilities at Napier, and as the inward tonnage for these works will eventually approximate 80,000 tons per annum the construction of the new wharf will, it is considered, meet the future requirements of this district for some years to come.

With Napier ranking as the third port in New Zealand for the export of frozen meat and the second for the export of wool the number of overseas ships calling there is increasing, and it is essential that every possible facility should be provided to ensure a quick turn-round. The provision of cranes would materially assist by enabling ships to work two gangs in the larger hatches and by avoiding congestion of meat-trucks on the inner sets of railway-lines, which are the only ones that can be used when ship's gear only is available for loading.

The terminus of the New Zealand Government Railways system is at Port Ahuriri,  $1\frac{3}{4}$  miles distant from the Breakwater Harbour, and the Napier Harbour Board owns and operates the railway-line from Port Ahuriri to the breakwater. It has three locomotives which are used to haul cargo between the Railways Department's yards and vessels at the wharves. This is the only port in New Zealand where a Harbour Board receives or delivers all railway traffic at an exchange siding. Apart from some temporary difficulty in connection with the inadequacy of the Railways Department's yards, the system operates satisfactorily. Steps have been taken by the Railways Department to acquire land from the Board to construct extensive exchange sidings and shunting yards to service wharf traffic. Some of this new siding extension has already been constructed. In addition, several private sidings are joined to the Board's line, and goods are hauled to and from vessels or to and from the Railways Department's yards as required by siding owners.

The export trade is of a seasonal nature and results in there being frequently a shortage of union waterside labour from December to July of each year. During the remainder of the year there is insufficient work to provide full employment for all the members of the union. This results in payments of the daily and weekly guaranteed wage being high at Napier compared with ports where employment is more regular throughout the year. The agreement between the union and the employers at Napier is for a maximum of 250 men on the bureau register. The Overseas Shipowners' Allotment Committee states that during the export season two refrigerated vessels per month must be placed at Napier. This will mean that with coastal and other vessels there will be a continuing shortage of union labour at Napier during the peak of the export season. If, however, there was an increase in the number of men on the bureau register to meet the seasonal demand this would involve an increase in the already high payment of guaranteed wages at this port.

#### THE PORT OF NEW PLYMOUTH

New Plymouth is the only deep-water port on the west coast of the North Island, and is situated about  $2\frac{1}{2}$  miles from the City of New Plymouth. It is an artificial port, the wharves being protected from the Tasman Sea by a breakwater. During the years this port has, due to the development of the Province of Taranaki, changed from a purely coastal port to one in which overseas trade is now the principal traffic. There are two wharves at this port—the Moturoa Wharf, constructed in 1887, which provides a limited berthage on its western side for coastal shipping and on the eastern side one berth suitable for overseas ships. The other wharf of more modern construction is Newton King Wharf, which has a length of 1,200 ft. and provides two overseas berths on its western

side and one on the eastern side. Each berth on both wharves is served by railway tracks. There are no transit sheds provided on the wharves and all inward cargo is discharged into railway wagons for despatch either to New Plymouth for town delivery or redespatch to other railway stations. The New Plymouth Harbour Board proposes to reconstruct the Moturoa Wharf in order to provide a minimum of two berths suitable for overseas ships. A review of the trade figures of this port indicates that there is a need for improved facilities.

The total tonnage handled at this port for the three years under review was as follows:—

Year.				Total Tonnage.	Increase on 1938.	Percentage Increase on 1938.
					Tons.	
1938	..	..	..	220,400	..	..
1949	..	..	..	329,331	108,931	49.4
1950	..	..	..	357,705	137,305	62.3

The figures for overseas and coastal cargo for 1938, 1949, and 1950 are as follows:—

Year.				Overseas.		Coastal.	
				Inwards.	Outwards.	Inwards.	Outwards.
				Tons.	Tons.	Tons.	Tons.
1938	..	..	..	94,783	58,582	61,913	5,122
1949	..	..	..	207,773	77,099	38,996	5,463
1950	..	..	..	250,086	73,184	29,617	4,818

The principal items of overseas trade are as follows:—

					1938.	1950.
					Tons.	Tons.
Outwards—						
Butter	..	..	..	..	12,435	11,968
Cheese	..	..	..	..	18,326	28,114
Meat	..	..	..	..	23,243	24,920
Inwards—						
Phosphate and sulphur	..	..	..	..	65,542	192,266
Oil and motor-spirit	..	..	..	..	8,093	29,395
Cement	..	..	..	..	792	9,711

Comparing 1950 with 1938, overseas inward cargo increased by 155,303 tons (163.9 per cent). The principal item of this trade is phosphates and sulphur, which account for over three-quarters of the tonnage handled. These commodities are railed to the fertilizer-works at Smart Road, New Plymouth, and at Aramoho, near the Port of Wanganui, which cannot now handle the increased size of ships in this trade.

The increase in overseas outward cargo in 1950 compared with 1938 was 14,602 tons. The principal increases were cheese 9,788 tons and meat 1,677 tons. Butter showed a slight decline.

Coastal inwards traffic during this period has declined by 32,296 tons. The principal decreases are in coal 18,449 tons, grain and produce 2,512 tons, motor-spirit 1,140 tons, cement 3,912 tons, sugar 422 tons, and other cargo 5,861 tons. The outward coastal trade is small.

The present system of railway operation of the port is uneconomic. It involves two handlings of the cargo—firstly, from the ship to the railway wagons

and, secondly, from the wagons to the railway shed. The delivery of cargo from the shed, which is situated near the centre of the city, adds to traffic congestion and delays. It also involves the Railways Department in a loss as revenue received for the short-distance haulage does not recoup the expenses, particularly the handling costs incurred. Transit sheds for shipping should be on or as near as possible to the wharves. Both the New Plymouth Harbour Board and the Railways Department agree that a change in operation is desirable. We consider that the New Plymouth Harbour Board should provide sheds and other facilities for working cargo at the port and act as wharfinger for the handling of general cargo from the ship's slings to the consignee.

The cool stores at Moturoa are approximately 38 chains from the Newton King Wharf, and for the export traffic of butter and cheese (approximately 40,000 tons per annum) railway wagons are required for the transit from the cool stores to the wharf. Other means for conveying this cargo to the vessels should be provided as insulated railway wagons are too costly to be used for these short hauls, which, in effect, result in the wagons being used as storage space. This is a case where the possibilities of using the fork-lift and pallet system of cargo handling should be investigated. For short hauls fork-lift trucks or pallets are considered to be more economical of time, man-power, and money than are load-carrying trucks because of the speed with which the load can be picked up and dropped, and also because of the high piling of materials made possible by fork-lift trucks.

In dealing with this particular matter the Railways Department submitted figures showing that at this port the percentage of non-discharged wagons to the total ordered down by the shipping companies averaged twenty-five. In one particular case the percentage of wagons not discharged was as high as forty-five, and the lowest percentage figure seventeen. We consider improved organization by the shipping companies would materially assist in the loading of overseas vessels at this port and tend to eliminate delays due to excessive shunting operations.

#### THE PORT OF WANGANUI

The increased size of overseas ships has been a serious matter to the Port of Wanganui. Prior to the war it handled some 70,000 tons of overseas commodities; today it has lost this trade completely, and it does not appear that, owing to its geographical position as a river port with its attendant bar, it will regain this trade. The loss of overseas and inter-colonial shipping from the port has resulted in financial loss to the Board, which has been met in part by district rating and in part by Government subsidy.

The tonnage handled during 1938, 1949 and 1950 was as follows:—

Year.					Total Tonnage.
1938	..	..	..	..	146,231
1949	..	..	..	..	84,054
1950	..	..	..	..	81,978

The figures for overseas and coastal cargo for these years are as follows:—

Year.	Overseas.		Coastal.	
	Inwards.	Outwards.	Inwards.	Outwards.
	Tons.	Tons.	Tons.	Tons.
1938	51,402	21,138	51,096	22,595
1949	..	..	51,365	32,689
1950	..	..	52,968	29,010

Since 1941 Wanganui has not been used by overseas shipping. Prior to this date the overseas imports were chiefly phosphate and sulphur (40,000 tons) for the fertilizer-works at Aramoho. This traffic is now discharged at New Plymouth and railed to Aramoho. The overseas exports previously loaded at the roadstead of this port were frozen meat, wool, tallow, and cheese, the annual tonnage being approximately 21,000. The coastal trade has not shown any fluctuations which call for comment.

We visited and inspected the wharves at Wanganui, and evidence for that port was given at Wellington. Wanganui has two wharves—the Town Wharf and that at Castlecliff. There is also a wharf at the Imlay Freezing Works, but this has not been used since 1941, when roadstead loading of overseas vessels at Wanganui ceased. Owing to the age of the Town Wharf and the increasing size of coastal vessels making navigation to that wharf difficult the policy of the Wanganui Harbour Board has been to concentrate all shipping at Castlecliff. It is considered that adequate facilities could be given for shipping and for handling cargo at Castlecliff when the present dredging programme is completed. The Town Wharf is operated by the Railways Department, who receive cargo from the ship's slings, sort, and deliver. The Railways Department stated that they were making a loss of between £6,000 and £7,000 per annum in operating the shed at the Town Wharf.

At present coastal cargo discharged at Castlecliff is conveyed by lorry to the shed at the Town Wharf, where it is sorted and then either delivered to consignees in Wanganui or despatched by rail or road to inland points. This is not an economical proposition, and as the Harbour Board policy is ultimately to concentrate all shipping at Castlecliff it is considered that as a suitable shed is available at Castlecliff the traffic should be sorted at and distributed from this wharf by the Board.

The Board owns and operates cool stores adjacent to the wharf at Castlecliff. This is a grading store for export produce, the quantities in a normal season being 10,000 crates of cheese and 90,000 boxes of butter. At the present time some 15,000 tons of frozen meat is railed from the Imlay Freezing Works to Wellington each year. The Board suggests that there be a resumption of shipment from Wanganui of frozen meat, dairy produce, and wool, either by loading overseas vessels in the roadstead, as was the practice prior to 1941, or by a feeder service of refrigerated coastal vessels. This, it was claimed, would relieve the railways and would ease congestion at the ports to which the goods are now sent for transshipment to overseas vessels. We consider that this is a matter for negotiations between the shipping companies, the freezing-works, and the Harbour Board.

The loss of inward phosphate cargoes has meant a serious loss of revenue to this Board. In its submission to us the Harbour Board requested that consideration should be given to direct shipments of phosphate being reinstated. The British Phosphate Commissioners, in reply to an inquiry by us, stated that the present position is that the average vessel in the phosphate trade is of a class lifting in excess of 10,000 tons of phosphate. The approximate dimensions of such vessels are 423 ft. long and 57 ft. beam with a loaded draught of about 18 ft. The British Phosphate Commissioners state that even a half-loaded vessel of this type would require a draught considerably in excess of that available at Wanganui, and in view of their size it would not be possible to handle them with safety. In these circumstances we can see no possibility of using Castlecliff as an unloading port in the foreseeable future for phosphate and sulphur.

## THE PORT OF GISBORNE

Gisborne is a port on the east coast of New Zealand, north of Napier. It has no accommodation suitable for overseas vessels, and all loading and unloading operations for these vessels are carried out by means of lighters. The Gisborne Refrigerating Co., Ltd., situated adjacent to the wharf, is connected by a conveyer system to the berth, and frozen meat is loaded direct into the lighters for despatch to the vessel in the roadstead. Since 1941 and up to 1951 all produce was either railed to Napier or loaded into refrigerated feeder vessels to be transhipped at Napier or Wellington. Recently some shipments have been loaded in the roadstead at Gisborne, but, nevertheless, a large proportion of the produce is still shipped from Napier.

The trade of Gisborne is as follows:—

Year.	Total Tonnage.
1938 .. .. .	107,941
1949 .. .. .	66,099
1950 .. .. .	72,097

Year.	Overseas.		Coastal.	
	Inwards.	Outwards.	Inwards.	Outwards.
	Tons.	Tons.	Tons.	Tons.
1938 .. .. .	8,070	15,492	61,578	22,801
1949 .. .. .	676	..	47,043	18,380
1950 .. .. .	..	..	53,458	18,639

The berthage provided is sufficient to deal with the coastal trade of the port. Three transit sheds are provided, and under normal conditions these are adequate for cargoes requiring shed space for sorting and delivery. The quantity of inwards cargo dealt with in the sheds has tended to decrease during the past few years. Notwithstanding this, a certain amount of shed congestion does occur at times due to the average cargo now received per ship being greater than previously.

In common with other ports, standard lines of goods in quantities arrive marked for individual consignees who hold a separate bill of lading for their individual consignment. The sorting to individual marks requires additional floor space. Some lines of goods are now consigned as one lot, and delivery is given from a block stack according to each consignee's shipment. This practice could be extended to other lines of cargo, and the shipping companies concerned are endeavouring to have this done. The Gisborne Harbour Board does not handle the cargo; receiving and delivery is done by the shipping companies. The Board provides and maintains the cargo sheds on the wharf. This is another case where, in our opinion, the Harbour Board should assume control of the working of the port and be responsible for the receiving and delivery of all cargo.

## THE PORTS OF WHAKATANE, TAURANGA, WHANGAREI, AND OPUA

We inspected the wharves at Whakatane, Tauranga, Whangarei, and Opuā, and at each place the opportunity was taken to discuss the working of the port on general lines with the authorities concerned. No public sittings were held at any of these ports.

As the requirements of all four ports have been the subject of recent inquiry we have no comments to make on the equipment and facilities provided.

The labour available seemed to be adequate for the present needs of these ports.

Since the strike a new union has been registered at Whangarei, where labour is engaged through the office of the Waterfront Industry Commission. This union also serves the vessels of Wilson's (N.Z.) Portland Cement, Ltd., at Portland, some few miles from Whangarei. We visited Portland, and it was explained by representatives of the company that under a recent agreement the loading of the company's vessels was carried out by waterside workers, but if the union could not supply enough men to work the vessel the company could employ its own staff for the work. Some revision of the main order of the Waterfront Industry Commission relating to work at Portland will be needed with the anticipated increase in cement production.

#### THE PORT OF LYTTELTON

Lyttelton is the largest port in the South Island of New Zealand and is the terminal of the Wellington-Lyttelton ferry service. The main communication between the port and the City of Christchurch is a railway tunnel through the Port Hills, and road access is limited because of steep grades and curves. It is the largest railway port of the Dominion. All inward cargo is discharged into railway wagons, and outwards cargo is railed to the ship's side for loading, the Railways Department hiring the labour required on the wharf. The inward cargo is railed to Christchurch, where it is sorted, redespached, or delivered to consignees, as the case may be. The railway sheds and yards at Christchurch bear the same relationship to the ship as the transit sheds where these are available on the wharves, the difference being one of distance, which requires a different type of equipment and organization to span it.

The wharves are in a bay in Lyttelton Harbour and are sheltered by breakwaters. Berths are available for fifteen ships, but it is seldom that all these are occupied at once. A return made by the Lyttelton Harbour Board showed that the average number of berths occupied per day during 1949 was 9.67. Fewer vessels worked the port in 1950 than 1938, but the average vessel was larger and carried more cargo. This is, however, a feature of post-war trade.

The total trade of the port is as follows:—

Year.	Total Tonnage.	Increase on 1938.	Percentage Increase on 1938.
		Tons.	
1938 .. .. .	732,781	..	..
1949 .. .. .	942,436	209,655	28.6
1950 .. .. .	945,375	212,594	29.0

These totals are subdivided as follows:—

Year.	Overseas.		Coastal.	
	Inwards.	Outwards.	Inwards.	Outwards.
	Tons.	Tons.	Tons.	Tons.
1938 .. .. .	309,129	83,292	161,090	179,270
1949 .. .. .	372,313	114,027	206,500	249,596
1950 .. .. .	397,718	106,853	193,916	246,888

At this port overseas and coastal trade are approximately equal. In 1938 overseas cargo handled was 53·4 per cent of the total at the port, and in 1949 and 1950 the figures were 51·6 per cent and 53·4 per cent respectively. Of the total trade of New Zealand, Lyttelton handled 9 per cent in 1938, 10·9 per cent in 1949, and 10·5 per cent in 1950.

The principal items of trade are as follows:—

	1938.	1950.
	Tons.	Tons.
Overseas outwards—		
Meat .. .. .	31,553	27,840
Wool .. .. .	18,598	22,594
Tallow, hides, &c. .. .	9,075	9,405
Grain and produce .. .	10,674	9,162
General cargo, including small seeds ..	5,218	29,891
Overseas inwards—		
Oil and motor-spirit .. .. .	74,895	126,474
Manures .. .. .	28,602	22,305
Wheat .. .. .	3,155	27,050
Timber .. .. .	15,299	13,077
Cement .. .. .	78	11,607
General cargo .. .. .	161,580	193,968

Exports of frozen meat have declined, but this decline is mainly due to the fact that the Port of Timaru is now exporting some meat which previously went through Lyttelton. Over half of the increase in the overseas inward trade is in oil and motor-spirit, which is pumped ashore at a special berth for that purpose. This commodity is also a large coastal export totalling 31,599 tons, grain and produce, including flour, 73,384 tons, being the other large individual item in this trade.

Numerous investigations have been made regarding the provision of road access to the wharves at this port, in addition to which inquiries have been directed towards improving the port facilities with a view to overcoming certain disabilities, which may be summarized as follows:—

- (1) The lack of depth in both the main channel and the inner harbour for the larger type of vessels now trading to New Zealand ports;
- (2) Inadequate manoeuvring room for these large vessels at the outer harbour;
- (3) Restricted space between the wharves;
- (4) Lack of road access to the wharves and from Christchurch to Lyttelton;
- (5) Lack of transit sheds on the wharves and storage space in the vicinity of the wharves.

Various plans have been submitted, some of which are on a very extensive scale and may be regarded as schemes for the future development of this port. To increase the size of the port area to permit of the erection of new wharves with transit sheds and the construction of another breakwater would represent a huge capital cost, with a resultant heavy increase in overhead and operating costs. The various Commissions of Inquiry which have been set up from time to time to investigate this question have all emphasized this point, and it is doubtful whether the increase in future trade will justify this large capital expenditure.

The principal complaint from the shipping companies using the Port of Lyttelton was that the Railways Department was unable at times to supply sufficient wagons to enable discharging ships to work continuously, including overtime. At the Christchurch sittings the Railways Department submitted that wagons remained under load with goods for shipment for an excessive period, and this factor contributed to the shortage of wagons for discharging vessels which

occurred from time to time. In the period quoted the Department stated that the average number of days before discharge varied from 2·04 to 3·30, excluding day of arrival and Saturdays and Sundays. Some of the delays were much in excess of the average figure. In the month of August 1950, 292 wagons were delayed for five days and 127 wagons for six days. During the harvest season a number of private-siding holders in Christchurch find difficulty in coping with the quantity of grain received from farms by rail owing to an insufficiency of storage accommodation and to inadequate unloading facilities, and this adds to the number of wagons under load. We consider that every effort should be taken by all concerned, including the Railways Department, to reduce the number of wagons held under load so that the discharge of ships and other work for railway wagons can be proceeded with as expeditiously as possible.

We inspected the railway sheds at Christchurch which deal with the sorting and delivery of cargoes received from Lyttelton and found that work was proceeding expeditiously, but that, due to the shortage of carriers, the cargo was not being removed as promptly as desired. Considerable overtime is worked at these sheds in order to clear wagons and make them available for other traffic, but with the restricted working week of carriers and warehousemen it is impossible to overtake the discharging rate from the ships when the port is full. A noticeable feature at this station was the small number of deliveries made on Fridays, which, again, indicates that, so far as the clearance of transit sheds at the various ports throughout New Zealand is concerned, Friday may be regarded almost as an off day.

A further cause of delay to shipping is the inability to transfer labour from a discharging ship which is unable to obtain railway wagons to a loading ship with produce available but no labour to load it. Priority for labour is given in accordance with the time of arrival of a vessel. Large numbers of wagons, up to six hundred, are sometimes waiting at the port to be discharged, and this adds to congestion and shortage of railway trucks. Under the main order of the Waterfront Industry Commission waterside workers released because a ship is unable to proceed with a discharging schedule cannot be compelled to transfer to another ship in need of labour, although they may so transfer voluntarily. We consider that the transfer clause of the main order should be amended with suitable safeguards to the workers concerned so that better mobility of labour is achieved.

The Railways Department submitted proposals which they have investigated for the construction of a new set of storage sidings at "Officer's Point," adjacent to Gladstone Pier. These sidings would, it is considered, relieve the congestion in the yard at Lyttelton and enable the Railways Department to handle and sort wagons containing shipping traffic in a more satisfactory manner than can be done at present.

In their principal submission the Railways Department suggested that Harbour Boards at ports such as Lyttelton should assume control of working the port. We support that view and recommend that the Lyttelton Harbour Board should take responsibility for the operation of its port.

#### THE PORT OF OTAGO

The Port of Otago is situated in the harbour of that name on the east coast of the South Island of New Zealand. The harbour is a long, narrow inlet divided by the Halfway Islands (Quarantine and Goat Islands) into the lower and upper harbour. The port is unique amongst ports in New Zealand in that it has two separate sets of wharves some miles apart, each of which is operated by a different system of working.



Port Chalmers, the outer port, with a total berthage of 4,300 lineal feet, handles about one-sixth of the total trade of the harbour. It is the deep-water port, and practically all of the refrigerated produce and about a third of the wool are exported through it. The larger overseas ships discharge general cargo here and it is railed to Dunedin for delivery and despatch to consignees through the Railways Department. It is exclusively a railway port.

The inner port of Dunedin is at the head of the harbour and close to the centre of the City of Dunedin. It has 5,670 lineal feet of berthage, which is equipped with transit sheds and five electric cranes. The Otago Harbour Board also possesses some mobile cranes and tractors. The port is reached from Port Chalmers by the Victoria Channel, which is now navigated throughout its length by vessels up to 25 ft. draught. Practically all of the coastal and inter-colonial trade, approximately one-third of the phosphates and sulphur, and a proportion of the United Kingdom and foreign trade are handled through Dunedin. Two-thirds of the phosphates and sulphur are discharged at Ravensbourne, two miles from Dunedin, where a special wharf equipped with "hoppers" and mechanical equipment has been built to handle this trade into the adjoining fertilizer-works.

The system of working is peculiar to this port. All overseas cargo (other than inter-colonial, bulk phosphates, guano, sulphur, oil, and motor-spirits) discharged is handled from the ships' slings on behalf of the Otago Harbour Board by contractors who undertake responsibility for the cargo from its receipt from the ship until delivery and employ the necessary labour. The remaining overseas and coastal cargo is handled by the shipping companies concerned or agents for such companies, who arrange for the labour required. The Otago Harbour Board therefore undertakes no responsibility for the discharge and delivery of cargo either at Dunedin or at Port Chalmers, where the Railways Department controls the operations. An exception to this statement is where the Board exercising powers given to it by its by-laws assumes responsibility for non-delivered cargo which it removes to its storage shed.

The total trade of both ports is as follows:—

Year.	Total Tonnage.	Increase on 1938.	Percentage Increase on 1938.
1938 .. .. .	465,799	Tons.	..
1949 .. .. .	499,300	33,501	7.2
1950 .. .. .	527,723	61,924	13.3

These figures are subdivided as follows:—

Year.	Overseas.		Coastal.	
	Inwards.	Outwards.	Inwards.	Outwards.
1938 .. .. .	Tons.	Tons.	Tons.	Tons.
1938 .. .. .	257,653	38,645	93,503	75,998
1949 .. .. .	273,501	60,827	91,827	73,145
1950 .. .. .	288,448	60,858	91,850	86,567

The principal commodities handled are as follows:—

	1938.	1950.
	Tons.	Tons.
Overseas outwards—		
Meat .. .. .	12,877	19,594
Wool .. .. .	14,892	22,374
Tallow, hides, pelts, and skins .. .. .	3,743	4,026
Overseas inwards—		
Phosphates and sulphur .. .. .	53,001	78,055
Oil and motor-spirit .. .. .	48,862	69,837
Timber .. .. .	13,449	11,150
General cargo .. .. .	121,538	116,339

Approximately two-thirds of the total trade is overseas. A large proportion of this is phosphates, sulphur, oil, and motor-spirit, which account for more than half of the overseas imports. We have no accurate figures of the individual items handled by Port Chalmers and the Port of Dunedin. However, the larger size of refrigerated vessels using the port would tend to increase the overseas inwards general cargo handled by Port Chalmers.

The Otago Harbour Board has a long-term plan to improve the berthage at Port Chalmers by deepening the water alongside the Export Wharf and rebuilding the wharf. This will provide another berth for large overseas vessels. It is doubtful whether the large ships at present engaged in the United Kingdom trade will ever be able as a general rule to navigate Victoria Channel—firstly, on account of the size and draught of the ship and, secondly, on account of the restricted width and depth of the channel. It is likely, therefore, that Port Chalmers will remain a necessary part of the Port of Otago, and some improvement of the present berthage may be necessary. At the present time the port appears to be capable of meeting the normal demands of the trade.

The Otago Harbour Board also has embarked on a policy of wharf improvement at Dunedin. Its intention is to strengthen the older wharves to take cranes and other mechanical equipment and to renew 1,200 ft. of Victoria Wharf. This programme is at present delayed because of labour shortage and the non-arrival of materials. In addition, it has a long-term plan for the improvement of the port, including the construction of overseas berths at Dunedin. We consider it doubtful whether this latter work will prove an economic proposition, for, despite the work on Victoria Channel, the larger ships will still be unable to work Dunedin safely.

Victoria Wharf is used for the larger type of vessels, and it is from this wharf that the Harbour Board proposes to load overseas vessels. The present facilities, rail, and road connection, may be suitable for a limited amount of cargo, but for dealing with frozen-meat shipments requiring a considerable amount of space the rail facilities on this wharf are inadequate.

Many of the transit sheds provided at the Dunedin wharves are out of date and quite unsuitable for the use of mobile equipment such as fork-lift trucks, mobile cranes, &c. The sheds are low and are not wide enough for dealing with the larger cargoes received from each vessel, and the sheds soon become full and inconvenient for sorting and delivery of cargo. Larger and more convenient sheds with modern equipment should be provided by the Board to meet the present and future needs of this port.

It is inescapable that the Port of Dunedin and Port Chalmers are complementary parts of the Port of Otago. The present system adopted by the Otago Harbour Board for working these ports does not achieve the utmost efficiency. At Port Chalmers the Board provides no services except general maintenance for the wharfage collected which is precisely the same as that charged at Dunedin where facilities are provided. The management of Port Chalmers is left to the Railways Department. We consider that the management

of the port should be the responsibility of the Otago Harbour Board and not delegated by that authority to other parties. We recommend that the Otago Harbour Board be responsible for the receiving of cargo from the ship's slings and subsequent delivery and that it adopt a similar system to that of the Wellington Harbour Board.

In view of the fact that the Otago Harbour Board collects the same wharfage and harbour-improvement rate for all cargo passing over the Port Chalmers wharves as it does for cargo discharged at Dunedin, we consider the cargo from Port Chalmers should be handled in the Harbour Board sheds at Dunedin and not at the railway yards as at present.

#### THE PORT OF TIMARU

The Port of Timaru is situated 100 miles south of Christchurch and has been constructed by building a breakwater out from the shore to protect its facilities from the sea. It has three wharves, which provide 3,400 lineal feet of berthage. No. 1 Wharf is in a line with the breakwater and is a breastwork along reclaimed land, which allows ample space for traffic movement. The other wharves, Nos. 2 and 3, jut out from the shore. No sheds or cranes are provided on the wharves, and the port is designed as a railway port, inwards cargo being delivered or despatched to consignees through the Timaru railway shed and station adjacent to the port. Timaru is a wool-disposal centre, and a number of wool and grain merchants have stores with private railway sidings on land owned by the Timaru Harbour Board.

The total trade of the port is as follows:—

Year.	Total Tonnage.	Increase on 1938.	Percentage Increase on 1938.
		Tons.	
1938 .. .. .	113,397		..
1949 .. .. .	147,480	34,083	30·0
1950 .. .. .	165,927	52,530	46·3

These figures are subdivided as follows:—

Year.	Overseas.		Coastal.	
	Inwards.	Outwards.	Inwards.	Outwards.
	Tons.	Tons.	Tons.	Tons.
1938 .. .. .	13,987	24,969	22,113	52,328
1949 .. .. .	15,252	43,612	26,470	62,146
1950 .. .. .	19,215	57,987	28,224	60,501

The principal commodities handled are the following:—

	1938.	1950.
Overseas outwards—	Tons.	Tons.
Meat .. .. .	13,694	30,041
Wool .. .. .	14,892	12,334
Tallow, hides, skins, and pelts .. .. .	3,743	3,121
Overseas inwards—		
Wheat .. .. .	.. .. .	14,082
Coastal outwards—		
Grain and produce .. .. .	44,512	52,065

In 1938 overseas trade was 34.4 per cent of the total cargo handled at this port. For 1949 and 1950 the percentage of overseas trade had increased to 40 per cent and 46.5 per cent respectively. The increase in overseas trade is chiefly in export of frozen meat.

Timaru is in a similar position to other South Island ports such as Lyttelton and Oamaru which at one period exported wheat to other ports in New Zealand and now import wheat in order to keep the local flourmills in production. The coastal exports comprise chiefly flour, pollard, bran, other grain products, and potatoes.

The present berthage is sufficient to meet the present and immediate future requirements of the port. The Timaru Harbour Board had proposed to install two 5-ton electric cranes on No. 1 wharf, but when it found that to make its installation an economic proposition it would require a charge of £2 7s. 2d. per crane hour it decided not to proceed with this proposal. No estimate of the number of hours that these cranes would be used was available from the representative of the overseas shipping company.

No. 2 wharf has been flush-decked in order to improve cargo handling and, in particular, to avoid damage to the cargo owing to sling loads being made up on the railway tracks. The other wharves are not flush-decked, and we consider that this is necessary and should be carried out when labour and materials become available. No. 1 wharf could then be used to advantage for road transport for lines of cargo now loaded in railway wagons from private sidings and conveyed a short distance to the wharf for discharge to the vessels. The use of railway wagons for this short-distance traffic is not economic, and it should be possible for the interested parties to come to some satisfactory agreement for working this wharf by road as well as railway vehicles. Owing to the location of Nos. 2 and 3 wharves there does not appear to be any method by which these wharves could be made available for road access.

This is another port where, in our opinion, the Harbour Board should take control of the working of the wharves. There can be no question that management by the authority owning the wharves would tend to greater efficiency and more so in a port such as Timaru, where the trade is increasing.

#### THE PORT OF OAMARU

Oamaru is a small railway port on the east coast of the South Island.

The total tonnage handled is as follows:—

Year.	Total Tonnage.
1938 .. .. .	29,871
1949 .. .. .	37,034
1950 .. .. .	35,446

Prior to the war a certain amount of overseas trade consisting chiefly of exports in frozen meat, tallow, and wool, aggregating approximately 5,000 tons per annum, was dealt with at this port. The port has a limited capacity for overseas vessels, which have increased in size since the pre-war days, and as the Port of Timaru is only 53 miles away there does not appear to be any further reason why Oamaru should endeavour to cater for overseas trade. We consider that owing to the large capital expenditure now required to equip a port to handle overseas trade efficiently Oamaru and similar ports should confine their activities to the coastal trade.

The inward coastal trade calls for no comment.

In 1938 the total outward coastal trade was 13,671 tons, of which flour and grain products comprised 87.5 per cent. In 1949 these commodities were 82.8 per cent of the outward coastal trade and in 1950 73.1 per cent. A percentage of the cargo from or to vessels at Oamaru is short-distance traffic from or to private railway sidings at this port, and it would be advantageous if road transport could be used for such cargoes.

The Harbour Board should take control of the working of the wharves at Oamaru.

#### THE PORT OF BLUFF

Bluff is the largest meat-exporting centre of the South Island, drawing its meat from the fast-developing Province of Southland. Its berthage accommodation was originally constructed in the 1870's and has been added to from time to time. It now consists of two wharves totalling 4,300 lineal feet, which permits of three large overseas ships to be berthed at once, together with coastal vessels. The increasing trade and modern developments of shipping have tended to make this berthage obsolete, and the Bluff Harbour Board has decided on plans to construct a new port in the upper harbour. It is a railway port, the railway sheds at the City of Invercargill being the distributing centre for inward cargo.

The total trade and its subdivisions into coastal and overseas are as follows:—

Year.				Total Tonnage.	Increase on 1938.	Percentage Increase on 1938.	
					Tons.		
1938	..	..	..	178,677	..	..	
1949	..	..	..	184,590	5,913	3.3	
1950	..	..	..	190,191	11,514	6.4	

  

Year.				Overseas.		Coastal.	
				Inwards.	Outwards.	Inwards.	Outwards.
				Tons.	Tons.	Tons.	Tons.
1938	..	..	..	56,600	59,112	38,870	24,095
1949	..	..	..	23,293	90,837	50,611	19,849
1950	..	..	..	43,520	83,606	45,469	17,596

The following main commodities were handled:—

	1938.	1950.
	Tons.	Tons.
Overseas outwards—		
Meat .. .. .	22,805	43,010
Wool .. .. .	8,754	16,333
Tallow, hides, skins, and pelts	3,756	6,092
Cheese .. .. .	11,171	9,863
Overseas inwards—		
Manures .. .. .	14,220	10,124
Oils and motor-spirit	1,329	6,361
General cargo .. .. .	32,159	23,758
Coastal inwards—		
Oil and motor-spirit	5,027	19,318

The overseas trade is greater than the coastal trade, being 64·8 per cent of the total in 1938, and 61·8 per cent and 66·8 per cent in 1949 and 1950 respectively. The overseas export trade consists mainly of meat and wool, and, with the prospective construction of a new freezing-works in the district, should continue to increase. During the war the policy of centralization of shipping resulted in Bluff losing much of its overseas imports, but it seems that some of this trade is now returning to the port.

The provision of adequate labour has proved difficult at Bluff, especially during the busy season of the export year from January to June, when the Overseas Shipowners' Allotment Committee arrange for one ship per month to load. A refrigerated ship with six gangs working requires approximately 150 men, and the total number of men available is about 200. Delays are likely to occur when another vessel enters the port, although in the case of a coastal vessel the shipowners have an arrangement to transfer a limited number of men from overseas ships to the coastal vessel. The expansion of trade will require a permanent increase in the labour force, and consideration should now be given to this problem.

Proposals have been made to use road transport to handle certain commodities on the wharves. The port, however, is designed for railway operation, and it would not be possible or safe, except in the most favourable circumstances, for both means of transport to be used simultaneously. In addition, the wharves are not fully flush-decked, and unless this work is carried out the use of motor-lorries is not practicable.

The plans for the new port provide adequate access for both road and rail traffic and for the provision of transit sheds on the wharves. Consideration should then be given to the use of road transport to deliver butter and cheese from the cool stores at Bluff to the ship for export. This would save the use of expensive refrigerated wagons for short-distance hauls and make these wagons available for the transport of meat from the freezing-works not situated in the port. The proposal in the plans of the new port to erect cool stores at the loading berth will greatly assist in ensuring a steady supply of produce to the ship.

This is another port where the Harbour Board should take control of the working of the port.

#### THE PORT OF GREYMOUTH

The Port of Greymouth is a harbour on the west coast of New Zealand. It is not suitable for large overseas ships because the bar on the Grey River does not permit of a safe working draught. Even the colliers which cater for the coastal coal trade are delayed from time to time by adverse bar conditions and sometimes are forced to sail with reduced capacity.

The total trade at this port is as follows:—

Year.	Total Tonnage.
1938 .....	253,290
1949 .....	259,218
1950 .....	251,394

The cargo handled at this port is principally coal and timber. In 1938 the tonnage of timber shipped by coastal vessels was 43,212 tons and by overseas vessels 17,930 tons. The export figures for this commodity had decreased in 1949 to 9,957 tons coastal and 1,833 tons overseas. In 1950 the coastal exports were 8,771 tons and overseas 2,313 tons.

The total exports of coal from this port were as follows:—

Year.	Coastal. Tons.	Overseas. Tons.
1938 .. ..	161,497	6,258
1949 .. ..	233,094	..
1950 .. ..	223,897	..

The wharves and the equipment thereon, including the cranes, are owned by the Greymouth Harbour Board and are operated by the Railways Department under agreement with the Harbour Board. The effect of the agreement is, briefly, that the Railways Department operates and maintains the sidings, cranes, &c., on the wharves, the cost of the provision and the maintenance of the sidings being borne by the Railways Department and the cost of the provision and maintenance of all other equipment being borne by the Harbour Board. There are no transit sheds provided on the wharves by the Harbour Board, and all inward cargo which requires to be sorted prior to local delivery or redespach to destination station is forwarded by rail to the Railways Department's shipping shed.

The floor space of the goods shed in the railway yards is 400 ft. by 43 ft. When inward cargo is being dealt with from a ship up to one-half of the shed is used for sorting and delivery of this cargo. The inward general goods handled by the Railways Department in 1950 was 12,525 tons, a substantial decline compared with 32,014 tons handled in 1923 prior to the opening of railway transport through the Otira Tunnel. Representations were made by interested parties to the effect that the shed space for inwards shipping traffic was inadequate and that delays were experienced in delivering such cargo. Investigations showed that the delays were not of any consequence. In its submission the Railways Department stated that the present shed, which was constructed approximately fifty years ago, was inadequate. The structure itself is in need of complete renewal and, being of old design, does not lend itself to the installation of modern mechanical handling devices. The Department has prepared plans for a new shed on a site which is adjacent to road connection, and provision is also being made for an open loading shelter, together with railway tracks, for loading and discharge of wagons. The construction of this shed will be proceeded with when certain reclamation work is completed and the material is available.

At this port all cargo is loaded direct to or from railway wagons by cranes or ship's gear. The cranes are used only for coal traffic while ship's gear is used for the discharge of general cargo and the loading of outward consignments such as posts and timber. The coal traffic for shipment is loaded into "hopper" wagons at the mines and transported by rail to the wharf. These wagons are specially constructed by the Railways Department for coal traffic and consist of a "hopper" which is lifted by the crane off the underframe on which it is mounted and the coal is discharged direct into the ship's hold.

The effective stock of the special type of coal wagons in use in this area is approximately four hundred. In 1916, when the effective stock of these vehicles was 460, 481,531 tons of coal were shipped from Greymouth, as compared with only 223,897 tons in 1950. The wagon stock has decreased by 13 per cent and the coal shipped from this port has decreased by 53 per cent. It was pointed out by the Railways Department that, due to irregular shipping and other conditions interfering with loading, railway wagons were used for storage. When such conditions obtain and there does not appear to be any possibility of the vessels entering the port for loading the coal supplies from the mines are diverted by rail to stations in the South Island. The ordinary type of goods wagons are used for this and also for the normal requirements of coal traffic for South Island stations. This extra demand on the open type of goods wagon does cause

inconvenience to the Railways Department at certain periods when other traffic requirements in the South Island are heavy. There is a certain amount of bin-storage space at the mines which use Greymouth as a loading port, but it is not the practice to bin screened coal; it has to be dumped on the ground and then reloaded when wagons are available. A number of small co-operative mines in this area have no bin storage and railway wagons are used to accumulate sufficient coal cargoes from such mines for shipment.

Representations were made by the New Zealand Port Employers' Association regarding the provision of more modern cranes on this wharf. At present there are four hydraulic and one electric crane at Greymouth. The hydraulic cranes are approximately forty years old, and it is stated that they are coming to the end of their economic life. The electric crane is of modern construction, the erection of which was completed in 1950. For loading coal cranes are essential, and as the cost of modern electric cranes is now high it is doubtful, in view of the financial position of the Greymouth Harbour Board, whether its resources are such as to enable it to satisfactorily maintain the wharves and equipment thereon.

We recommend that this matter be investigated by the Harbour Board, shipping companies, and the Railways Department to ascertain the number of new cranes necessary and what charges would require to be levied for their use when provided.

#### THE PORT OF WESTPORT

Westport is another coal port on the west coast of the South Island and is a bar harbour similar to Greymouth. The Marine Department is responsible for maintenance of this harbour and the control of all shipping at the port. The Department is also responsible for deciding what vessels can work the port and for the maintenance of depths of water necessary in the fairway and at the berths. The wharves and all facilities connected therewith are the responsibility of the Railways Department. There are two wharves at Westport—the coal wharf, 2,200 ft. long with six berths, and the general wharf, approximately 700 ft. long with one berth. The wharf equipment, which is used for loading coal in a manner similar to that at Greymouth, comprises one electric travelling gib crane (capacity 15 tons) and three steam travelling gib cranes (capacity 15 tons each).

The total trade of this port is as follows:—

Year.	Total Tonnage.
1938 .. .. .	437,048
1949 .. .. .	301,403
1950 .. .. .	317,719

The cargo handled at this port is principally outward coal. The coastal imports are small and call for no comment.

Representations were made by the Port Employers' Association that with the new type of colliers engaged in the coal trade from Westport it was impossible to obtain full advantage of these modern ships with the existing steam-cranes. It was stated that the length of the gibs of the steam-cranes does not enable the cranes to discharge the coal efficiently from the "hoppers" to the side of the hold. The Railways Department submitted that as no difficulty was experienced in loading on a vessel an average of fifteen "hopper" wagons of coal by crane per hour the existing crane facilities were adequate. The average rate of loading per net gang-hour for coal is 90 tons, as compared with 78 tons at Greymouth. In 1950 the coal exported from Westport was 310,000 tons. In 1930 the tonnage handled was 650,000. Statistics submitted by the Railways Department show that for the year ended 30 September 1950 four cranes were in use for 17.6 per cent of the total working days, three cranes for 18.15 per cent, two cranes for



17.6 per cent, and one crane was in use for 9.6 per cent. When due allowance is made for the period required for the overhauling of the cranes it is estimated that the potential loading capacity of the four cranes now in use is approximately 1,000,000 tons per annum, a figure much in excess of the present coal trade.

In their submission the Port Employers' Association stated the number of "hopper" wagons available to service the coal traffic at this port was not sufficient. It was suggested that adequate bin storage should be provided in an area adjacent to the coal-loading berths, and that the provision of such facility would overcome the difficulty experienced when shipping is delayed and railway wagons are used for the storage of coal from the mines.

As a result of investigations made by the Mines Department and the Ministry of Works tenders have been called for the construction of modern bin-storage facilities at Westport. The principal advantages which would be gained from the storage of coal on a site adjacent to the wharf would be that when a ship arrives to load and coal in wagons is not available in sufficient quantity the coal stored in the bin could be used and thus avoid delay to the ship. Different classes of coal are shipped at Westport, and when a ship requires a particular class of coal which may not be available from the wagons on hand at the port difficulty is at times experienced in receiving adequate supplies of this particular type of coal within a short period. Separate bins may be provided for some special classes of coal. Should a suitable tender be received for the storage equipment it may be that some alterations would be required in cranes facilities, and it is recommended that the purchase of additional cranes be deferred until the authorities concerned are in a position to make a final decision on the provision of storage facilities.

#### THE PORT OF NELSON

Nelson is situated in the north of the South Island and is the port for a large fruitgrowing and farming district. It is controlled by the Nelson Harbour Board, which, in addition to administering and controlling the port, also acts as a wharfinger. The Board receives cargo from the ship's slings, sorts, stacks, and delivers the goods to consignees. The Board also accepts delivery of outward cargo and arranges the placing of same at the ship's side for loading. The system in operation at Nelson is similar to that at Wellington and, in our opinion, has much in its favour as compared with other ports where control is divided. The wharves have a total berthage of 1,533 ft., of which 550 ft. is suitable for medium-sized overseas and inter-colonial vessels. The larger proportion of the remaining berthage is not suitable for vessels drawing in excess of 13 ft. 6 in. The berthage space for the larger type of vessels is somewhat restricted in working space due to the limited width between the sides of the shed and the margin of the wharf. In view of the increased size of coastal and other vessels working this port the Board has a scheme under way for widening the main wharf by 20 ft. and extending the same by 120 ft. These improved facilities would assist in the berthage and working of the ships. The mechanical equipment supplied by the Board is adequate for the amount of cargo handled.

The trade at this port is as follows:—

Year.					Total Tonnage.
1938	..	..	..	..	180,250
1949	..	..	..	..	182,800
1950	..	..	..	..	197,034

These figures are divided between overseas and coastal trade as follows:—

Year.	Overseas.		Coastal.	
	Inwards.	Outwards.	Inwards.	Outwards.
1938 .. .. .	Tons. 6,702	Tons. 7,300	Tons. 94,829	Tons. 71,419
1949 .. .. .	15,595	..	100,114	67,091
1950 .. .. .	19,961	..	95,642	81,431

Coastal trade represents the bulk of the tonnage handled at this port. The cargo available for overseas exports comprises fruit, which is the principal export, and a limited quantity of frozen meat, tallow, and wool. During the war the direct loading of these overseas exports was discontinued, but has now been resumed.

#### THE PORT OF PICTON

Picton is at the head of Marlborough Sound, and the trade is as follows:—

Year.	Total Tonnage.
1938 .. .. .	91,006
1949 .. .. .	77,318
1950 .. .. .	84,429

Prior to 1941 overseas vessels called at Picton to lift an average of 5,000 tons of export cargo per annum. This cargo comprised chiefly frozen meat, tallow, wool, and fruit. This overseas cargo is now brought to Wellington for shipment to overseas vessels. The cargo handled at this port has always been chiefly coastal, and there has been no marked change in the class of traffic during the years under review.

The wharf at Picton is owned and controlled by the Railways Department and is the only port in New Zealand which is still owned and operated by this Department. Inwards cargo is discharged into railway wagons and conveyed to Blenheim railway sheds, 18 miles distant, for sorting and delivery. Cargo not requiring sorting is despatched direct to the destination station. Outward cargo is delivered at the ship's side in railway wagons for discharge into the ship.

*1. (b) The provision of facilities and amenities for waterside workers and other workers connected with the waterfront industry including the suitability and sufficiency of those now provided and your opinion as to the persons by whom and the means by which there should be provided such additional facilities and amenities as may be found by you to be required.*

Under the heading of "Amenities" we include waiting-rooms, restaurants, canteens, washing and sanitary conveniences.

Under the Harbours Act 1950, section 174, permissive power is given to provide amenities for waterside workers. This provision was in the previous Act.

In our opinion, amenities up to modern standards are a part of the essential equipment of a port. Prior to Commission control, and up to the establishment by the Commission of the National Administration Fund, such amenities as were in existence had been provided by Harbour Boards. Generally they were of a poor standard and much below the standard provided by other industries.

Amenities provided by the Commission from the National Administration Fund at secondary and smaller ports generally are good, and we recommend that amenities of comparable standard should be provided in other ports.

Prior to the war several branches of the New Zealand Waterside Workers' Union had made representations to Harbour Boards regarding the provision of improvements to waiting-rooms, locker accommodation and suitable toilet and shower arrangements. The membership of the various unions had increased considerably, and the accommodation provided was insufficient and in some cases obsolete. The centralization of shipping, which came into operation in 1941, took shipping from the smaller ports to the main centres, and by increasing demands for labour at the main centres accentuated the problem of accommodation for the workers. Due to the exigencies of the war it was not possible to improve conditions, and only temporary and improvised alterations were made at some of the ports.

Early in 1946 the Harbours Association of New Zealand in conference adopted two resolutions which stressed the importance of providing suitable amenities for waterside workers as part of the duties of Harbour Boards. The conference considered it undesirable that other bodies should claim any control of buildings erected on Harbour Board properties. It recommended Harbour Boards not to accept responsibility for the provision of restaurants, but did suggest that the Boards should, where practicable, make accommodation available for cafeterias similar to those provided at Wellington. As a result of the decision of the Harbours Association the Waterfront Industry Commission adopted a policy as follows:—

(a) At ports where the Waterfront Industry Commission was satisfied that the Board was unable to provide the facilities the Commission would do so.

(b) It was considered that the finances of the Harbour Board at the four main ports were such that they should provide proper waiting-rooms and amenities. That the Waterfront Industry Commission agreed that where separate canteens were provided on the wharf the actual cost of equipping these canteens would be paid by the Commission.

Since this date the Waterfront Industry Commission has erected modern assembly rooms with other suitable amenities at Whangarei, Tauranga, Napier, Nelson, Westport, Greymouth, and Bluff. At the Ports of New Plymouth, Timaru, and Oamaru, where it is considered that the present accommodation is unsatisfactory, arrangements have been made to either provide a new building or make suitable alterations to the existing building.

The improvement of the amenities at the four principal ports (Auckland, Wellington, Lyttelton, and Otago) was considered by the Waterfront Industry Commission to be the responsibility of the Harbour Boards concerned.

In 1951, at the Harbour Association Conference at Gisborne, it was decided that the Boards were no longer prepared to provide amenities for other than their own workers.

A considerable amount of evidence was tendered to us at the various ports throughout New Zealand, and opportunity was taken by us to inspect the amenities provided at all the ports visited.

In all industries during the last few years, and particularly since the Factories Act 1946, the provision of amenities has been accelerated and the standard improved. The waterfront industry, particularly in main ports, has not kept

pace with other industries in this respect, and it is our opinion that the lag must be made good if good relations in the industry are to be maintained. Waterside work is an essential and honourable calling, and men who engage in it must, if they are to be kept in it, be treated with equal respect in all regards as are workers in other callings. They are often called upon to work among dirty cargo, and they should be provided with means of cleaning themselves and of keeping their clothes clean, so that on leaving their work they may mix freely and comfortably among their fellow-citizens. Much has been heard of incentive payments, and we shall refer to that later, but in our opinion one of the best incentives that can be provided in this or any other industry is good conditions of work and satisfactory amenities provided in relation to the work. It is no conclusive argument to say that washing facilities or showers are not used when provided. In the instances where that is the case the fault is with the worker, but in the many more cases where they would be used but are not provided the fault is with those whose duty it is or should be to provide them.

Reporting on the waterfront industry in Australia in 1946 Mr. Justice Foster, of the Commonwealth Court of Arbitration, said (page 21): "The conditions of the workers in this industry so far as amenities and the like were concerned have always been a matter of grave reproach and were far below any reasonable standard. *This state of affairs was one of the causes which kept the status of this industry so low.*"

In view of the fact that the Waterfront Industry Commission is authorized to raise by levy upon employers on all wages paid an amount to cover the administration of the waterfront industry, including the provision of amenities, and as a greater part of the levy is raised on wages paid by employers in the main ports, we recommend that collecting the levy on the national basis continue. As amenities up to modern standards are essential to the work of any port we recommend that at the ports where the necessary buildings are not available these should be provided by the Harbour Board concerned. The Board to receive from the Commission by way of rent for the use of the buildings such portion of the levy as will cover the cost to the Board of providing and maintaining the buildings. The furnishing and equipment of the buildings and the management of them should be the responsibility of the Waterfront Industry Commission.

Harbour Boards should also be required to provide adequate sanitary conveniences on the wharves for use of people using the wharves, general public as well as workers.

The amenities provided at Auckland are below what we consider to be a reasonable standard, and while appreciating the difficulties with which the board is faced, nevertheless it is considered that efforts should be made to modernize the present amenities and thus improve the employer-employee relations.

1. (c) *The efficiency of the measures taken for the prevention of accident the provision of first-aid facilities and generally safeguarding the safety and health of waterside workers and other workers connected with the waterfront industry.*

Accidents on the waterfront are common and result in a large loss of man-hours in normal years exceeding the loss of hours occasioned by disputes. The annual report of the Waterfront Industry Commission for the year ended 31 March 1950 shows the total number of unionists employed during the year as 7,431, and of that number 2,059, or 27·7 per cent, were at some period during the year in receipt of compensation as a result of injury received during the course of their occupation. The number of man-hours' labour lost by this cause was

592,985, which was slightly more than the 591,624 hours lost by stoppages of work due to disputes. For the year ended March 1949 the man-hours lost to the industry by reason of unionists being on compensation was 613,536, while for the same period the hours lost by stoppages due to disputes was 294,616. These returns include members of the union only, and take no account of non-unionists employed during the year. Approximately 10 per cent of the total labour employed during the years under review were non-unionists, and while no record of accidents to non-unionists is available it may be assumed that their ratio of accidents would be approximately the same as for unionists. The hours lost to the industry by absence of the injured person is not the only or, in some cases, the greatest loss. Experience has shown, that, in addition to the time lost by the injured person, a great amount of time is also lost by other employees as a result of an accident. The actual man-hours lost through accidents are therefore considerably understated in the Commission's reports, and the total loss of labour through accidents is more serious than at first sight.

### REPORTING OF ACCIDENTS

Under the heading "Industrial Accidents" the New Zealand Year-Book, 1950, page 809, gives detailed information of accidents in a number of industries, but this comment is made: "There are numerous types of industrial accidents for which it has not as yet been found practicable to collect and compile statistics. The principal classes of such accidents are those occurring to persons engaged in land transport (other than railway operation) in waterside work, and in marine navigation."

In view of the publicity which has been given to the high accident rate on the waterfront of New Zealand it is in our opinion essential that the formula for reporting accidents in the industry should be compiled on a basis similar to that in other industries.

Until recently all waterfront accidents which have caused death or serious injury to any person engaged in loading and unloading cargo or engaged in the repair or overhaul of a ship were required by regulation 103 of the General Harbour Regulations to be reported to a Superintendent of Mercantile Marine. In 1951 this regulation was amended to provide for the reporting of accidents to either a Superintendent of Mercantile Marine or a Surveyor of Ships. This arrangement will enable Surveyors to investigate the cause of accidents shortly after they occur. A new series of report forms has been designed by the Marine Department. These forms make possible a more accurate analysis of the causes of accidents and their cost in man-hours. The Department will require all accidents, even of a minor kind, to be officially reported, instead of as in the past only those accidents which were likely to cause incapacity for three days or more.

The need for the more detailed reporting of accidents on the waterfront is borne out by the fact that while the Waterfront Industry Commission's 1950 annual report gives the number of unionists on compensation for some period during that year as 2,059, the number of accidents reported to the Marine Department under the General Harbour Regulations was only 256.

Since the Marine Department has the administration of the General Harbour Regulations, and the inspection of all gear used in connection with the loading or unloading or transhipment of goods, it seems appropriate that the reporting of accidents (whether resulting in injury to persons or not) should be reported to that Department, and the necessary regulations in connection therewith should be administered by the Marine Department.

## CARE OF THE INJURED

First-aid clinics have been established on or near the wharves at Wellington, Lyttelton, and Dunedin, and provision is now being made for one at Auckland. The clinics are administered and staffed by officers of the Department of Health. The District Industrial Medical Officer makes regular visits, and Occupational Health Nurses take turns on duty. We have visited the clinics, which appeared to be well equipped and fulfilling an essential function. Statistics which were being kept were not in all cases comparable port with port. We recommend that forms be provided so that uniform and comparable statistics can be kept. Clinics are open from 8.30 a.m. to 5 p.m. Monday to Friday. We think they should be open for the full period that work is proceeding in the port. When the nurse is not on duty the clinic should be in charge of a qualified first-aid worker.

At some ports, and it should be the case at all, a number of workers who volunteer for the duty are trained in first-aid work. First-aid boxes, and stretchers, which are adequate at some ports, should at all ports be brought up to the standard required by the Department of Health.

## PREVENTION OF ACCIDENTS

At our request Dr. C. Janet Brown, District Industrial Medical Officer, Health Department, Wellington, presented an analysis of lost-time accidents in the Port of Wellington for the twelve months from 1 June 1948 to 31 May 1949. The analysis did not cover the total of lost-time accidents during the year. The number of unionists on compensation—that is, suffering from accidents involving loss of working time—was 867. The number of these covered by the analysis was 745. Insufficient particulars were available for the balance of the accidents to include them in the survey. No similar survey was made for any of the other ports, and, while the number of lost-time accidents in Wellington is much greater than the Port of Auckland, it would appear that the causes of accident would be similar in the two ports. The following tables and comments thereon are from Dr. C. Janet Brown's report:—

Table I—Causes of Accidents, 1 June 1948 to 31 May 1949

Cause.	Number of Accidents.
1. Slipping, tripping, and falling—	
(a) On level .. .. .	119
(b) While lifting, carrying, or handling objects ..	62
(c) Falling or jumping off objects down holds, &c.	45
	226
2. Struck by falling objects .. .. .	108
3. Hit by slings, hooks, &c., and objects in slings ..	88
4. Crushed between or under objects .. .. .	71
5. Lifting and carrying objects .. .. .	54
6. Knocking against objects, torn by loose wire, &c.	35
7. Handling objects not included under other heads ..	29
8. Hatch slipped .. .. .	10
9. Hit by vehicle or trucks .. .. .	10
10. Driving winch .. .. .	5
11. Cause unspecified .. .. .	109
	745

In this table 745 lost-time accidents have been analysed by causes.

*Slipping, Tripping, and Falling.*—It is of interest to note that in this series 30 per cent of these accidents were caused by slipping, tripping, or falling, and of this type of accident 57 per cent occurred while walking on the level. This type of accident is usually caused by tripping hazards such as wire and cables, obstacles,

and materials generally on decks and wharves. Some obstacles on board ship are unavoidable, but experience has shown not only in this industry, but in the industrial field generally, that bad housekeeping is mainly responsible for such accidents. Better management control and day-to-day diligent supervision of passages and walkways, and the area around the holds, would result in a greatly reduced number of these injuries.

*Struck by Falling Objects.*—Approximately 14 per cent of the total number of accidents were the result of falling objects. Examples of this type of accident are—"timber stack falling," "bale of wool slipping," "struck by a large lump of coal," "case falling on leg." Faulty slinging and stacking, and careless use of hooks contributed to this type of accident.

*Hit by Slings, Hooks, &c.*—Accidents occurring in the third item are also usually the result of faulty or inefficient cargo-handling methods. Better supervision by hatchmen and foremen and routine safety inspections would also minimize this type of accident.

*Lifting and Carrying Objects.*—Accidents resulting from lifting and carrying objects usually take the form of sprains and strains. These are always likely to occur where there is excessive manual lifting, and no training in proper lifting methods. Greater use of mechanical aids to lifting could eliminate to a large extent this type of accident.

Of the total accidents analysed in this period none were due to gear failures. Throughout New Zealand only 0.1 per cent of accidents on the waterfront are due to the failure of lifting equipment.

Table II—Parts of Body Most Frequently Injured

Part of Body.	Number of Injuries.
1. Feet and legs .. .. .	273
2. Hands, wrists, and fingers .. .. .	156
3. Back and neck .. .. .	123
4. Arms and shoulders .. .. .	95
5. Chest and abdomen .. .. .	47
6. Head and face .. .. .	15
7. Eyes .. .. .	15
8. Unspecified .. .. .	21
	745

In this table it will be seen that approximately 36 per cent of the total number of accidents involve the feet and legs. Approximately 20 per cent involve hands, wrists, and fingers, and 16 per cent involve the back and neck. The high proportion of injuries to hands and feet show the need for protective equipment such as safety boots and gloves at least until such time as cargo-handling methods have been more mechanized. The injuries to back and neck, arms and shoulders, could also be reduced by training in correct lifting methods, and better supervision.

Number of Days Lost Per Accident (Six-Day-Week Basis) for 681 Accidents, 1 June 1948 to 31 May 1949

1-10 days .. .. .	157	101-150 days .. .. .	17
11-20 ,, .. .. .	215	151-200 ,, .. .. .	9
21-30 ,, .. .. .	130	201 days and over .. .. .	6
31-40 ,, .. .. .	55		
41-50 ,, .. .. .	27	Total .. .. .	681
51-100 ,, .. .. .	65		

The length of absence ensuing from 64 accidents was not ascertainable.

The following tables show an analysis of the 2,465 cases of minor injury dealt with at the Glasgow Wharf clinic during its first year of operation 1 June 1948 to 31 May 1949. The cases include Harbour Board employees and other classes of workers on the waterfront, as well as waterside workers:—

Location of Injury.	Number of Accidents.
1. Hands, fingers .. .. .	1,099
2. Eyes .. .. .	365
3. Head .. .. .	265
4. Legs .. .. .	236
5. Arms .. .. .	200
6. Trunk .. .. .	121
7. Feet, toes .. .. .	113
8. Unclassified .. .. .	66
Total .. .. .	2,465

Nature of Injury.	Number of Accidents.
1. Cuts, abrasions, lacerations, punctures .. .. .	1,100
2. Foreign body in eye .. .. .	273
3. Boils, styes, stings, &c. .. .. .	198
4. Bruises, &c. .. .. .	175
5. Fractures and crushes .. .. .	148
6. Sprains, strains, &c. .. .. .	133
7. Foreign body in finger and hand .. .. .	112
8. Skin conditions .. .. .	75
9. Burns .. .. .	48
10. Miscellaneous conditions .. .. .	203
Total .. .. .	2,465

This analysis indicates the necessity for the compilation of accurate statistics relating to accidents on the waterfront. It is only by constant reiteration and dissemination of information that employers and employees can be brought to realize the full significance of the loss of time and effort caused by accidents. Of more importance is the injuries and personal hardship suffered by the workers. Without accurate information properly correlated from details of time, cause, and other data no constructive policy of prevention can be implemented.

A further table was produced showing admissions to hospitals (Auckland and Wellington) of injured watersiders for 1948 and 1949.

	1948.	1949.
Auckland .. .. .	28	26
Wellington .. .. .	46	45

*Table Showing Comparisons Between Ports of Auckland and Wellington for Year 1949*

	Auckland.	Wellington.
Total tonnage of cargo handled under co-operative contract system .. .. .	1,621,927	1,393,167
Total number of unionists employed during year .. .. .	2,190	2,093
Total number of unionists on compensation during year .. .. .	597	867

This table is included to show the comparability of the two ports. Though the total number of unionists employed and the total tonnage of cargo handled is slightly greater at Auckland than at Wellington, yet the lost-time accidents and average man-hours lost are much higher at Wellington.



In addition to the foregoing, the following statement shows the total number of unionists employed on the waterfront and number of man-days absent on compensation for year ended 31 March 1950:—

	Total Number of Unionists Employed During Year.	Percentage of Total.	Number of Man-days Absent on Compensation.	Percentage of Total.
Auckland .. .. .	2,238	30	18,028	23
Wellington .. .. .	2,280	30.5	39,891	51
Lyttelton .. .. .	788	11	9,512	13
All other ports .. .	2,125	28.5	10,087	13
	7,431	..	77,518	..

No satisfactory explanation was advanced by the employers or any other party concerned to account for the much larger percentage of accidents at Wellington than at Auckland. The difference in the accident rate at these two ports should be the subject of further investigation by the Department of Health.

As already stated, the Marine Department is responsible under the General Harbour Regulations for the inspection and safe working of all gear used in wharf work, and the Department also carries out the inspection of machinery for cargo-handling on New Zealand ships. Cargo gear of ships of the United Kingdom is required to comply with United Kingdom regulations, and other overseas-owned ships are required to comply either with the New Zealand regulations or to have complied with regulations substantially equivalent thereto. Some disputes and stoppages have occurred over alleged defective ship's gear and over the weight and construction of hatch covers, but, generally, inspection and administration of the regulations by the Department were satisfactory. There was evidence that on some of the older ships gear worked slowly, but no evidence that it was used if unsafe.

There was, however, evidence of accidents to gear through careless handling which had caused delay to vessels and damage to cargo. Typical instances are the negligent dropping of ship's derricks, with risk to life and damage to the derrick and gear, the overlifting of loads imposing excessive stresses on gear, and the hauling of hooks up and through the derrick gin block resulting in serious damage to the ship's gear. Causes of these abuses arise primarily from either a lack of training of winch operators or a lack of discipline, or from general carelessness and indifference. A voluntary scheme of tests and examination of hatchmen and winchmen has been instituted by the Marine Department at Auckland, and is now being extended to other ports. It is hoped that this will do much to raise the standard of safety in the use of mechanical cargo-handling appliances.

#### HEALTH PROTECTION

In waterfront work there are hazards to health other than the risk of accident. A wide variety of cargo is handled, some of which expose workers to dangers to health from dust, fumes, and liquids. Another risk to health arises from the lack at most ports of facilities for drying clothes. Coming to work, workers may get clothes wet. They change into working clothes, but have no means of drying the wet clothes, and lockers provided are in most cases too small to allow clothes to be hung so as to dry. Provision for drying clothes is essential, as much of the work is carried on outside, and does not cease unless the rain is severe enough to stop working the ship.

In each of the larger ports there should be established a Health and Welfare committee (where one does not already exist) composed of representatives of workers' unions, employers' association, and Harbour Boards. One of its principal functions should be to examine all matters affecting the health and safety of persons engaged in the waterfront industry and to make recommendations to the responsible authorities.

2. (a) *The adequacy of the present membership of the New Zealand Waterside Workers' Union to handle the volume of cargo passing through each port and the variation between the nominal membership of the union and its effective membership.*

The New Zealand Waterside Workers' Union which was referred to when the order of reference was drawn up in September 1950 was a national union, with national offices in Wellington and branches in each port. From the early days of unionism in the waterfront industry in New Zealand the unions were local unions, each separately registered under the Industrial Conciliation and Arbitration Act. These unions had local autonomy, and could, and indeed did, obtain separate awards from the Court of Arbitration, or negotiate separate industrial agreements with the employers at the respective ports to which the union's registration applied. These separate unions were, however, affiliated to the New Zealand Waterside Workers' Federation Industrial Association of Workers, an association which was registered on 6 September 1906. Thirty-one unions were affiliated to this association in 1936. In that year (1936) the Industrial Conciliation and Arbitration Act was amended to provide for the registration of unions covering the whole of New Zealand. Upon that being done a ballot was taken of all unions affiliated to the Waterside Workers' Federation on the question of establishing a New Zealand Union of Waterside Workers, and the result of the ballot was—in favour, 3,683; against, 677; informal, 35. A ballot was then taken by each of the unions on the question of each cancelling its separate registration. Thirty-two unions voted, all in favour of cancellation, the aggregate vote being 3,503 for cancellation and 1,121 against. The total membership of the thirty-two unions at that time was 5,573.

The new union (New Zealand Waterside Workers' Industrial Union of Workers) was registered under the Industrial Conciliation and Arbitration Act on 22 February 1937 with a national membership of 6,031. A Dominion award which had previously been obtained by the federation expired in March 1935. Steps were taken by the national union for a new award, which was made on 30 November 1937 to apply until 30 June 1938. Upon the expiration of that award steps were taken to obtain a new one. No agreement was reached, however, and because of the delay various stoppages of work occurred. With the outbreak of war in September 1939 it became imperative to speed up the handling of cargo and bring about a quicker turn-round of ships. Conferences were held between shipping interests and the union, but no agreement was reached. In April 1940 the Waterfront Control Commission, consisting of three members, was set up, and on 12 April 1940 the Minister of Labour, under the Emergency Regulations, suspended the whole of the provisions of the New Zealand Waterside Workers' award, and also suspended the major portion of the provisions of the Industrial Conciliation and Arbitration Act in their application to waterfront labour. On the same day the Commission issued an order prescribing terms and conditions for waterfront labour. This order followed the provisions of the suspended award. It was a temporary order, and was replaced in June 1940 by what is known as the "main order," which, except for some amendments relating to conditions and wages, is still the order governing conditions of employment of waterside workers.

In September 1950 there were seventeen branches of the New Zealand Union with a nominal membership of 7,179 and an effective membership of 6,150.

The New Zealand Waterside Workers' Union was deregistered on 28 February 1951, and the way was then open for the formation of new port unions.

Prior to the deregistration of the national union there was a limitation on the membership of each branch of the union. The limitation, as determined by each Port Committee, was fixed at a number sufficient to provide for the normal working of the port.

It would appear that in fixing the limit of membership the Port Committee would allow for an unavoidable amount of absenteeism, of which there was a much greater degree in some ports than in others, due to local causes. In March 1950 the percentage of absenteeism due to all causes was 16·86 per cent, while in September of that year it was 15·03 per cent. The percentage of non-union labour to union labour for the year 1949–50 at all ports was 12·45 per cent. This seems to indicate that under the conditions which then existed the limitations fixed were not in excess of requirements.

Under the new conditions unions are local unions. Limitation of membership still applies. Under the old conditions the Port Committee decided the bureau limit, but the union decided who it would admit to membership. Under present conditions the Port Conciliation Committee decides the bureau limit, and the employers, subject to appeal to the Port Conciliation Committee, decide who shall be put on the bureau register. At most ports there is an improvement in the rate of work under the new conditions, but owing to abnormal conditions of trade, more particularly the increased volume of imports, labour conditions at the main ports are still unstable. It would therefore seem that in those ports it is not yet possible to fix the limit at a number which would be adequate for the normal working. We consider that until such time as there is some reliable indication of the potential trade, particularly imports, it is practically impossible to assess what can be regarded as adequate membership. We are of the opinion, however, that the effective operation of any port depends very largely on the experience of the waterside labour available, and for this reason it is desirable that the greatest percentage possible of experienced labour should be retained in the industry, particularly in view of the fact that in unions where a large proportion of the members are new absenteeism and the turnover of labour is much greater than in the case where the labour is experienced and established.

*2. (b) The justification for and effect of imposing a limitation on membership of the various branches of the New Zealand Waterside Workers' Union.*

The first authorization for limitation of membership of a waterside workers' union (or of any other union in New Zealand) was made in the 1924 award, when a special subclause authorized limitation by agreement between the union and the employers at any particular port or ports. In a memorandum to the award the president of the Court, Mr. Justice Fraser, said:—

The most important change we have made in the award is in the preference clause. The Court has always maintained the policy of an open union, but it recognizes that the waterfront is the place to which the unemployed of all trades gravitate. The waterside workers' unions accordingly have to carry more than their fair share of the unemployed, and the consequent increase in their membership reduces the earning capacity of the greater number of their members. We have endeavoured to decasualize waterside work as far as possible by providing for a system of limitation of membership of the unions, based on the labour requirements of the different ports.

The justification for the system in the first place, therefore, was the very casual nature of the industry and the fact that when work was available at the ports unemployed workers from other industries were engaged for work which should have been given to regular members of the waterside workers' union.

The limitation of membership was the first step towards the decasualization of the industry, and ensured that workers who were prepared to regularly follow the industry for a livelihood had first call on the work available and did not have their earnings seriously reduced by the drift of casual workers to the waterfront during periods of under-employment in other industries.

A second justification for limitation came in when in 1937 the award provided for a guarantee of work in each week to the value of not less than £2 10s., or failing provision of such work the men to be paid that sum. Later a daily minimum wage was also guaranteed. The amount of the guaranteed minimum wage has been increased and is now at main and secondary ports £6 6s. 6d. per week, and at minor ports varies with the size of the port from £5 3s. 6d. to £4 0s. 6d. per week. The daily minimum payment from its commencement has been two hours' pay at ordinary general cargo rates, which at the present time is 4s. 10½d. per hour. It would not be possible to maintain these guaranteed payments without a limitation of membership of the unions to the number required for the normal and efficient work of the port.

*The effect of limitation* was to give to the union membership not a monopoly of the work of the port, but the right to have first call on the work. Under the preference to unionists' clause in previous awards the members of the union had first call on the work, but the union was then an open union which any man could join under the terms of the preference clause. In the memorandum to the 1924 award, already quoted, the President of the Arbitration Court said:—

This [limitation] will not prevent the employment of non-union labour in rush times, but it is hoped that it will diminish the number of the so-called fringe of men who frequent the wharves on the chance of picking up occasional jobs.

Throughout the years, and at all ports except Dunedin, non-union labour has been employed when required after all available union labour was employed, though at some ports actions by the union and decisions of the Waterfront Industry Commission on interpretation of the main order did make the engagement of non-unionists difficult.

## 2. (c) *The availability and use of non-union labour.*

The membership of a waterside workers' union at any port is such as will provide a labour force sufficient for the normal working of the port. The bureau register is made up of names of the members of the union, and it is men on the register who are guaranteed employment or the daily or weekly minimum wage. The demand for labour at any port at peak periods exceeds the normal demand, and at those times there is need for a supply of non-union labour—that is, for the labour of men whose names are not on the bureau register and who have no guarantee of work in the industry at any time, or for any minimum wage. The need for this non-union labour may be summarized as follows:—

(1) Irregularity in the arrival of shipping, due to delays by weather and other causes.

(2) Season fluctuations in the volume of exports, variations in the volume and changes in the nature of imports, and changes in the volume of trade between New Zealand ports.

(3) Relieving of union workers who take days or nights off, or are absent sick, result of accident, or for any other reason are not available for work.

When non-unionists are employed they receive the same rates of remuneration and are subject to the terms of the main order. The supply of non-union labour varies from port to port and from time to time. For some years now there has been practically no unemployed labour in New Zealand, and the non-union labour which has been available has been for the most part men whose ordinary occupation does not occupy all their time—*i.e.*, small farmers, gardeners, students on vacation, and for evenings or week-ends, men whose ordinary occupation is in trades or industries working the five-day forty-hour week. Up till 1949 it has been the practice for employers to engage this non-union labour for work in overtime hours as it was required and when it became available, but by a decision of the Waterfront Industry Commission (28 October 1949) it was ruled that at Auckland and Wellington—and the ruling was later applied to all other ports—that non-union gangs should only be engaged after all union labour is absorbed, and within the hours of the call at the place of engagement. This meant that labour required for commencing work on Saturdays should be engaged during the hours of engagement on the preceding Friday. Those hours of engagement being 8 a.m. to 10 a.m., it meant that men who were in other employment on Friday and who would have been available for work on the wharf on Saturday, if required, could not have that work as they could not be in attendance at the bureau for engagement on the Friday morning. This hindered the despatch of vessels, particularly small coastal ships.

Once it is recognized that non-union labour is necessary and must be employed, then there is no reason why—seeing that the available unionists are employed—non-unionists should not be engaged in whatever way that is convenient. The main objective is, with the minimum inconvenience to everybody, to have the labour on the spot when required.

2. (d) *The allocation of labour to various ships including its allocation between coastal and overseas ships.*

Under the Waterfront Industry Emergency Regulations 1946, in force up to December 1951, it was a function of Port Committees, subject to control and direction of the Commission to “Supervise and control the working of the port in such manner and in such order of priority as it thinks fit; and make and enforce rules for these purposes.” The general principle was that vessels were manned strictly in accordance with their arrival in port, provided a confirmed requisition was received at the Labour Engagement Bureau. Some exceptions to this rule were passenger vessels and vessels carrying perishable cargo—feeder vessels (that is, coastal vessels carrying refrigerated produce from small ports for transhipment to overseas vessels).

Under the Waterfront Industry Emergency Regulations 1946, Amendment No. 10 in force from December 1951, it is a function of the Port Conciliation Committee to “ensure the supply of sufficient labour for the efficient working of the port; classify waterside workers; *determine the priority of the allocation of labour*; and make and enforce rules for these purposes.”

On occasions in the past it has been found that when coastal ships arrive in port the whole of the labour is engaged on overseas ships, and as the overseas ships are usually much longer jobs the coastal ships often had to wait a considerable time for labour to discharge and load small quantities of cargo. However, towards the end of 1950 an agreement was reached between coastal and overseas shipowners to enable labour to be transferred to expedite the despatch of coastal vessels at Timaru and Bluff.

Evidence was given that because of delays to coastal vessels and consequent uncertainty as to their dates of sailing goods were sent long distances by rail—for instance, the Mataura Paper Mills have been forced for some time to rail cargo to Picton and other South Island ports for shipment to the North Island.

Evidence was also given that more gangs were requisitioned for a ship than it could efficiently employ. For instance, at Bluff the Harbour Board stated that in the best interests of all shipping it was felt that some rationing or allocation of waterfront labour among all vessels in port was desirable, especially where one vessel was able to absorb all the available labour on arrival *irrespective of whether it could efficiently employ all of it*. And at Auckland the Harbourmaster also stated that it had been the practice with shipping companies to put on more men than were required or that could work efficiently. Instances had come under notice that with too many discharging gangs employed it was not possible to stack and sort cargo in sheds where some of the space was already taken up by cargo discharged from previous vessels.

The Auckland Harbour Board, which does not receive or deliver cargo, has proposed a by-law which would give the Board powers “Regulating the placing and berthing of ships, the use of wharves, the handling of cargo, and the duties and conduct of persons employed in the port.” We recommend that this by-law should be approved in accordance with our recommendation that the Auckland Harbour Board should take control of the cargo working operations of the port.

The evidence of the New Zealand Shipowners' Federation, a body consisting of coastal companies, including the Union Steam Ship Co., Ltd., stated that it had not received the assistance expected in issuing orders relating to labour requirements. Until 1949 it was a general practice, when all the union labour was absorbed, for the coastal shipping company concerned to engage non-union labour as required. However, the Commission provided in an order for Auckland and Wellington, later applied to all ports, that all non-union labour must be engaged between the ordinary hours of engagement, 8 a.m. to 10 a.m. This precluded the employment of the bulk of these non-union men for working coastal vessels. The delays in port experienced by coastal companies have been excessive during the past two years, making it most difficult for those responsible for the running of coastal vessels to give the required service.

The importance of the coastal trade to New Zealand is shown by the evidence of the New Zealand Shipowners' Federation and is reflected in the total tonnage figures for New Zealand, approximately 50 per cent of which is coastal trade.

An agreement has now been reached between overseas shipping companies and coastal companies to operate for a trial period at the Ports of Napier, New Plymouth, and Bluff a system whereby labour could be transferred from a vessel which was fully manned to a vessel which was without labour, provided all the parties agree. If the matter is not resolved locally, the agreement provides that it should be referred immediately to the head offices in Wellington of the companies concerned for discussion and decision. This, we consider, is a matter which in the event of the parties not agreeing locally should be decided by the Harbour Board concerned, as references to head offices in Wellington may cause further delay.

### 3. (a) *The rates of remuneration including any allowance for skill.*

Where the rates of remuneration of waterside workers cannot be agreed upon by employers and employees they are determined by the Waterfront Industry Tribunal, which was constituted under the Waterfront Industry Emergency Regulations 1946, Amendment No. 10.

In exercising its powers and functions under section 10 (2) of these regulations the Tribunal is directed *inter alia*, to have regard to—

- (a) The necessity for promoting the efficiency of waterside work;
- (b) The general purpose of the Economic Stabilization Act 1948;
- (c) The latest pronouncement made by the Court of Arbitration specifying standard rates of wages for skilled, semi-skilled, and unskilled workers;
- (d) The rates of remuneration, direct and indirect, and the working conditions generally prevailing in industry;
- (e) Any rise or fall in retail prices as indicated by any index published by the Government Statistician;
- (f) Such other considerations as the Court of Arbitration is for the time being required to take into account in making or amending an award under the Industrial Conciliation and Arbitration Act 1925.

We do not regard ordinary waterside work as a skilled industry. Generally the work of handling cargo does not require a long period of apprenticeship or training, but it is an industry in which the employees should possess good health, physical strength, and mental alertness.

The average man soon becomes proficient in the methods of handling cargo, as was evidenced by Service personnel during the industrial disputes.

We are of the opinion that skill or special knowledge is required to enable winchmen and deck hands to carry out their duties effectively and satisfactorily, and accordingly recommend that an allowance in the form of additional payments should be made to such employees while engaged in these classes of work.

As pointed out elsewhere in this report, we are of the opinion, however, that as a prerequisite to qualifying for additional payments winchmen, and deckmen, should be called upon to undergo proper training and establish their suitability for the respective duties.

3. (b) *The application of the guaranteed wage as defined in clause 51 of the main order of the Commission dated 6 June 1940 to all ports.*

Clause 51 of the 1937 award of the Court of Arbitration provided for the establishment of a bureau system at Auckland, Wellington, and Lyttelton and, on establishment, the guarantee of work in each week to the value of not less than £2 10s., or failing provision of such work the men to be paid that sum. When the Waterfront Control Commission issued its main order on 6 June 1940 it increased the payment to £3 per week, and this was further increased on 16 October 1940 by 3s. per week, and again on 13 May 1942 by 3s. per week due to the cost-of-living bonus. On 10 March 1947 the weekly guaranteed wage was increased to £5 per week, and payment of this guaranteed wage was extended to Dunedin and Port Chalmers and the secondary Ports of Gisborne, Napier, Onehunga, New Plymouth, Wanganui, Nelson, Picton, Timaru, Oamaru, Bluff, Westport, and Greymouth. In addition to this payment, unionists were guaranteed a daily minimum payment of two hours at the ordinary-time general-cargo rate. In October 1947 a guaranteed weekly wage of a lesser amount was approved for the minor Ports of Whakatane, Awanui, Whangarei, Tokomaru Bay, and Opotiki, but the daily minimum payment was not made applicable to these ports.

During the intervening years increases have been granted until now the guaranteed weekly wage is £6 6s. 6d. at all main and secondary ports, and at minor ports varies from £4 0s. 6d. per week at Opotiki and Motueka to £5 3s. 6d. per week at Whangarei, Tauranga, and Whakatane.

No guaranteed daily payment is made at the minor ports.

These payments, where applicable are only made to employees who are registered "A" Class at the labour bureau at the port.

3. (c) *The provisions of additional payments in respect of work which is dirty or is otherwise specially dangerous or unpleasant.*

In 1937 the award of the Court of Arbitration provided special cargo rates for the handling of dirty, dangerous, or obnoxious cargoes. It was also provided that in exceptional circumstances an additional amount could be paid over and above the special cargo rate provided. The payment of extra amounts for dirty or dangerous work is also included in numerous awards for other industries.

Dirt-money disputes on the waterfront were to be settled by the Local Disputes Committee, which consisted of an equal number of representatives of employers and employees. When agreement could not be reached there was provision for an independent arbitrator, whose decision was final. In cases where the Local Disputes Committee could not agree on an independent arbitrator the matter was referred to the National Disputes Committee, who could either appoint an independent arbitrator or decide the rate to be paid. It is clear from the evidence submitted to us that difficulties were experienced in settling these disputes and, in particular, in obtaining the services of an independent arbitrator.

When the Waterfront Control Commission was appointed its main order provided for dirt-money disputes to be settled by the Local Disputes Committee, and in the event of a disagreement the dispute was to be settled by the Waterfront Controller. There was no appeal against the decision of the Waterfront Controller.

The main order of the Commission issued in June 1940 covered the rates to be paid for handling special cargoes. Clause 4 (L) (ii) of the order stated:—

Except in the event of exceptional circumstances, the foregoing rates for special cargoes are to cover all inconveniences due to dust, dirt, discomfort, or other incidentals connected with loading or discharging these cargoes, and in the case of bulk cargoes (other than coal) include trimming to grabs on shore cranes or ship's gear.

In July 1946, when the Waterfront Commission was reconstituted, Port Committees were appointed at main and secondary ports, and these committees took the place of the Local Disputes Committee. These committees consisted of an equal number of representatives of employers and employees, with an independent chairman, who, in the event of the committee failing to agree, made the decision. There was no appeal against the decision of a chairman of a Port Committee in disputes regarding dirt money, head room, and disputes of fact.

In March 1949 the Waterfront Industry Authority, after hearing submissions from the union and employers, issued a decision making a general increase in the rates for dirty work in which no general increase had been made since the 1937-38 award of the Court of Arbitration.

In its memorandum to the decision the Waterfront Industry Authority stated as follows:—

2. Attention is particularly drawn to paragraph (L) (ii) of clause 4 of the Main Order of the Commission which indicates that the foregoing rates for special cargoes are to cover *all* inconveniences due to dust, dirt, discomfort, or other incidentals connected with loading or discharging these cargoes and, in the case of bulk cargoes (other than coal), include trimming to grabs on shore cranes or ship's gear, and that they may be departed from only in *exceptional* circumstances.

Notwithstanding the increase in the rates payable, a large number of claims for payments in excess of the rates provided in the order issued on 7 March 1949 were made, and it was contended by the employers that the tendency was for the workers to make excessive use of the term "exceptional cases" to which reference has been made. During recent years there has been an increase in cargoes not previously imported from overseas, such as cement in paper bags and other cargoes hitherto packed in jute, but due to the shortage of this commodity



the goods are now packed in paper bags. The insufficient and faulty packaging of goods and the unsatisfactory stowage in the ships hold have contributed to the demands by workers for extra payment for the handling of such cargoes.

In the submissions of the Waterfront Industry Commission it was stated that during the year ended 30 September 1950, 56 per cent of the disputes regarding the payment of dirt money were settled between the employers and workers, including those on which agreement was reached at Port Committee meetings. The balance of the disputes (44 per cent) was determined by the chairman of the Port Committees.

Prior to the strike numerous dirt-money claims were claimed to be founded on exceptional circumstances, and while there were cargoes in bad condition which did call for some extra payment we are satisfied that there was a marked tendency for the workers to exploit these particular words "exceptional circumstances."

Since the resumption of work there have been fewer disputes and no stoppages of work. There will always be very exceptional circumstances resulting from collisions, flooding, and fire, but apart from these it should be possible to define clearly the cases for, and the amounts, of dirt-money payments.

From a review of the evidence placed before us regarding the difficulties experienced in finalizing payments for certain classes of special cargoes we consider that where a dispute does arise the cargo should be inspected by the Port Conciliation Committee as promptly as possible and the final decision made on the spot.

*3. (d) The desirability of the continuation or extension of the present system of co-operative contracting or of the institution of some other system providing for payment by results.*

It is worthy of note that as far back as 1919 consideration had been given by interested parties to some form of co-operative contracting on the waterfront. During the intervening years a number of schemes under various names, such as piece-work and incentive payment, were discussed without any finality being reached. In 1938 there was considerable unrest on the waterfront, and the employers put forward certain piece-work proposals covering the loading of overseas vessels which were unacceptable to the union. In 1939 a co-operative scheme was formulated by overseas shipping companies which provided for the cargo to be worked at a tonnage rate, but no details were given as to contract rates and the scheme did not progress beyond the initial stages. At this period the union submitted proposals for co-operative stevedoring which virtually meant the unions would be the sole stevedoring contractors, but this proposal was not acceptable to the employers. Early in 1940, when the need for expediting the turn-round of shipping was an urgent matter, discussions took place between the interested parties on the question of providing some scheme which would enable the employees to be paid a bonus for expediting the work of loading and discharging. Differing views as to the form which any such scheme should take prevented any progress. In April 1940 the Waterfront Industry Commission was given charge of the engagement of labour and conditions of employment, principally with the objective of expediting the discharging and loading of vessels. Up to that time all work performed by the waterside worker was paid for on an hourly basis without a bonus. In view of the casual nature of the work which had obtained in the years preceding the war there was really no incentive for the men to speed up the work, for to do so may have resulted in their being unemployed if more ships were not available for which their labour was required.

When the Waterfront Industry Commission was set up it immediately introduced a system of payment by results known as co-operative contracting, and

before doing so the Commission asked the shipping companies to supply them with a schedule of the normal rate of loading or discharging the various classes of cargo and the cost per ton as disclosed by the wages the employers had paid for this work. With one exception the employers did not supply this information, and the Commission then drew up a schedule based on information at their disposal. Under the system men are still paid on an hourly basis for the actual time employed and, in addition, they are paid a bonus on an agreed basis for the amount of cargo loaded or discharged in excess of the agreed normal amount. Under this proposal it was estimated that the vessels would be turned round quicker and so release the available man-power earlier than would otherwise be the case for other work at the port. The system was first introduced at Wellington for the loading of overseas vessels and was later extended to all ports and to all types of vessels. At present the bulk of the cargo handled at the ports of New Zealand is worked under the co-operative contract system. The co-operative contract scheme is not a true contract in that it is not a voluntary agreement between two parties—the employers and the employees. The Waterfront Industry Commission arranges the contracting rates, but is not a contractor as it does not employ the men, but merely acts as an agent for the men in arranging the rates of payment and the terms under which payment will be made for the work performed.

In dealing with any scheme which provides for an incentive payment above the basic rate of wages we realize that with varied methods of working at the ports the different number of men employed in the gangs and other considerations such as the facilities provided in the port for the handling of cargo a uniform contract rate could not be fixed. The main objection which can be made against the present system is the fact that it is based on "winch time" or, in other words, the actual time that cargo is being loaded or discharged. All other paid time occupied in removing and replacing hatches, rigging gear, delays due to weather conditions, delays due to placing cargo alongside ships, delays due to the stoppage of work owing to shed congestion, and other delays in removing cargo is excluded for the purpose of arriving at the contract rate for bonus pay.

In our opinion the principal cause of the difficulties experienced is due to the fact that there has been no incentive given to the employees to handle hatches expeditiously, and the same may be said for the other factors such as delays in removing and placing cargo on the wharves. In attempting to analyse the results obtained we cannot fail but comment on the wide variation in the percentage of "winch time" to the total paid time. It is to be expected there would be some variation as between different classes of cargo and also for the varied classes of ships, but when it is realized that the average percentage of "winch time" to total paid time is approximately 50 per cent it is evident that a change in the working of the present co-operative contracting system is necessary.

A considerable amount of evidence was placed before us regarding the rates of work at certain ports, and from our investigations it is evident that the actual work at some ports is below a reasonable level; there are other ports where the rate of work is good. In our opinion the problem centres on the non-productive portion of working time. In some instances there are over 50 per cent of the paid hours in which no cargo is loaded or discharged. In 1952 at the eight main ports the average percentage of non-productive time to the total paid time for the loading of frozen meat was 48.68 per cent and for dairy-produce 46.80 per cent. The following table shows the percentage of non-productive time to the total paid time for three classes of cargo handled by overseas vessels at eight ports and for general cargo handled by vessels of the Union Steam Ship Co., Ltd., at the same ports.

*Overseas Vessels: Percentage of Non-productive Time to Total Paid Time*

	1949.	1950.	1952.
Meat cargoes : Loading—			
Auckland .. .. .	52.11	55.00	50.13
Wellington .. .. .	49.30	48.86	52.24
Napier .. .. .	41.76	47.08	46.06
New Plymouth .. .. .	55.86	50.66	49.83
Lyttelton .. .. .	50.54	47.20	44.52
Timaru .. .. .	44.80	42.50	45.97
Port Chalmers .. .. .	50.68	51.37	46.71
Bluff .. .. .	45.81	54.24	53.97
Dairy-produce : Loading—			
Auckland .. .. .	50.39	52.30	48.08
Wellington .. .. .	47.24	45.55	48.74
Napier .. .. .	42.36	50.84	36.40
New Plymouth .. .. .	50.60	47.29	47.67
Lyttelton .. .. .	50.09	50.42	40.38
Timaru .. .. .	41.49	46.31	45.52
Port Chalmers .. .. .	53.44	53.08	56.48
Bluff .. .. .	47.43	46.93	51.18
General cargo : Discharging—			
Auckland .. .. .	39.69	38.07	33.17
Wellington .. .. .	39.76	41.85	42.67
Napier .. .. .	50.11	37.34	37.17
New Plymouth .. .. .	44.56	47.76	46.55
Lyttelton .. .. .	43.40	43.65	39.43
Timaru .. .. .	46.22	47.99	46.26
Port Chalmers .. .. .	47.69	47.82	47.10
Bluff .. .. .	51.11	51.53	43.43

*Union Steam Ship Co., Ltd., Vessels: Percentage of Non-productive Time to Total Paid Time*

	1949.	1950.	1952.
General cargo—			
Auckland .. .. .	40.00	39.76	32.86
Wellington .. .. .	45.17	42.95	48.34
Napier .. .. .	36.18	39.88	31.96
New Plymouth .. .. .	43.14	40.31	45.41
Lyttelton .. .. .	46.30	44.00	35.23
Timaru .. .. .	50.98	51.03	48.59
Dunedin .. .. .	38.77	40.22	37.90
Bluff .. .. .	43.70	52.64	49.56

It seems apparent that almost from the commencement of the system members of the Commission realized some of its defects, hence the proposals to extend it to a system of "overall" contracting proposed in the Waterfront Industry Commission's 1945 report, but for various reasons no change was made in the system.

In its final submissions the Waterfront Industry Commission considered that the contracting system should continue with two principal modifications which experience has shown to be desirable—first, there should be a comprehensive revision of the present contract rates so that the present inequalities between overseas and coastal rates and also between rates for different classes of cargo may be eliminated so far as possible, with the object of securing equal return to the workers for equal work or equal effort. Secondly, side by side with this revision there should be an adjustment of the contract rates to include non-cargo-working time such as handling hatches and rigging gear and delays from all causes whatever, excepting only—(a) delays in excess of, say, two hours caused by breakdown of machinery or waiting cargo; and (b) time taken in restowing or shifting cargo in excess of, say, 40 tons.

Instances were cited where a union had undertaken a contract for discharging or loading a vessel, and there is one instance (Patea) where the union—in this case a small one—does have a contract with the South Taranaki Shipping Co., Ltd., for the loading and discharging of vessels at Patea. This scheme seems to be satisfactory and advantageous to both parties, but it is a small concern and consequently much less complicated than would be the case with the work at a large port.

So far as we are aware, there is no general incentive scheme in operation in the ports of Australia. At some ports in Britain systems of piece-work are in operation for some classes of goods, but there does not appear to be any co-operative contracting scheme for all classes of goods as is the case in New Zealand.

In many industries incentive schemes of various kinds to meet the conditions of the particular industry have been introduced, particularly since labour has been in short supply, but in the waterfront industry, and in this country where the trade of any one port is not large enough to always keep men on one class of cargo or one class of ship, it is difficult to arrange a satisfactory scheme other than along similar lines to the co-operative contract scheme.

The employers' objection to the scheme is not to the principle, but to the basis on which the contracts were first arranged, and to certain details in the way the scheme has been administered. The scheme proposed by the employers is similar in many respects and is, of course, to be administered by the employers and not by the Commission. In this industry men do not work singly and the bonus therefore is not earned by the individual, and cannot be paid to him. Men work in gangs, not always in the same gang, so the bonus cannot always be paid to the gang, neither can it fairly be paid on the basis of one hold in a ship. Since all parties in the industry favour having an incentive scheme it would appear that the scheme must be worked out by the parties themselves. We suggest, however, that any scheme approved by the parties must be made to cover all classes of workers involved in the job to which the scheme applies. There is a general desire to raise the status of the workers in this industry, and rightly so, in view of the important part they play in the country's economy. Money payments, whether as wages or bonuses, do not of themselves do this. The waterfront industry, perhaps more so than others, inherits a legacy of bitterness and antagonism from the past which should be eradicated. Good wages and conditions of employment are necessary, and amenities at least of a standard equal to those provided in other industries, public interest in the welfare of the industry, and social appreciation and approval of work well done are necessary incentives to good work and industrial harmony; without them, good wages and incentive money payments will not succeed in the long run.

*3. (e) The desirability of providing for the engagement of labour on a permanent or semi-permanent basis instead of the present casual basis.*

Permanent employment has been advocated upon the waterfront, and it may be possible to introduce the system at some ports. If it were introduced the men would have the security and certainty which goes with regular employment, workers and employers would come closer together, and it is thought that a better spirit would be more likely to prevail. The employers would have better and more efficient service in being able to use men according to their suitability and because of the mobility of such labour. Men would also get to know better their particular jobs and would become more proficient. Permanent, or semi-permanent employment, would, of course, involve the employment of men on the waterfront upon terms similar to those where men are employed in other industries.

In the past waterside workers have not been willing to accept permanent employment for the reason that it would not be for all, but would result in more regular employment for some and more casual employment for others. In transit sheds it would be an advantage to have permanent men who would have an opportunity of becoming experienced in shed work. The regular arrival and departure of inter-Island ferry services seems to call for permanent men. Whatever may be the view of the majority of the men upon the question of whether they themselves will accept permanent employment if it is offered, neither employers nor workers should be discouraged from permanent employment in the special fields mentioned. So far as it was adopted in the past it worked well and it should work in the future.

In dealing with permanent employment the fact should not be lost sight of that the implementing of such a change would involve a thorough revision and modernization of agreements now in force to terminate obsolete orders and bring others into line with the new arrangements.

*3. (f) (1) The efficiency of the bureau system of engagement of labour; (2) the imposition of bureau penalties; (3) the desirability of introducing a gang system for the engagement of labour.*

(1) The bureau or registration system of engagement of waterside workers was first provided for in the 1937-38 award of the Arbitration Court. Discussions between the unions and employers had taken place before this, and in 1936 an officer had been appointed by the employers to organize and operate a bureau system at Lyttelton. That bureau was controlled by the Lyttelton Waterside Employers' Association, and its object was to equalize the hours of men in the industry, not to equalize wages. The Wellington Harbour Board, as far back as 1920, had established its own bureau for the engagement of waterside workers employed by the Board. Men registered on this bureau were classified, and the object of the Harbour Board was to equalize the earnings of the men within their respective classifications. When bureaux were established at other ports under the 1937-38 award Bureau Control Boards were established consisting of an equal number of members of the union and the employers; the functions of the Board were—

1. Administer the system.
2. Decide all matters and questions arising out of the administration.
3. Remove the names of men who had ceased to be active members of the union.
4. Make and amend rules for governing and carrying on the bureau system.

The Manager and staff were appointed by the employers, and powers were delegated to the Bureau Manager for—

1. Complete control of bureau office and staff.
2. The allocation and transfer of all men, in accordance with the labour requisitions.
3. The equalization as far as possible of the hours of all men on the register.

In 1940 the management of the bureau became the responsibility of the Waterfront Control Commission, and at the main ports the bureau system was under the jurisdiction of the Waterfront Controllers. The system was also extended to secondary ports. At the outset there was opposition from some unionists to the bureau system. The casual nature of the work had caused members to express preference for certain classes of work and many objected to the necessity for attending each morning. Some sections of the membership

preferred work which was expected to last for some time, while others would not accept work of a disagreeable nature, or expressed preference for work on overseas vessels.

At this time the "guaranteed minimum wage" system came into operation for registered men, and it became necessary to make bureau rules which provided penalties for breaches. The rules and their administration have been varied from time to time, and from port to port. But while there were various disputes regarding the administration of the system its efficiency was not challenged, and, like the guaranteed minimum wage, the principle of the bureau system of engagement has been accepted by all parties and has become established.

With the exception of the bureaux for watersiders employed by the Wellington Harbour Board and at Lyttelton for waterside workers employed by the Railway Department, the control of all the bureaux came under the Waterfront Industry Commission in 1940. We consider that the bureau checks the unfair practice of large employers of labour engaging but not properly using all the good labour available prior to the expected busy period, thus leaving the smaller employers to secure the best labour they can from the remainder.

(2) *The Imposition of Bureau Penalties.*—As has been stated, bureau rules with penalties for a breach of the rules became necessary, and were varied from time to time and from port to port.

In most cases the rules in operation prior to the strike provided for classification as follows:—

(A) Men who undertake the normal share of the work of the port. These men to be eligible for payment of daily and weekly minimum payments (guaranteed wage).

(B) Men who for some reason do not undertake a normal share of the work. These men are *not* eligible for the guaranteed wage.

(C) Members in receipt of Social Security benefits—these men are not eligible for the guaranteed wage.

Since the new unions were formed it has been a condition of employment that the applicant must, with certain minor exceptions, be prepared to accept any form of waterside work.

In most ports the basic rules were similar, but variations to suit the separate circumstances were common. While suggesting some modification all the unions approved of the system of penalties.

We recommend that a new set of basic bureau rules be drawn up and that these should provide for a graduation of penalties—for instance, three days as a minimum may be too severe for a man who, through no fault of his own, fails to present himself for employment.

The basic set of rules should be adopted by each port (except Greymouth and Westport) with such local additions as are considered necessary. The rules should be approved by the local Port Conciliation Committee, and the application of penalties should be automatic, the member concerned to be notified by the Bureau Manager, and to have the right of appeal against the imposition to the Port Conciliation Committee whose decision shall be final.

The Port Conciliation Committee at Greymouth and Westport should each reconsider and revise their bureau rules, as required by present conditions at these ports.

(3) *The Desirability of Introducing a Gang System for the Engagement of Labour.*—We are of the opinion that the "gang" system of engaging labour should, in most cases, produce better results, but its adoption would require to be agreed to by the men, who should form their own gangs and choose their own leader.

As the number of men in a gang varies according to the nature of the cargo and the size of the vessel there would be difficulties to overcome.

It was suggested to us that for engagement purposes a gang should consist of six men, but in actual practice gangs do not always consist of six men, or multiples of six men. There are cases where fewer or more than six men are needed, and for that reason there would, of necessity, require to be a limited number of "unattached" members, who could be allocated to various gangs as and when the necessity arose. No doubt these situations could be adjusted to the satisfaction of all concerned.

*3. (g) The hours of work and the desirability and practicability of introducing a shift system.*

Prior to 1939 the hours of work on the waterfront were as follows:—

Mondays to Fridays inclusive: 8 a.m. to 10 p.m., with provision for working to midnight when a vessel was finishing.

Saturdays: 8 a.m. to 5 p.m., with a provision that work should carry on until 6 p.m. to finish a ship.

Under this schedule there was a possible total of sixty-eight hours per week made up of forty-four ordinary hours, including four hours on Saturday morning paid for at time and a quarter, and twenty-four hours' overtime. These figures exclude hours worked in excess of the normal hours to finish a ship.

During the war years all overseas and coastal vessels were worked round the clock under a shift system seven days per week. In September 1945 the shift working was discontinued and the hours on the waterfront were as follows:—

Mondays to Fridays inclusive: 8 a.m. to 9 p.m., with a proviso that work shall continue to 10 p.m. to finish a ship.

Saturdays: 8 a.m. to noon, or 5 p.m. when a vessel can finish work.

These hours provide for a span of fifty-nine working hours except where a vessel is finishing.

Of the total hours worked on the waterfront in 1949, 24.2 per cent were paid for at overtime rates. For 1950 the percentage at overtime rates was 25 per cent.

Under the "Conditions of Employment for Permanent Waterfront Workers," Port of Wellington, it is provided, Rule 4 (e):—

By arrangement with the employer, a man who does not wish to work overtime on any day may obtain permission from the employers' representative not later than 9.30 a.m. on such day to be excused from working overtime. This provision is intended solely to cover individual cases and does not entitle workers to refuse overtime collectively.

The proposed bureau Rules for Permanent Workers include under Rule 15, Penalties, subclause V:—

A permanent worker who refuses to work overtime when the job for which he is engaged is working overtime and has not been excused by the bureau shall be suspended from work without pay for two clear working days.

Similar rules, making overtime work obligatory, apply at all ports where the bureau system and guaranteed minimum wage payments are in operation—for instance, clause (d) of the Wellington bureau rules provides—

If a man refuses to work overtime when the job for which he was engaged is working overtime he will be credited with the hours his gang works, and the amount of overtime he could have earned shall be taken into account for the purpose of the weekly guarantee. Men desiring to cease work for the day at 5 p.m. should notify the foreman if working, or the bureau if not working, by 9 a.m.

Overtime is worked in most industries, but with the exception of the waterfront we are not aware of any other industry in which a condition of employment provides that an employee must make himself available for overtime work and that his failure to do so causes him to incur a penalty.

The fact that this is so tends to some extent to separate the worker in this industry from his fellow-workers in other industries, and while some overtime will always be necessary because of the nature of New Zealand's export trade, particularly refrigerated products, we think that with better organization of berth and shed accommodation overtime work could be reduced in so far as discharging vessels are concerned so as to allow every watersider at least one free night each week.

Apart from considerations such as fluctuations in shipping and the seasonal nature of the overseas export trade of New Zealand, there are other factors which require attention when dealing with any proposal to introduce a shift system on the waterfront in New Zealand. In the first place, sufficient labour is not available to introduce a shift system. For the two-shift scheme to be successful other affected industries such as freezing-works, cool stores, railways, and carriers would require to work similar shifts. As all these trades are already short of labour on a one-shift system it would be quite impossible to organize their work on a two-shift basis.

3. (h) *The desirability of and necessity for providing reasonable "rest" or "smoko" periods and the present "spelling" practice.*

"Spelling" was the practice under which some of the members of a gang absented themselves from work without authority, with the result that at times the number of men available for work in the gang was reduced to a half or two-thirds of the normal strength of the gang. It occurred in most ports and seems to have become more general in the main ports during the war period when for a time work proceeded both by day and by night.

It was not easy or practicable for employers to apply disciplinary measures. We are satisfied that the main reasons which caused "spelling" to be practised were indifferent discipline due to various causes and the restrictive practices in which workers indulged. Some of the orders issued by the Commission did restrict the mobility of the labour force and resulted in men being retained on a ship without any work to do. Situations such as this could only have one result—the men were idle and left the wharves. Since the new unions were formed and commenced work the practice of "spelling" and not remaining at work for the full paid period has ceased.

"Smoko," or rest periods have become general in most industries, and in the waterfront industry are more necessary than in some because of the nature of some of the work.

The conditions of employment for permanent waterfront workers which have been agreed to between the Wellington Branch of the New Zealand Port Employers' Association and the Wellington Maritime and Cargo Workers' (Permanent) Industrial Union of Workers (similar conditions have been proposed to unions in other ports) contain the following Rule 8:—

"Smoko": A morning and afternoon break of fifteen minutes (20 minutes in the case of men engaged on freezer work) shall be granted between the hours of 9.30 a.m. and 10.30 a.m. and 2.30 p.m. and 3.30 p.m. The actual time at which the breaks are taken shall be determined by the employer.

Evidence was given at several ports regarding the provision of light refreshments during these breaks. This, we think, is a matter which should be mutually arranged between the unions registered at the ports and the Port Employers' Association.



One further justification for "smoko" periods is that smoking is not allowed in the holds of ships or in wharf sheds, or on wharves when certain cargo is being handled.

3. (i) *The justification for stop-work meetings and the extent to which they should obtain.*

The justification for stop-work meetings in this industry was in the first place the continuous overtime worked in the industry which prevented the attendance of workers at meetings of their union held in the evening. In cases where evening meetings were held the result was that vessels which were nearing completion of discharge or loading were held overnight involving closing down hatches and reopening them again next day, whereas, by postponing the meeting to the next morning this was avoided. The first official reference to stop-work meetings is in the 1922 award of the Court of Arbitration for Waterside Workers, which states: "If deemed necessary by the local Union Executive, one stop-work meeting may be held in each month between the hours of 8 a.m. and 10 a.m. No other stop-work meeting shall be held." A similar clause was contained in subsequent awards.

The justification for continuing stop-work meetings in this industry is still the amount of overtime worked which makes it impossible in the main ports for men to attend meetings outside working hours. In some ports Harbour Board employees, including crane drivers and those employed in handling other mechanical equipment, hold a monthly stop-work meeting in the evenings, with the result that there is usually a stoppage of work at the wharves.

A further delay occurs because stop-work meetings are held on different days in different ports. A vessel may be delayed by a meeting at one port and may experience a further delay a few days later by a stop-work meeting at another port.

If overtime work was restricted so that workers could depend on being free on some nights there would be less justification for stop-work meetings. Until there are at least evenings free from the liability for overtime work we think it desirable that provision should be made for one stop-work meeting each month and that it should be held on a day to be arranged, between 8 a.m. and 10 a.m., and as far as possible the time and date of stop-work meetings should be the same at all ports. In other words, we consider that clause 49 of the main order of the Commission should be adhered to but approval by the Port Conciliation Committee should only be given for a change in the day fixed if such change will result in no additional delay to any ships.

3. (j) *The desirability of increasing weights of sling loads of cargo which is not hand-trucked on the wharf.*

The main order of the Waterfront Industry Commission, clause 32 (a), states—

In loading or discharging cargo a hand truck or trolley load for two men shall as near as practicable not exceed 12 cwt., except in the case of a single package or two packages of the same class of cargo which shall be above that weight, and a truck load for one man shall as near as practicable not exceed 5½ cwt., and where these weights are exceeded, assistance shall be given in proper proportion to the extra weight involved.

There is no doubt that the size of slings had been unduly restricted by the workers. In many cases this restriction was a by-product of spelling, for obviously six men in a hold could not do the work for which twelve were allotted.

In practice at some ports the tendency was for the limitation fixed for hand trucking to be applied to cargo discharged into railway trucks, lorries, or on to mechanical equipment. The quality and weight of the hand trucks provided, together with the state of the surface of the wharves or sheds, justifies the weight limitation so far as hand trucking is concerned, but when discharging into railway trucks, lorries, or mechanical equipment the load should be such as is safe and provides for efficient handling. The rate of discharge from the ship is controlled by the ability to give clearance to the cargo on the wharf. The wide range of commodities discharged is in containers of various sizes, and it must be expected that the making up of suitable slings in the ship's hold is in many instances not an easy matter. With respect to the weight and size of the slings for loading vessels these must vary with the class of cargo and the space available in the hold for handling the cargo, but generally the loads should comply with the General Harbour (Safe Working Load) Regulations and should be safe and provide for efficient handling.

*4. The adequacy and equitability of the means provided for the settlement of disputes, to that end and for the purpose of your ultimate general report giving consideration to any relevant disputes or matters of grievance between employers and employees in the Industry whether determined or not and whether occurring before or after the date of these presents: provided that you shall not be required to furnish any interim report upon any particular dispute or matter of grievance.*

Prior to the appointment of the Waterfront Control Commission in April 1940 disputes on the waterfront were settled in the following manner:—

(a) Discussions between employer concerned and union representatives.

(b) If no agreement, referred to Local Disputes Committee consisting of three representatives each of employers and workers.

(c) If no agreement, referred to National Disputes Committee consisting of four representatives each of employers and union.

(d) If no agreement, either party could refer dispute to Arbitration Court, or the National Disputes Committee could itself refer the matter to the Court.

(e) The decision of the Local Disputes Committee was final in dirt-money disputes. If the Committee could not agree, the dispute was referred to an independent arbitrator, whose decision was final. If the Local Disputes Committee could not agree on an independent arbitrator, the matter was immediately referred to the National Disputes Committee, who either appointed an independent arbitrator or determined in what manner the dispute would be dealt with.

The foregoing machinery did not prove entirely satisfactory, and this was no doubt due to the difficulty in obtaining at short notice persons to act as independent arbitrators in the settlement of dirt-money disputes and the reluctance of waterside workers to refer disputes to the Court.

Under Commission control provision was made for Local and National Disputes Committees, and where no agreement could be reached the dispute, other than dirt money, was referred to the Waterfront Industry Commission for decision. In its 1945 report the Commission stated that too many disputes were referred to the Commission which should be determined either by the Local or National Disputes Committees. On page 76 of the report a table is given showing that from 24 July 1940 to 22 December 1944, 347 disputes had been referred to the Commission for decision. Two disputes which occurred in 1944 accounted for 150,000 of the 212,080 man-hours lost during four years of Commission

control to that date. In reviewing the position the Commission asked that all members of the union appreciate the need for referring disputes to their officials before any hasty action was taken, and thus enable the matter to be dealt with in the constitutional and common sense way. The 1946 report lists nine disputes involving stoppages of work, with an aggregate loss of 109,800 man-hours.

In July 1946 the Waterfront Control Commission was reconstituted and the name changed to the Waterfront Industry Commission. The new regulations provided for the appointment of Port Committees, which took the place of the Local Disputes Committee. The National Disputes Committee was abandoned, and disputes which could not be settled by the Port Committee were referred to the Commission for settlement, with the exception of dirt money and other special payments, disputes of fact, and where members of a Port Committee unanimously decided that the dispute was of local significance only.

The next annual report, 1947, of the Waterfront Industry Commission shows that during that year there was an increase in the man-hours lost to 286,069 due mainly to a no-overtime strike in all ports. This was as a protest against a decision of the Chairman of the Commission regarding guaranteed wage payments.

The 1948 report records three major disputes causing stoppages of work, the man-hours lost that year being 221,038.

As disputes continued to arise a further change in control was made on 6 December 1948. The new Commission consisted of a Chairman appointed by the Government, one member nominated by the New Zealand Waterside Employers' Association, and one member nominated by the New Zealand Waterside Workers' Union. In addition to carrying out the day-to-day administrative work, the Commission was vested with the powers for the settlement of disputes and for prescribing terms and conditions of employment for waterside work.

The part-time Authority consisted of a Chairman appointed by the Government, two members nominated by the New Zealand Waterside Employers' Association, and two members nominated by the New Zealand Waterside Workers' Union. The functions of the Authority, which was in the nature of an appeal body, were to deal with matters of a judicial or legislative nature which were referred to it for decision either directly by the Commission or indirectly by way of appeals from the employers' association or union. This arrangement was rendered inoperative when the union, becoming dissatisfied with the decisions of the Authority, withdrew its representatives.

In 1949 there were a number of stoppages of work involving a loss of 294,616 man-hours. One of the stoppages spread to thirteen ports as a protest against an interim decision of the Waterfront Industry Authority to make an interim decision increase of 2½d. per hour, whereas a total of 1s. per hour was claimed.

For the year ended 31 March 1950 the man-hours lost on the waterfront through disputes were 591,624, more than double those lost on this account during the previous year. In 1951 there were many stoppages, and the general strike over wage increase, which was the most serious in the history of New Zealand, commenced on 15 February and was still in progress at 31 March, the date to which the annual report of the Commission was made.

It should be noted that from the start of Commission control, April 1940 to November 1945, there were a few stoppages, though 347 disputes had been referred to the Commission for settlement during that period. It is obvious, therefore, that Commission control, with the main order, guaranteed minimum wage, and co-operative contracting, has not prevented disputes from arising, although it is claimed that under Commission control disputes had been settled more promptly than hitherto.

When we commenced our sittings 287 disputes were awaiting settlement either by the Commission or the Authority. The delay in settlement of these was caused by stoppages of work on the waterfront and lengthy negotiations for the reconstitution of the Commission and the Authority.

In a report of an inquiry into unofficial stoppages in the London docks the Committee (Sir Frederick Leggett, C.B., Chairman) states, para. (a), *The Industrial Background* :—

The nature of dock work is such as to provide opportunities for disputes to occur to an extent not found in other industries. In London, the outlook of the casual worker still persists, and is shown, particularly in the continuance of restrictive practices, and in the tradition of unquestioning solidarity in strike action. In spite of the benefits which it confers, the obligations imposed on dock workers by the Dock Labour Scheme have caused resentment and irritation among the men.

That quotation applies equally to conditions in the main ports in New Zealand, except that we have not found resentment against the Waterfront Industry Commission on the part of the workers.

In the report of the Australian Stevedoring Industry Board for the year ended June 1950 it is stated (page 21) :

The employers' power of dismissal and refusal of employment had been a powerful measure in times when the supply exceeded the demand. With the reversal from under-employment to over-employment shortly after the outbreak of war, these measures had become almost valueless, so that employers were left with no real means of enforcing discipline. Under these conditions, output had dropped alarmingly. With the advent of the Stevedoring Commission came measures for the enforcement of discipline which were not available to employers, including the power of suspension and compulsion coupled with the backing of representative control.

Mr. Basten, in his report on Australian conditions (January 1952), under the heading of "The Waterside Workers," states, para. 2 :—

Sound organization, combined with great industrial strength which the general shortage of man-power has given to the Federation for the past ten years, has enabled it to introduce a number of restrictive practices which have an adverse effect on the turn-round of ships. It is significant that the more important are all defensive, in the sense that they are calculated to prevent the reappearance of certain customs that were objectionable to the Federation and were all of a kind associated with casual employment. In general, these practices aim at spreading the work available over as many men as possible, and sharing the work available as equally as possible among all. The practices calculated to spread work among as many men as possible have little meaning at a time when work available in the industry (and in Australia) is more than the men available can perform.

Mr. Basten continues his report by stating (para. 8) :—

The first step to take towards the removal of undesirable practices and policies of the Waterside Workers' Federation is to remove the fear that certain customs associated with casual employment in a time of too little employment will one day reappear.

With that statement we agree. Unsatisfactory conditions did obtain in this industry in New Zealand, as in other parts of the world, when the workers in the industry were unorganized, and the industry was entirely casual. But trade-union organization, backed by an aroused and more enlightened public conscience, has removed many of those evils. Still, waterside workers have long memories, and the fear does remain that without sound organization at a time of too little employment, or, indeed, at any time, old practices associated with this industry in the past may reappear.

It is admitted that in this country the bureau system of engagement, with equalization of hours, the guaranteed minimum wage, and the co-operative contract system, were all introduced to remove to some extent the casual nature of the industry, as also was limitation of membership of the union. There can be little doubt that some of the clauses of the main order, and the interpretation put upon those clauses by the union, have been designed to prevent the reappearance of certain customs which were objectionable to the union.

We recommend that the main order of the Waterfront Industry Commission, which was based on an award of the Court of Arbitration made in 1937, and which contain clauses which are indefinite as to meaning or are not applicable to 1952 conditions, should be completely revised in agreement between the parties. If agreement is not reached, the matter is to be referred for settlement by the Waterfront Industry Tribunal. The main order should be definite and easily understood with terms and provision made for prompt and just settlement of disputes. Delay in settlement has been and is a frequent cause of discontent.

Under present conditions a difficulty will arise by reason of the fact that whereas waterside workers' unions in the industry, by whatever name they are known, are local unions, and could act quite independently of each other. The New Zealand Port Employers' Association, while having branches in each port, is a national association, and the branches cannot make any agreement without approval by the national association. A New Zealand principal order will require provision to meet special conditions at various ports. If, however, separate orders are made for each port, we consider the main clauses should be identical.

We consider the means for settling disputes provided for in the Waterfront Industry Emergency Regulations 1946, Amendment No. 10, are adequate.

*5. The desirability of providing means for the imposition of adequate and enforceable penalties on both employers and employees for causing an unreasonable stoppage of work.*

The waterfront industry is operated under the Waterfront Industry Emergency Regulations, 1946, Amendment No. 10. Under these regulations the Waterfront Industry Tribunal is not empowered to impose penalties for stoppages or for other breaches of any order made by it.

All the new unions have bound themselves to accept and abide by the principles of conciliation and arbitration, but that does not mean that they wish to come under the Industrial Conciliation and Arbitration Act 1925. In fact, the majority of the unions say they do not. We have suggested elsewhere that the industry should be brought under a Stevedoring Industry Act, which could define such matters as penalties and also authorize regulations defining the powers and functions of the various organizations.

We recommend that penalties for offences as are provided in the Industrial Conciliation and Arbitration Act 1925 should be embodied in the proposed Stevedoring Act and made to apply in this industry.

*6. The practicability of co-ordinating hours of work of all sections of workers employed in connection with the delivery and receipt of cargoes.*

*7. The causes of the delay in clearing goods from wharf and railway goods sheds.*

The orders of reference quoted above are really parts of one subject, congestion on the waterfront. Congestion may be defined as a condition which arises when a commercial facility becomes so hindered in its work by reason of inadequacy of equipment or by inefficient organization that it cannot handle effectively the volume of work that is required of it. In most ports we have visited it has been obvious that the difficulties that beset the industry are manifested by congestion. The causes given to us for this condition were many, but remedies proposed were vague and disjointed. Since we have been appointed Commissioners, semi-judicial inquiries have been made into this subject, another Cargo Control Committee has been set up, demurrage charges have been increased, but these and

er steps as well as widespread publicity have not succeeded in eliminating congestion. Before we commenced our inquiry it might have been thought that actions of the deregistered unionists were the main cause of this congestion. Despite a new order on the waterfront the problems caused by congestion are still with us. That is not to say that we absolve the previous watersiders from responsibility, for obviously we cannot. Spelling, early leaving, small sling loads, unnecessary delays, to mention only a few of the abuses that went on before the strike, all contributed to congestion. Ships suffered unconscionable delays and the whole organization from ship to warehouse was disrupted. The watersiders are working faster, the effective time worked each day has been increased, but this improvement has to some extent been stultified by other factors. Watersiders able and willing to work have been sent home because the wharf transit shed was so full of cargo discharged that any further discharge would render the shed conditions chaotic. The disincentive to work caused by these conditions is difficult to evaluate; all we can say is that the economic and social costs are heavy. It is not only the watersiders who are affected in this way, but other workers associated with the waterfront and even those whose association is remote.

Ships are normally worked from 8 a.m. to 9 p.m. each week-day and from 8 a.m. to noon Saturday. Provision is also made for working extended hours in special cases. The total span of hours worked per week is thus 59, excluding time for meals. The hours paid for at the rate for ordinary time are 40, worked between 8 a.m. and 5 p.m. Monday to Friday, the remaining 19 hours being paid for at a penal rate of ordinary time plus one half. Except for those engaged on lift-work, all other industry ordinarily works a five-day forty-hour week between 8 a.m. and 5.30 p.m., but in practice the starting and finishing times are 8 a.m. and 5 p.m. Overtime in these cases is paid for at penal rates, generally time and a half for the first three hours of work and double time thereafter. Saturday work in some occupations is paid for at double time.

The cost of working outside ordinary hours is heavy. Labour costs are directly increased by at least one-half and act as a deterrent to employers to carry out work outside the ordinary hours. Costs have to be recouped, and in a competitive price system this may not be easy.

The ship owner has a strong economic incentive to work his vessel extended hours. The daily cost of operation of a vessel in New Zealand ports as at August 1951 was as follows:—

	£
Vessel of "Rangitoto" type	1,450
Vessel of "Port Brisbane" type	760
Vessel of "Norfolk" type	730

These figures were supplied by the Overseas Shipowners' Allotment Committee.\*

The number of watersiders engaged in loading a refrigerated ship of one of these types may be as many as 160. The discharge of such a ship may occupy about 100 men. These figures are approximate, for the number of men engaged is governed by many factors such as the size of gangs, nature and quantity of the cargo, &c. The daily wage bill of 160 men for working eleven hours, three of which are overtime, is £462 10s. at 4s. 7½d.† per hour general cargo rate. In three days the ship has been worked 33 hours at a labour cost of £1,387 10s. If we add to this figure the cost of running a ship of the "Norfolk" type (£730 per day) for three days the total cost chargeable to the ship is £3,577 10s. If, however, this ship is worked by the same number of men for four days of eight

\* Exhibit 389.

† This rate operated as at 3 August 1951.

ordinary hours—*i.e.*, 32 hours—the total cost for that time is £4,104 (four days at £730 per day plus labour £296 per day). Rates for working special cargo have not been included as the rates for this item do not increase if overtime hours are worked. The calculation assumes a uniform rate of work with equal delays. This calculation shows that by working extended hours on three days £524 10s. is saved on ship charges when compared with working ordinary time for four days. An hour's work also is gained. It is clear that the working of overtime on a loading ship is essential if costs are to be kept at a minimum. This statement applies with greater force to a discharging ship where fewer watersiders are engaged.

It follows that the ship will tend to be worked extended hours at every opportunity, whereas industry in New Zealand will only tend to work such overtime hours that cannot be avoided. Many industries closely connected with waterfront work have adjusted their working times to enable their organizations to meet the requirements placed upon them by the hours worked on the ship. Freezing-works and cool stores load out their produce at times which enable the refrigerated wagons to reach the ship at the appointed time. The Railways Department arranges its transport so that it gives the full service required by the ship, freezing-works, cool stores, and other consignors. Some Harbour Board employees also work extended hours.

Freezing-works and cool stores are, however, engaged mainly on the exporting side of the industry, and congestion in this sector is less acute. The following table and notes are taken from a statement made by the Overseas Shipowners' Allotment Committee:—

*Table Showing a Comparison Between Times and Other Data for Loading Vessels of the Conference Lines for the years 1937-38 and 1950-51.*

Calls at	Per Voyage.	
	1937-38.	1950-51.
Eight main ports—Auckland, Wellington, Lyttelton, Dunedin- Port Chalmers, New Plymouth, Napier, Timaru, Bluff .. .. .	4.3	2.25
Other ports .. .. .	1.2	..
	<hr/> 5.5	<hr/> 2.25
Average calls per vessel .. .. .	5½	2¼ ports.
Average cargo per vessel .. .. .	5,825	6,731 frt. tons.
Average total time loading .. .. .	26.1	31.8 days.
Average steaming time on coast .. .. .	4.0	1.1 days.
Average time in port loading .. .. .	22.1	30.7 days.
Average cargo loaded per gross ship day .. .. .	233.1	211.6 tons.
Average cargo loaded per ship-day in port .. .. .	263.6	219.2 tons.

(1) These figures, unlike those of discharging, reflect substantial changes in the trade which must be taken into account in the comparison with pre-war conditions. The substantial reduction in the number of loading ports, and the elimination of outport calls, mean that the average post-war voyage is not the same as the pre-war one. Much less time is occupied in coastal steaming and the delays attendant upon arrival at and departure from a large number of ports, and if comparison is made with loading time in main ports only pre-war it will be found that the increase in loading time is much greater than here appears.

(2) On this last point, records of pre-war voyages are unfortunately incomplete. But from sample figures taken it seems that cargo loaded in the main ports pre-war (which was some 90 per cent of the total cargo loaded) was about 280 tons per ship-day in ports, as against 219.2 tons in 1950-51.

(3) Since time lost awaiting berths or labour, which in 1950–51 was at least 10 per cent of total time in port, falls in practice mainly on the discharging rather than on the loading half of the voyage, the relative deterioration in discharging rates is somewhat overstated and in loading rates correspondingly understated by the above figures.\*

The basis of comparison used in this table is "freight tons of cargo per ship-day." The explanation of this basis is given as follows:—

Much detailed information on waterfront conditions has been published in recent years by the Waterfront Industry Commission in which the units used are generally "tons per gross (or net) gang-hour," "winch time hour," &c. The Lines have no desire to question the propriety of this approach in the context in which it has been used. But it may have served to obscure some very important aspects of the economics of operating ships in the trade to and from New Zealand. The costs of the voyage are largely dependent on the actual time spent in completing the vessel's task—that is, in carrying a cargo to New Zealand and a return cargo back from New Zealand. As that time increases, so also does the direct cost of the job (*e.g.*, crew pay, fuel, port charges, &c.); and what is more serious, since a greater number of ships is required to do the same job of moving a given quantity of cargo in each direction, more capital has to be invested in building ships and more expense therefore incurred in maintenance, overhauls, insurance, depreciation and capital costs generally. Thus time is lost, and costs increased if the hours for which the ship is effectively working are reduced by whatever cause, even with no change in the rate of working when work is in fact being done.†

The average cargo loaded per gross-ship day and per ship-day in port have decreased during this period by 9·2 per cent and 16·8 per cent respectively. In 1937–38 the span of hours on the waterfront was 68, and in 1950–51, 59, a reduction of 13·2 per cent. It is therefore reasonable to allocate part of the deterioration in the daily rate of work to this factor. It seems evident, however, that little progress has been made in the rate of loading ships despite advances in transport technique. We have received many representations on the causes for this.

Firstly, the wharves and facilities provided were not adequate to handle efficiently the modern ship and its cargo. It was said that berths are too short for the modern vessel, that vessels are hindered in their working by the work of a ship berthed on the same side of the wharf, that insufficient railway tracks are on the wharves, that railway tracks are too close together to allow for efficient work or too close to the shed or to the edge of the wharf, that insufficient cross-overs are provided to work wagons efficiently, that more cranes should be provided or that existing cranes are obsolete, that a wharf specially built as an export wharf cannot be used for that purpose, that the discharge of oil-tankers at an adjoining berth hinders work, that the depth of water at the berth and in the seaways is insufficient to enable a modern vessel to complete loading at that port, that land approaches to the wharves cause difficulty, that too many ships are allotted to work a port at one time. It is not our purpose here to discuss these matters in detail—they do not all apply to all ports; but we would stress that we received some complaint at every port we visited and that in our opinion many of these were justified. It is clear to us that unsuitability of wharves and facilities contributes to congestion.

Secondly, the operations involved in conveying produce from the freezing-works and cool stores to the ship by rail were not efficiently organized. We heard of a general shortage of refrigerated wagons, of workers who did not load a full load of butter in wagons, of wagons in excess of those that could be worked being ordered down to a ship, of excessive shunting due to part unloaded trucks of produce, of shunting hampered by having to take rakes of trucks along a busy street, of insufficient liaison between railway and shipping companies' officers, of inability of cool stores to load in and out efficiently at the one time, of difficulties

\* Page 7505 of record.

† Page 7508 of record.



over obtaining labour to load out refrigerated produce in peak periods, of produce being returned to works because it was unfit for shipment, of short hauls tying up valuable railway wagons, of difficulties arising from more ships in port than can be serviced efficiently at one time, of shortages of labour in railway workshops and yards. We are not concerned here to apportion blame, but it is clear to us that inefficient use of railway vehicles has contributed to congestion.

Thirdly, labour is not working efficiently. Complaints were made of spelling, early leaving, over-manned gangs, excessive delays, idle labour, over-ordering of labour, inadequate supervision of labour, refusals to co-operate with refreshment arrangements, neglect of the principles of accident prevention, small sling loads. It is true since the strike that many abuses have been eliminated, but there is still room for more improvement in these matters.

Fourthly, the time that road transport arrives at the wharf with cargo for a ship is not co-ordinated with the time that a ship is ready to receive this cargo. We received evidence that lorries were kept waiting in a queue to be unloaded, that a system of receiving cargo from lorries that apparently worked satisfactorily before the war was not reintroduced, that instructions to consignors were sometimes vague, that there seemed to be no one in charge of the loading operations, that carriers were late, that "smoko" breaks interfered with the work. We consider that much could be done to make all these operations proceed more smoothly and with a minimum of congestion.

We now turn to the work of discharging a ship, and we take as our introduction a table supplied to us by the Overseas' Shipowners Allotment Committee similar to that set out above for demonstrating deterioration in loading operations.

*Table Showing a Comparison Between Times and Other Data for Unloading Vessels of the Conference Lines for the Years 1937-38 and 1950-51*

Calls at	Per Voyage.	
	1937-38.	1950-51.
Auckland, Wellington, Lyttelton, Dunedin .. .. .	3.1	2.78
Other ports .. .. .	0.4	0.58
	<u>3.5</u>	<u>3.36</u>
Average calls per vessel .. .. .	<u>3½</u>	<u>3½ ports.</u>
Average cargo per vessel .. .. .	9,408	11,920 frt. tons.
Average total time discharging .. .. .	21.8	55.1 days.
Average steaming time on coast .. .. .	2.6	2.4 days.
Average time in port .. .. .	19.2	52.7 days.
Average cargo discharged per gross ship-day .. .. .	431.4	216.3 tons.
Average cargo discharged per ship-day in port .. .. .	489.3	226.2 tons.

The conclusions to be drawn from these figures are—

(1) Itineraries of discharging ships are little changed from pre-war, but such change as there has been—viz., the small reduction in the number of ports per vessel and in the steaming time on the coast—should have helped towards saving time.

(2) Average inward cargoes are now larger.

(3) The average rate of discharging cargo in 1950-52 was barely one-half of the pre-war rate in terms of gross ship-days, and only 46 per cent of pre-war in terms of ship-days, and only 46 per cent of pre-war in terms of ship-days in port.

(4) In considering these figures it must be borne in mind that, apart from the point about itineraries noted in (1) above, there was another important change which should have led, other things being equal, to substantial time saving—namely, that the vessels coming into the post-war figures were mostly modern vessels built to replace war losses, which represented a considerable advance over their predecessors in both design and gear and were thus capable of handling cargo much more quickly. These factors cannot be accurately analysed, but it is probable that the true deterioration in time spent discharging is appreciably greater even than that shown by the figures.\*

In this case a very marked deterioration is shown. The average cargo per ship-day in port has dropped by no less than 53·8 per cent. It apparently took over twice as long as it did prior to the war to discharge a given amount of cargo. The reduction of waterfront hours from 1938 to 1951 of 13·2 per cent must be taken into account. A further qualification is necessary because of the fact that the discharging rates are somewhat overstated as initial delays when a ship arrives in port have been included in the discharging operations and these delays have been substantial. We cannot estimate closely the extent in New Zealand, but in Auckland from 1 February 1950 to 31 January 1951, 132 ships spent 794 ship-days in the stream, and during the period from 1 June 1951 to 30 September 1951, 52 ships spent a total of 202 ship days, or an average of nearly 4 days each.\*

Usually in Wellington berthage can be given to the ship, but this does not necessarily mean that the ship can commence working. It may be a "tie up" berth or labour may not be available, thus causing delays which will in general affect the average daily discharging rates rather than the average daily loading rates of the ship's cargo. On the other hand, greater mechanization of handling facilities in Auckland and elsewhere during the period should tend to offset this reduction of the hours of work. After making due allowance for these factors it appears that delays are more serious in the discharging operations of vessels.

The discharge of a ship is a more involved operation than that of loading. The shipping companies, the Harbour Boards, and the Railways Department are responsible to a greater or lesser degree in different ports. In loading operations the cargoes are relatively uniform. Meat, butter, cheese, and wool, the principal commodities handled, present few complications over stowage in the vessel, and consignees' marks on packages do not enter into the operation. There has been little change in methods of loading; quantities rather than varieties of cargo have increased. In the discharging operation cargoes are varied. Some ships may arrive with a full cargo of one commodity such as phosphates, wheat, or motor spirit while others may bring a bewildering variety of cargo of different marks, weights, and sizes of packages. These conditions also obtained in 1937-38, but we have been informed that present conditions of business have resulted in a larger number of consignments per ship per unit of cargo carried.

The total quantity of cargo other than bulk cargoes has not materially increased from 1938 to 1950. In Auckland the total volume increased only by 4·3† per cent. Similar claims were made and substantiated at Lyttelton and Wellington.

The main increases from 1938 to 1950 have occurred in the bulk cargoes of phosphates, sulphur, oil and motor-spirit, wheat, &c. Our investigations show that congestion is not a serious problem in handling these cargoes. The provision of mechanical equipment such as grabs and hoppers should be brought up to date, the allotment of berths to ships carrying phosphate, sulphur and cement, &c., should be made after taking into account the effect of dust and fumes on other cargoes, oil berths should be away from the general berthage if possible, and the organization of land transport could be improved. The principal effect of the increase in bulk cargoes has been that berthage space has had to accommodate more ships, thus rendering the problem of congestion of ships in the stream or at non-working berths more acute.

In discharging general cargo congestion appears frequently in and around the sheds. Shed congestion occurs when it is difficult for wharf workers, sorters, stackers, delivery men, and carriers to carry on efficiently their respective tasks

\* Exhibit No. 328.

† Page 125 of this report.

of handling cargoes. If sheds become congested the work of watersiders, Harbour Board employees, carriers, railwaymen, and warehousemen suffer serious delays. Large units of capital equipment are rendered idle. Schedules of ships, trains, road vehicles, and warehouses are upset. The whole of the industry becomes semi-paralysed and the rate of work and general efficiency are affected.

There appears to be no simple explanation of this waste of time and effort. It will require a full analysis. The shed may be situated on or adjacent to the wharf or at a railway station some distance from the wharf. It is essentially a transit-shed and is not designed or intended for storing goods. Most of the sheds were built at an earlier stage in the development of transport, and modern requirements have rendered many of them inefficient. Replacement or alteration will involve a heavy expenditure, but at this juncture we are concerned mainly with the present inadequacies. We are convinced that much could be done immediately to improve some of the present sheds so that better use can be made of them. Rough surfaces could be made even so that less effort is required to handle cargo, shed doors could be enlarged or shifted so as to enable more efficient working of the ship and mechanical equipment on the wharf. Delivery docks for carriers could be improved, chutes from the upper story of double-storied sheds could be kept efficient, more light and better facilities for the men who work in the sheds could be supplied. In other cases improvement is much more difficult. The sheds are, by reason of age or indifferent design, inadequate. In some sheds that we have inspected the floor level is different from that of the wharf, necessitating more effort to handle cargo; in others the space outside the sheds for traffic movement is totally inadequate. Modern equipment cannot be used in some sheds because the doors are not wide enough or the sheds themselves are not wide enough or they have too many pillars. Some sheds recently built cannot be adapted for the use of overhead cranes. In some ports no adequate space for handling bulky cargo such as lengths of steel, motor-cars in cases, and heavy machinery has been provided, and these items are left about to contribute to the confusion on the wharf. We consider that neglect of these matters on the part of the port is a serious defect in port administration.

In some ports there appears to be a lack of adequate organization. \*In Auckland we were told by a director of a large transport organization that cargoes were stored haphazardly so that his employees had to search the shed to find the consignments for delivery. The storeman employed by the Auckland Harbour Board did not know where goods were stacked. In Auckland the Harbour Board storekeeper allots space for stacking cargo, and the shipping company or its agents direct the stacking of the cargo. Business firms employ men known as "spotters" to locate cargo in the sheds.

These factors that we have discussed have been examined from time to time in order to eliminate congestion. It seems that another factor requires examination. At our hearings or at the wharves during our inspections we have been made aware of many difficulties which arise from what we will term inflexibility.

A modern ship with all hatches manned with watersiders can discharge up to 100 tons of general cargo per net gang-hour into a shed. At the present time many sheds on wharves cannot fully handle this discharge rate. It is essential that the organization responsible for delivery should be efficient, and this requires the co-operation of all sections of the industry. We have received evidence that warehouses and stores are reluctant to accept goods after 4.30 p.m., with the result that work on the delivery side of the sheds tends to slacken off after 4 p.m. On Friday in the main ports the quantity of deliveries is

\* Page 6568 of record.

considerably less than on other days of the week due to carriers being engaged on town deliveries and warehouses being reluctant to accept consignments. This has a special significance as work is proceeded with on the ship on Friday to 9 p.m. and on Saturday morning, and the result is that on Monday and Tuesday of the following week the discharge of the ship may be hindered by shed congestion. Various carriers' associations have advised us that their members are willing to work extended hours if necessary to keep the sheds clear. It seems inescapable that the onus is on the warehouses and stores to make such arrangements so that the work of delivery proceeds when necessary without interruption. It is true that a Cargo Control Committee has the power to enforce the opening of a warehouse in overtime hours to receive cargo. We do not advocate alteration in the ordinary hours of work, although we suggest that the question of rigidity of hours between 8 a.m. and 5 p.m. should be examined in the light of the matters to which we refer.

One of the major factors contributing to shed congestion is the method of granting holiday leave. In New Zealand every worker has a statutory right to two weeks' holiday on pay. It has become the custom in many occupations for these holidays to be added to the statutory holidays at Christmas and New Year and from 24 December until about 10 January a large section of the population are on holiday. Practically all warehouses shut down, and delivery from the wharf becomes only a trickle. The work on the ships and in the sheds goes on, and before long the cargo piles up in the shed. The consequent delay to shipping affects the export trade of New Zealand, particularly in the North Island. Some nine ships each month are scheduled by the Overseas Shipowners' Allotment Committee to load refrigerated produce in the North Island from January to June. These ships arrive in New Zealand with full cargoes, and at Christmas time the ships scheduled for January and February loadings are at the ports discharging. We have no doubt that the schedules of these ships make some allowance for the Christmas break, but nevertheless it appears that each year congestion delays the operation. The whole organization of exporting produce is upset; schedules of ships are amended, freezing-works and cool stores become full, shortages of railway trucks occur, and costly ships are kept waiting in the stream. We consider that the annual holidays should be so arranged that essential parts of industries could continue to perform their functions throughout the year.

The multiplicity of marks on packages is an important cause of congestion, so important that it was deemed necessary to place it as a separate item in our order of reference. It appears to us that part of the difficulty is the adherence of commercial organizations to practices which were valid in earlier conditions of trade. We take one example, that of a consignment of 500 cases of Australian gin (all the same brand) which was discharged into a Wellington Harbour Board shed in 1951. It would be reasonable to expect that all these cases should be put in one stack in the shed and the number of cases specified on the appropriate bill of lading delivered to each consignee or his agent. This did not occur, the cases had to be sorted to the marks on the packages, with consequent loss of time and effort. It seems to us that the essence of this commercial practice is to determine in the event of one or more cases being lost, damaged, or pillaged which consignee out of the number which are importing that particular commodity shall have the right to collect the insurance. Much could be done to save congestion by the standardization of marks and packages. The quantity of goods arriving at the sheds from one ship is much greater to-day, and whereas previously it was relatively simple to identify a consignment it has now become more difficult.

A feature associated with delivery of consignments from the shed is the practice commonly adopted of delivery to order. A merchant may have a consignment of identical packages of a commodity, and instead of taking delivery himself either in whole or in part he may issue an order or orders directing that the officer in charge of the shed delivery give delivery of part or parts of that consignment to the holder or his agent. This procedure has the effect that whereas previously the packages were taken delivery of by one carrier, now several carriers arrive at the shed, not necessarily at the same time, with delivery orders. A similar situation occurs when importers who possess no warehouse space receive a consignment. The goods tend to be left about the sheds long after the ship has completed discharge and tend to hamper the working of the shed. The use of transit sheds for these purposes is wrong and disrupts the smooth exchange of goods from sea to land transport.

Delivery work at the shed is hampered from time to time by the presence of bundles of steel pipes, girders, and other awkward cargoes which have been placed in front of loading docks. It also takes some considerable time to get on and off some wharves. We asked a large transport operator whether he could supply us with details of an average carrier's daily work showing the times he arrived and left points of loading and discharge, what delays he suffered, and what caused those delays. He told us that his firm had no statistics or other information available. Such information is necessary as a basis for determining not only time lost in the carrying business, but also for indicating where weaknesses lie in the whole organization of delivery.

The inflexibility of labour requires consideration. Under clause 17 of the main order of the Waterfront Industry Commission a man is engaged for a particular job on a certain ship.

Prior to the operation of the bureau system of engagement this clause might have been a protection for the men who were engaged by the employers under what was known as the "auction block" system. It was considered desirable that under this system men should know exactly what job they were engaged for and should have security for the time being against arbitrary dismissal. Equalization of work, an independent selection of men for work, and the limitation of the number who should have first preference for work have largely removed the objections which the job clause attempted to cover. Yet this clause has remained and has even been interpreted so as to still further narrow its application. Order 115 of the Waterfront Industry Commission, relating to the employment of men by the Wellington Harbour Board, is an example. Prior to this order coming into force there was almost complete transferability from job to job within sheds. Today the work of clearing the sheds is hampered by a complicated set of rules which allow men that could be usefully employed to remain without work to do.

Minimum periods of payments may be justified in some circumstances. When a job lasts more than a day, and some may last weeks, the minimum periods lose much of their validity for this protection is not necessary. The practice prior to the strike and not unknown today of working a slower pace in order to enter into a new minimum period has no reasonable basis.

The engagement of non-union labour prior to the strike was restricted by an interpretation by the Waterfront Industry Commission, and men in the larger ports could only be engaged between certain hours on week days. This meant that ships arriving late in the day or Saturday morning were idle although non-union labour might be available. Unions also insisted that ships' crews should only be engaged according to the rules applying to the engagement of labour for ships in the port concerned. The result of these practices was that ships and men willing

to work them were not handling cargo. Rights, whether granted voluntarily or won by industrial strife, imply obligations, and if the registered workers are too few at any one time to handle all the cargo offering then the opportunity should be given to other men on reasonable terms to assist in the work. Since the strike this practice has applied.

A recent example of rigidity has arisen at the Port of Wellington, where two unions are registered, one composed of permanent workers on a weekly wage-rate and the other of casual workers employed under the terms and conditions of the main order. The members of the two unions are not working together in harmony on a ship or in a shed, and in practice they work at separate jobs.

The weight of sling loads is limited by the safe working load of the equipment used and by practical considerations. Before the strike the weight of sling loads had become unduly limited by actions of watersiders. At the present time there is no reason for such a limitation. Mechanical equipment on the wharves has improved, and larger sling loads are necessary to make full use of such equipment. We would emphasize that we are not unreservedly condemning all these and other clauses that operate to make rigid conditions of employment; our purpose is to indicate that some of these need re-examination in the context of present-day conditions on the waterfront.

The allocation of labour to ships is determined in most ports by rules agreed upon between the owners or their agents of the ships which habitually use the port. The general rule is that labour is to be allocated by the bureau according to the time of arrival in the port. It does not follow, however, that the application of this rule is to the best advantage of the industry, and in fact in many instances it has a detrimental effect. As between overseas ships the operation of the rule has caused congestion. Recently several large refrigerated vessels full of inward cargo have been lying at Wellington waiting for a working berth while freezing-chambers and cool stores were overflowing with produce to be exported. In Auckland the Harbour Board proposed to take powers so that the Board became the final arbiter of the number of gangs that might be employed on a ship. The Harbour Board required these powers to prevent a shed which was not cleared of cargo discharged from a previous ship becoming congested by reason of too great a rate of discharge from an incoming ship.

In Wellington we were told by a foreman stevedore that the replacement of plug hatches in certain refrigerated ships may be unnecessary. He suggested the use of tarpaulins or some other material which would take less time for removal and replacement. These operations take the watersiders about an hour each day.

We have now answered the question which was asked of us. The fundamental causes of congestion are the adherence of men and organizations to rules and customs which have lost their validity in the context of present-day conditions and the inability of men and organizations to co-operate for the well-being of the industry. Congestion on the waterfront is accentuated by the inadequacies of present berthage and wharf facilities to handle the modern ship.

All congestion to shipping tends to be reflected in freight rates. We were told by the Overseas Shipowners' Allotment Committee that \*11.2 per cent of the present freight rates from New Zealand to the United Kingdom represents the cost of deterioration of turn-round of shipping since 1937-38. The freight on a box of butter has risen from 2s. 11½d. in 1939 to 7s. 4d. in October 1951, an increase of 4s. 4¾d.†. Of this increase nearly 10d. represents the cost of the additional time of turn-round, and on six million boxes of butter exported annually the cost is £250,000. This is only one commodity in the overseas trade; the cost of these delays over the whole sea-borne trade is considerable.

\* Page 7507 of record.

† Page 7603 of record.

The late arrival of a consignment may mean a loss of a market, it may mean additional costs. In Dunedin we were told that frequently that port was the last port of discharge, particularly for Liverpool and Glasgow cargoes. Owing to delays in Auckland, Wellington, and Lyttelton, Dunedin merchants were forced to meet commitments by way of overdraft and interest charges ranging from £10 up to £5,000 per annum have been incurred. The costs of congestion are not easily calculated; all that we can say is that they would amount to millions of pounds each year, and in the long run the consumer either in New Zealand or elsewhere pays.

*8. The adequacy and suitability of railway rolling-stock, marshalling yards, and storage facilities.*

We heard a considerable amount of evidence regarding the inability of the Railways Department to supply an adequate number of railway wagons for shipping traffic, and we have referred to this under our comments for each port. In dealing with this matter there are three main issues which require consideration—firstly, the adequacy of the rolling-stock available, secondly, the maintenance of the same, and, thirdly, the economic use of the vehicles.

Prior to the 1939–45 war the bulk of the rolling-stock required by the Railways Department was constructed in the Department's workshops, which were designed for this particular purpose. Apart from engines, it had not been the practice for many years to import rolling-stock from overseas. During the war years the workshops' staff, in addition to its normal work, was engaged on the manufacture of munitions and other war equipment. The effect of this, together with the reduction in staff brought about by enlistment for military service, resulted in the Department being unable to proceed with the construction of new rolling-stock.

Since 1947 there has been a marked decrease in the staff employed in the Railway workshops, and this decrease is more pronounced in the main North Island workshops at Otahuhu and Hutt.

In the principal submissions of the Railways Department at Wellington it was shown that when the 1951 staff at the two principal workshops in the North Island was compared with 1939 there was a decrease of 1,406 (37 per cent) in the number of employees. In the two principal workshops in the South Island (Addington and Hillside) the decrease in the number of men in 1951 as compared with 1939 was 14 per cent. The decrease in the effective strength of the workshops staff has not only resulted in the Railways Department being unable to proceed with the construction of new rolling-stock, but has also considerably retarded the repair and maintenance of the rolling-stock in use. Since 1947 the Railways Department has been compelled to again import new rolling-stock from overseas. Between 1948 and 1951, 3,787 wagons were imported and at 31 March 1951, 4,538 wagons were on order.

In 1939 the number of wagons at North Island workshops and repair depots awaiting repairs was 4.97 per cent of the total wagon stock. In 1951 the number of wagons awaiting repairs in the North Island as a percentage of the total wagon stock had increased to 11.84 per cent. In the South Island the figures for 1939 were 3.72 per cent and 1951, 4.39 per cent.

Regarding the adequacy of the rolling-stock, the evidence of the General Manager of Railways, which compared the tonnage of all commodities carried by rail with the tons of wagon capacity in stock in each Island, showed that in general the wagon capacity had kept pace with the tonnage in the North Island and was well ahead of the tonnage in the South Island.

Faced with the inability to construct wagons in its own workshops, the Department has taken all reasonable steps to improve the position by importing rolling-stock, including locomotives, from overseas. The major problem facing the Department is the substantial increase in the number of wagons awaiting repairs, and this position is particularly bad in the North Island, which has the larger proportion of the traffic. The staff shortage in the Department's workshops is serious, and it is this factor which hinders the Railways Department in supplying the necessary wagons required.

The staff shortage is not only confined to the workshops, but is evident in the inability of the Department to supply at times adequate shunting services for shipping traffic.

Coming to the economic use of the effective rolling-stock, we have examined this under the following headings:—

1. The wagon capacity may have been used more extensively on a distance basis as against a tonnage basis—*i.e.*, the average distance the goods were hauled may have increased. In figures given in evidence it was shown that the average haul had increased in the North Island from 92 miles in 1940 to 131 miles in 1951. While some longer distances would no doubt occupy wagons for longer periods than the shorter distance journeys it is reasonable to expect that as the majority of the journeys are made overnight the additional length of journey would occupy time which would otherwise be spent standing at stations outside working hours.

2. The capacity may not have been used as intensively as before in average loading. The evidence showed that the average load had not decreased. In fact, the reverse is the case, the capacity of each wagon is being intensively used at each loading.

3. The character of the tonnage could have changed. Evidence showed no material difference in the character of the tonnage which could contribute to the shortage in wagon supply.

4. The capacity may be utilized less intensively in the matter of turn-round. That this is a cause of the uneconomic use of railway wagons is clearly indicated by the fact that, while over the past ten years there has been no substantial increase in the quantity of general cargo handled at railway ports, yet at Christchurch there are periods when as many as one thousand or more wagons are under load awaiting discharge.

The import shipping shed at Christchurch is of modern design and well equipped with facilities for the expeditious handling of this type of goods. This improvement in terminal facilities has been made in recent years and at a period when the quantity of general cargo from the Port of Lyttelton shows little difference from that handled some years ago, yet now there is an accumulation of wagons to an extent which was previously unknown. The reason for this state of affairs is similar to that which obtains at ports where the Harbour Boards provide transit sheds and where it has been shown that there has been no substantial increase in the annual tonnage of general goods requiring shed space during the past ten years.

5. The incidence of peak traffic may have changed. Since the industrial trouble in 1951 and the relaxation of import control, imports to New Zealand have been much above normal. Large quantities of cement are being imported due to the inability of New Zealand manufacturers to meet requirements. The importations of wheat in bulk and bags is steadily increasing due to the lower production in New Zealand. In the South Island it does appear that, allowing for the difficulties affecting the deliveries of inward cargo through the shipping



sheds, the cause lies principally in the peak shipping demands. The situation is shown in miniature on the west coast, where, with practically the same number of wagons as in 1929, only half the quantity of coal is being handled and yet there is still a claim of a shortage of railway wagons. Reference has already been made to the number of wagons which at times have been under load at Christchurch with inward cargo awaiting discharge, and to a lesser degree a similar position obtains at Dunedin and Invercargill. If this shipping traffic was regular and there was a ready clearance or turn-round of the wagons the number under load at any one time would not, of course, be material. It would simply mean that the wagons were handling more traffic. The point is that the wagons remain under load for unduly long periods and the number fluctuates violently. The peak demands made by shipping in the South Island are reflected in the amount of daily and weekly guaranteed wage paid at the ports. Larger ships bring and also take away larger cargoes than was the case with the type of ships trading at these ports prior to the war. The increased cargoes require more wagons and will increase the peak periods for wagons and for labour requirements.

So far as the North Island is concerned, a similar position obtains where, except in the case of New Plymouth, which is a railway port, the burden falls on the Harbour Board's sheds, and therefore the emphasis turns to general shed congestion rather than keeping wagons under load with inward cargo. Due to the seasonal nature of meat and dairy-produce exports there are considerable variations in the demands for wagons for this trade. As already stated in this report, we received evidence of instances where insulated wagons were kept under load—*i.e.*, the number ordered down to the particular ship was in excess of the number which could be unloaded in one day.

The Overseas Shipowners' Allotment Committee estimate that during the peak export season, January to June, thirteen ships per month are required to lift the refrigerated cargo so as (1) to meet as far as possible the needs of Britain, and (2) to keep the cool stores and freezing-works clear. These thirteen vessels will require to be placed as follows:—

Auckland	.....	.....	.....	.....	.....	3
Napier	.....	.....	.....	.....	.....	2
New Plymouth	.....	.....	.....	.....	.....	1
Wellington	.....	.....	.....	.....	.....	3
Lyttelton, Timaru, Port Chalmers and Bluff	.....	.....	.....	.....	.....	1 each

We have since been advised by the Overseas Shipowners' Allotment Committee that to cover  $1\frac{1}{2}$  million boxes of apples and pears during the peak export season and to avoid congestion in freezing-works four extra vessels will be required in March, April, and May, making seventeen refrigerated vessels in each of those months, which the Committee consider is quite beyond the present capacity of New Zealand's internal transport system and port facilities. Records also show that for the past five years an average of 450,000 tons measurement of wool and other general cargo has been available for despatch annually mainly during the months January to June. It is therefore evident that the overseas trade dominates the work of the ports particularly during the peak export season, and because of the urgency of that trade priority tends to be given to it, yet the total sea trade of New Zealand is approximately evenly divided between overseas and coastal trade.

The last four of the ports mentioned above are South Island ports, and the Overseas Shipowners' Allotment Committee states that the rolling-stock in the South Island will only permit of three refrigerated vessels to work to capacity. In dealing with the various ports under Item 1 (a) of the order of reference

it has been shown that railway insulated wagons are used extensively for short-distance traffic. At Auckland and New Plymouth considerable quantities of butter and cheese are conveyed long distances by sea or by road to the cool stores, and yet for the conveyance of these commodities for the short distance of a few chains from the cool stores to the wharf insulated rolling-stock is deemed to be necessary. An insulated wagon is, however, a costly unit to build. A VB wagon of 20-ton capacity now costs £3,750, while an open goods LC wagon of 15-ton capacity costs £850. The insulated wagon cost per ton of capacity is three and a-half times more than that for the open-type goods wagon referred to. In evidence the Railways Department stressed that, in addition to the high capital cost of the insulated wagon, produce contained in these vehicles required more shunting for placing the wagons alongside the particular hold of the ship for which the produce was required than for general goods traffic. It cannot be expected that the Railways Department should provide additional insulated rolling-stock to meet peak demands. Additional stock should not be provided unless the present wagons are being used to their full capacity. From the comments made by us regarding the working at various ports it will be readily seen that there is considerable scope for improvement in the economic use of this type of wagon.

It will be noted from the table at page 171 of 3 (d) that the percentage of unproductive time to total paid time is high for the loading of frozen meat and dairy-produce. A reduction in this unproductive time would result in the earlier release of wagons containing these classes of cargo, and no doubt obviate much of the additional shunting which is now necessary when partially discharged wagons are removed from the wharf and require to be again placed with the next set up of wagons for discharge.

#### MARSHALLING YARDS

In dealing with this particular matter it should be pointed out that in connection with the economic use of rolling-stock the terminal facilities should be such that the Department is in a position to handle the shunting and other transfer movements in an efficient manner. At Auckland the Railways Department gave evidence regarding the increased congestion which had resulted at that terminal and which has contributed to difficulties in the handling of freight and delays in the turn-round of rolling-stock. Since the Auckland yard was designed and opened in 1930 there has been a considerable development in export shipping in addition to a substantial increase in general railway traffic. In 1930 the yearly tonnage handled was approximately 700,000 net tons, and in 1951 this increased to 1,000,000 net tons. The track layout, except for very minor alterations, remains the same as in 1930. Apart from the substantial increase in goods for shipping at Auckland a contributing factor to the present congestion is the increase in traffic on the main line between stations south and north of Auckland. This traffic passes through the Auckland yard. It was pointed out in evidence that with the construction of the new import wharf in Auckland the Railways Department would be unable to furnish adequate yard facilities to deal with cargo to and from this wharf. This difficulty is due to there being insufficient area in which the sorting sidings necessary for this wharf could be provided. The Railways Department stated that in their opinion no improvement could be effected in the necessary terminal facilities at Auckland unless a suitable marshalling yard was constructed at Westfield. The construction of this new marshalling yard would enable the present Auckland yard to be used solely as the main loading and receiving yard for the inner city area with suitable exchange sidings to serve the present port. In connection with the

provision of a new yard at Westfield, the Railways Department stressed the necessity for a line to enable the through north and south traffic which now passes through the Auckland goods yard to be diverted to another route. It has planned the construction of a railway line between Avondale and Southdown. The suggested route would also afford the shortest connection between the upper harbour development scheme at Auckland and the Westfield industrial area. We consider that with the development which has taken place in Auckland during recent years and with the future demands which will be made on the inland transport services, serious consideration should be given by the Government to improving the terminal facilities at Auckland on the lines submitted by the Railways Department. It is quite clear that not only must the wharves be made efficient, but the other services which are associated with the transport of cargoes to and from the wharves must have adequate and modern facilities to enable them to carry out their part of this important work in an efficient manner. As Auckland is in the worst position regarding railway terminal facilities we have dealt with the position at this port at some length. At other centres such as Invercargill, Dunedin, Timaru, Christchurch, Lyttelton, and New Plymouth the Department has plans for improvements to the marshalling yards at present in use, but, due to staff shortage and difficulties in obtaining materials, it has not been possible to proceed with these improvements.

The storage facilities provided at stations where the Railways Department acts as wharfinger were stated in evidence placed before us to be inadequate.

With the exception of Christchurch, where the transit sheds used for shipping traffic are of modern design, the transit sheds at Invercargill, Dunedin, and New Plymouth were constructed many years ago when the average cargoes received were much smaller than is now the case. The railway sheds thus suffer from the same disability as the transit sheds at ports where the Harbour Board provides these facilities and to which we have referred in our remarks under each port.

As we have recommended that the Railways Department should be freed from the wharfing work at New Plymouth, Bluff, Port Chalmers, Oamaru, Timaru and Lyttelton the provision of transit shed facilities at these ports will be the responsibility of the Harbour Boards concerned.

Although not specifically mentioned in the order of reference, the position of the Railways Department acting as wharfinger at railway ports has been raised in evidence by the Department and other parties. The General Manager of Railways in evidence said that the system had worked reasonably well over the years, but at some cost to the railways. Exact costing of operations on wharves, or on port lines running thereto, is not possible, but investigations made from time to time show quite clearly a loss to the railways in cargo handling at these ports.

This system originated many years ago, mostly when the wharves were built or soon after. Except for the fact that rail transport was used exclusively to and from the wharves there does not appear to be any special reasons why the system of the Railways Department employing waterside labour was adopted. It simply developed as the custom of the port.

The General Manager of Railways stated that his Department had no desire to continue to act as wharfinger at the railway ports. There was, he considered, no reason why the Railways Department should continue as an employer of waterside labour, and the present time appeared to be the most appropriate for a change-over. We agree with the views of the Railways Department on this matter, and recommend that, with the exceptions of Greymouth and Westport, the Harbour Boards take over the wharfinger work hitherto done by the railways at the Ports of New Plymouth, Bluff, Port Chalmers, Oamaru, Timaru, and Lyttelton.

Another factor influencing the position at the present time is the expressed desire of various people to use road transport for some at least of these wharves. In some cases this may be possible and even desirable, but as soon as this is done any possible argument for railway control disappears.

We realize that a change in organization such as we recommend will require a considerable time for negotiation between the Railways Department and the Harbour Boards concerned, but for the reasons outlined we are satisfied that it is essential to terminate as speedily as possible the system of divided control which has hitherto operated at the ports concerned.

*9. The practicability of providing for the standardization of packages for shipment and for the limitation of the number of marks on packages with the object of simplifying and expediting the sorting and stacking of cargo in wharf sheds; the provision of means to reduce delays caused through the inadequate and indistinct marking of goods by shippers.*

While some merchants have endeavoured to provide standard size of packages, others still consign their goods in packages of several sizes. The use of a more uniform size of package for standard lines of goods is desirable, and if this were done it would be possible for cargo to be shipped under the principle of agreed measurement which would simplify the work of handling and would tend to minimize delays and congestion on the wharves and in the sheds. This is a matter which, like the question of multiplicity of marks, should be discussed by shipping interests, Harbour Boards, and the merchants concerned.

In a number of instances it was noticed that, in addition to showing the consignee's name and the destination port, some firms also endorsed packages with additional markings, thereby causing difficulty in sorting and delivery.

We inspected the wharves at all ports and saw numerous instances of the effects of multiplicity of marks on standard lines of goods on separate bills of lading sorted and stacked, according to marks, for delivery to consignees. We also saw other large lines on one bill of lading block stacked—that is, in one stack—much higher, and taking much less room.

In the case of the block-stacked goods the consignee could get his number or quantity from the block stack with less trouble and in shorter time than if he had to find his particular marking from among a number of smaller stacks. In the coastal trade the multiplicity of marks is most noticeable in potato traffic. Instances were cited of 75 marks for four grades of potatoes, and another instance of 135 marks in a consignment. With potatoes, too, it is not only the numerous marks that cause difficulty, but also the old state of the sacks on which markings are indistinct or from which old markings are not obliterated.

An instance of multiplicity of marks causing delay in clearing a shed was given in Wellington. The vessel "Trojan Star" discharged 1,800 tons of South African cargo comprising canned vegetables, canned fruit, canned fish, and dried fruit. The number of bills of lading was 546, and the number of marks over 600; 537 bills of lading represented 60,812 packages. The cargo was discharged from 16 November 1951 to 23 November 1951 into shed 39, which has a capacity of 3,500 tons, but the floor space of the shed was completely filled with the 1,800 tons. The sorting, stacking, and delivery of this cargo occupied that shed for ten days after the vessel completed discharge, and consequently the berth was not available for another discharging vessel. Many similar instances could be quoted.

Valuable evidence on this matter was given to us by an officer of the Union Steam Ship Co., Ltd., Auckland, who also submitted copies of correspondence between the company and merchants in New Zealand and Australia from 1949 to 1951 regarding marks on cargo, and suggestions whereby the numbers of marks could be reduced. As a result of this action by the company a number of firms have adopted methods to reduce the number of marks. Some firms gave reasons why they could not comply with the request—for example, where the goods were shipped to suit individual customers' orders, or packed to suit individual customers. However, efforts were still being made by the company to get consignors to reduce the number of marks on standard lines of goods. To assist in the sorting and stacking of cargo we consider that where possible the destination mark should be shown in two places on each package—on the side and on the end. Another difficulty regarding marks, and this refers more particularly to coastal cargoes, is the practice of some firms of using second-hand containers and failing to obliterate old marks. We saw some instances where a package had three different sets of marks. Shipping companies and others have endeavoured to rectify this matter, but the position is still unsatisfactory and results in inconvenience and delay in sorting cargoes and in subsequent deliveries.

It appears that the most satisfactory way of reducing delays to vessels from this cause is that adopted by the Union Steam Ship Co., Ltd., of negotiating with merchants and shippers of the goods. It was suggested that an extra charge should be levied by the Harbour Board on goods which took extra time and space in sorting, but this, if legal, would add to the cost. In some cases there seems no reason why instead of a number of small parcels or cases or cartons, each separately consigned, they could not be included in a container and consigned as one larger parcel, thus avoiding the need for separate sorting and stacking in the shed. Some time could be saved if men who became experienced at sorting and stacking could be kept to that work. This was the method adopted by the Wellington Harbour Board and was one of the advantages of its system of classification by its labour bureau.

Ship's manifests, particularly those for cargoes from Australia, have a large percentage of entries "To Order," and as the consignees of such goods are not known, delays take place in delivery and difficulty is experienced in deciding where to stack such lines in the sheds. It frequently happens when the clearance documents are received that the line of goods "To Order" requires to be divided for a number of consignees. Apart from the delay in ascertaining the actual consignees in such cases, we consider the delivery of the cargo should be made according to the bill of lading relating to the specific consignment and that sectional delivery by the method of sub-orders should not be permitted.

As a means of assisting Harbour Boards to overcome the difficulty now experienced in cases where a standard line of goods is received on separate bills of lading for a number of lines, we recommend that section 232 of the Harbours Act 1950 should be amended by adding a further subsection giving power to a Harbour Board that acts as a wharfinger to make a by-law as follows:—

To provide that when goods of a standard line of the same description (except as to the marks thereof) are unloaded under different marks from any ship into the custody of the Board and there is more than one owner or consignee or delivery order holder of such goods, then the Board may stow, stack, or deposit such goods in a common stack or stacks and deliver the same therefrom to such owners or consignees or delivery order holders irrespective of and without regard to the mark or marks on such goods, subject to the right of the owner or consignee or delivery order holder being given delivery of the quantity to which he is entitled to receive from the Board, and further to provide that such delivery shall be deemed a good and valid delivery by the Board in satisfaction of delivery of the goods according to mark to which the owner or consignee or delivery order holder would otherwise have been entitled to.

10. *The steps (if any) which could be taken by the Customs Department to expedite the release of documents; and the practicability and desirability of abolishing or "staggering" the expiry date of import licences.*

Before we were appointed Commissioners there had been criticism of the Customs Department on account of delays in release of documents, and by the Customs Department on account of late presentation of documents, thus causing delay in removing goods from wharf sheds. Under the system of import licensing then in practice the importation of goods tended to concentrate towards the end of the licensing period, and this, together with delays over documents for those goods, was a cause of congestion in the sheds.

The Customs Department have revised their methods in such a way as to expedite the release of documents. The evidence of the Department was that little, if any, criticism had been made since the new methods were introduced.

The evidence of the Associated Chambers of Commerce was that if importers worked according to the Customs regulations and lodged their documents prior to the arrival of overseas vessels there would be little to complain of regarding delays in the Customs release.

11. *Any other factors affecting the speed and efficiency of cargo handling and the turn-round of shipping in New Zealand ports.*

The speed and efficiency of cargo handling and the effect on the turn-round of shipping in New Zealand ports is determined very largely by such factors as labour supply, accessibility to holds, space in sheds, mechanical equipment, &c., and having regard to the complications which can arise when all of the essential requirements of operation are unbalanced there is nothing to be gained by speeding up the discharge of a vessel if such increased rate of work is going to result in congestion occurring earlier than would otherwise be the case. In the case of a loading vessel no advantage accrues to the ship in accelerating loading operations unless a steady flow of cargo for loading can be maintained by feeder transport to the ship's side. The ideal, therefore, is for quantities of cargo received at the ship's side to be such as will enable all other services—i.e., labour requirements, shed space, wagon supply, &c.—to be occupied and utilized within the limits of a desirable and reasonable capacity having regard, of course, to other controlling factors such as meal hours, "smoko" breaks, and weather conditions.

We consider, therefore, that in order to achieve the most effective turn-round of shipping it is essential that the various individual phases of the overall operation should be balanced in such a way as to ensure the continuous operation of those phases with a minimum of unproductive time and a minimum of physical and material wastage or congestion.

We also consider that, although the causes of delays outlined above are in themselves important factors, possibly one of the most important is that of unproductive time.

With the exception of a new union at Wellington whose members are paid a weekly wage, waterside workers' wages are paid on an hourly basis, and the total number of hours for which men are paid is referred to as gross time. The number of hours during which cargo is actually handled is assessed for co-operative contract purposes as winch time. The difference between winch hours and the

gross hours for which waterside workers are paid is unproductive time. As the winch hours represent the effective or actual working time it is essential if the best results are to be achieved for the ratio of winch time to gross time to be as high as possible.

The effect of non-productive time is reflected in the cost of port operations, and in this connection the following table prepared by the Waterfront Industry Commission for the Port of Bluff for the years ended 31 March 1949 and 1950 is of interest.

*Port of Bluff: Comparative Table Showing Analysis of Costs Per Ton of Various Delays for the Years Ended 31 March 1949 and 31 March 1950 (Costs Adjusted to Basic Rate of Pay as at 31 March 1950—viz. 4s. Per Hour)*

	Overseas.				Union Steam Ship Co.		Small Coastal.	
	Meat, Loading.		General Cargo, Loading.		General Cargo (Discharging and Loading).		General Cargo (Discharging and Loading).	
	1948-49.	1949-50.	1948-49.	1949-50.	1948-49.	1949-50.	1948-49.	1949-50.
	s. d.	s. d.	s. d.	s. d.	s. d.	s. d.	s. d.	s. d.
Hatches and gear ..	1 4·06	1 6·34	0 11·26	1 1·73	0 6·02	0 7·29	0 5·16	0 6·88
Minima ..	0 1·71	0 1·71	0 2·22	0 2·52	0 1·36	0 1·09	0 1·76	0 2·13
Weather ..	1 4·48	2 5·55	1 11·89	3 2·38	0 10·71	1 8·47	0 8·07	1 2·66
Shunting ..	0 7·40	0 6·24	0 6·13	0 3·71	0 2·95	0 3·18	0 1·92	0 3·99
Sundries ..	0 3·22	0 4·28	0 3·22	0 5·13	0 1·20	0 1·41	0 0·82	0 1·65
Non-contract ..	0 0·41	0 0·27	0 0·64	0 1·19	0 0·24	0 0·19	0 0·11	..
Total ..	3 9·27	3 0·84	3 11·39	5 6·67	1 10·55	2 9·64	1 5·85	2 5·32

Further information relating to unproductive time is shown under 3 (d) of the order of reference.

There has been a noticeable reduction in unproductive time and delays since the new unions commenced work and also a more reasonable observance of the "weather" clause. There are, however, still certain types of delays which in our opinion could be further reduced, and in support of this opinion we quote the case of the s.s. "Rangitikei," where the net and gross hours were recorded for three separate visits made by this vessel to Auckland. Table No. 1 shows this information when the vessel was worked by deregistered union members, Table No. 2 by Service personnel, and Table No. 3 by members of the new union.

*Table No. 1—Table Showing Rate of Work in Loading "Rangitiki" by Members of the Deregistered Waterside Workers' Union, 28 October 1950 to 2 December 1950*

	Meat.	Butter.	Wool.	Casks.	General.
Gross hours ..	198·50	594·25	109·50	26·75	152·00
Delays ..	127·92	358·92	52·33	14·83	83·25
Net hours ..	70·58	235·33	57·17	11·92	68·75
Cargo ..	24,922 f.c.	161,380 boxes	3,699 bales	303 casks (tallow)	1,263 tons measurement
Gross average ..	125·516	271·569	33·781	11·327	8·336
Net average ..	353·103	685·160	64·702	25·419	18·371

Table No. 2—Table Showing Rate of Work in Loading "Rangitiki" by Services Labour (R.N.Z.A.F.), 11 April 1951 to 5 May 1951

	Meat.	Butter.	Cheese.	Apples.	Wool.	Pelts and Tallow.	General.
Gross hours ..	257·30	179·30	83·00	61·00	17·00	49·00	99·00
Delays ..	106·55	72·25	27·30	24·50	4·10	15·10	55·00
Net hours ..	150·35	107·05	55·30	36·10	12·50	33·50	43·05
Cargo ..	63,941 f.c.	99,889 boxes	13,008 crates	18,637 cases	1,192 bales	850 casks	1,122 tons measurement
Gross average ..	283·33	556·1	156·73	305·5	70·13	17·35	11·34
Net average ..	424·57	932·4	234·4	515·3	92·93	25·13	26·03

Table No. 3—Table Showing Rate of Work in Loading "Rangitiki" by Members of the Auckland Maritime Workers' Union, 27 August 1951 to 12 September 1951

	Meat.	Butter.	Cheese.	Wool.	Casks.	General.
Gross hours ..	154·00	272·00	40·00	66·00	13·00	87·00
Delays ..	66·15	119·15	19·05	17·50	4·40	46·35
Net hours ..	87·45	152·45	20·55	48·10	8·20	40·25
Cargo ..	45,232 f.c.	139,434 boxes	6,087 crates	3,297 bales	174 casks	715 tons measurement
Gross average ..	293·72	512·63	152·11	49·96	13·38	8·22
Net average ..	515·47	912·83	291·24	68·40	20·96	17·69

Apart from the causes of delay which apply generally throughout New Zealand there are cases where the turn-round of shipping is retarded by purely local circumstances. A typical instance can be found in Auckland, where the operations on the export wharf are seriously affected by grit nuisance from the smoke-stack of the King's Wharf power station. When the export wharf was built some years ago the Auckland Farmers' Freezing Co. constructed a cool store at the foot of this wharf and made provision for their dairy-produce to be loaded from the store to the ship's side by means of an enclosed conveyer system. The conveyer consists of eight belts which can be operated independently, and each of which is capable of transferring from 1,600 to 1,700 boxes of butter per hour. The output from this company is in the vicinity of  $4\frac{1}{2}$  million boxes of butter per annum, 60 per cent of which could be handled by the conveyer if the grit nuisance could be overcome, and, apart from other considerations, this would result in a very substantial saving by the Railways Department in the use of insulated wagons. Efforts have been made from time to time to overcome this problem by endeavouring to obtain a suitable class of coal and also by the installation of arresters, but, despite these efforts, the position has not been satisfactorily adjusted.

In view of the disrupting effect which the grit nuisance has on the general operations of the export wharf we are of the opinion that as soon as the power position becomes such as to permit of the King's Wharf power station being removed to another site this action should be taken. In the event of the power station being removed a considerable area of land would become available for use by the Auckland Harbour Board.



Another factor which in our opinion has an adverse effect on the turn-round of shipping is the application of the forty-hour week. While it is not proposed or desired to comment on the forty-hour week as such, we do feel that the general practice which has developed of working a forty-hour five-day week has created problems, particularly in the transport and shipping industries, where it was never intended to apply. Lengthy evidence was placed before us at various ports concerning this topic, and its effects are so well-known we do not propose to repeat it in detail.

We do consider, however, that where possible efforts should be made to spread the forty hours of work in order that all services associated with and allied to transport and shipping can be carried on in such a way as to ensure the most satisfactory results from a national point of view.

### DOCK FACILITIES

A matter to which our attention was directed at several ports was the need for increased docking facilities in New Zealand for cleaning and repairing of vessels. Lack of these facilities causes delay to vessels, particularly coastal and inter-colonial vessels, and delay to one vessel often causes delays to others. Marine Department's reports presented to us in evidence have drawn attention to this need. A Central Docking Committee allocates docking facilities to the ships. Facilities at Lyttelton and Port Chalmers are not now used fully, due, it is said, to the lack of skilled and unskilled labour for the work of ship repairing at those ports. Only the Calliope Dock at Auckland and the floating dock at Wellington are available for larger vessels. Recently large vessels have occupied the floating dock at Wellington for some months for major repairs, and at Auckland the Royal New Zealand Navy has first claim on Calliope Dock for naval vessels. Further docking facilities for merchant vessels are required.

Statistics compiled by the Marine Department show that approximately 80 per cent of the total tonnage of New Zealand registered overseas and coastal vessels is dry-docked at Wellington and Auckland. Less than 20 per cent of the total tonnage is dry-docked at Lyttelton and Port Chalmers.

The figures for the years 1949, 1950, and 1951 are as follows:—

Port.	Percentage of Total Tonnage of New Zealand Ships Dry-docked for Annual Survey.		
	1948-49.	1949-50.	1950-51.
Wellington .. .. .	45.0	33.2	32.0
Auckland .. .. .	40.0	53.6	41.0
Lyttelton .. .. .	4.0	7.2	8.4
Port Chalmers .. .. .	11.0	6.0	18.6

These figures do not include overseas British and foreign ships which dock for repairs in New Zealand.

The majority of this tonnage is also docked at Wellington and Auckland.

Urgent consideration should be given to the provision of additional docking facilities on a national basis. We make no recommendations as to where, and of what capacity, these facilities should be.

12. *The further steps (if any) which should be taken to reduce losses caused through damage to goods in their handling and through pillage of cargo.*

Losses of cargo are listed by the shipping companies under several headings—short-landed, pillaged, damaged, and ullaged.

*Short-landed.*—This may occur through mistakes in tallying goods on to a ship, or by some cargo being over-carried to the next port; or the goods may be lost from some cause not ascertained, perhaps pillaged in some way, or wrongly landed at an earlier port of call. The loss under this heading is generally higher than that for known pillage or damaged cargo, though some of it may be, and no doubt is, due to pillage. What is more generally regarded as pillage is where part of the goods are missing from a case, carton, or package or, indeed, the whole of the original contents, and in some instances their place taken by rubbish of some kind. Ullage is where part of a case or cask has by some means spilled out.

Goods short-landed is a matter concerning the shipowner and the consignee. The goods are not landed, and therefore, so far as overseas vessels are concerned, the port authorities here are not concerned with it. In the case of coastal vessels where the cargo is both loaded and discharged in New Zealand ports it seems obvious that some of the items set down as short-landed were pillaged either before reaching the ship or at some port between loading and the correct port for discharge. Apart from this conclusion there does not appear to be any way of accounting for such items as "Tobacco short-landed, £37 17s. 11d." Pillage of goods from overseas or coastal vessels may occur before the goods are loaded on the vessel; such has been proved in many instances to be the case, and with overseas vessels this is a matter for the authorities in the overseas ports. Where it occurs with coastal trade the consignors of the goods are sometimes at fault in that the correct quantity of the cargo was not put into a case or package, or it may be that the cargo was tampered with while awaiting shipment at the wharf or while in transit to the wharf. We saw instances of goods insecurely packed, broken cases or cartons, or broken wrapping with contents partly exposed, thus inviting theft. At some ports the wharves are enclosed and gatekeepers are posted to ensure that the deliveries agree with corresponding documents. A careful watch is kept by Harbour Boards' storekeepers, tally clerks, stevedore foremen, and by the wharf police, and, while pillage of any kind is an evil and should not occur, its extent is not excessive when considered in relation to the volume of cargo handled and the number of handlings. No doubt it could, and would, be less if more precautions were taken. The wharves at Dunedin, for instance, are not enclosed, and there was cited in evidence an instance of eight cartons of tobacco, valued at £318 9s. 11d., being lost from the wharf. The evidence was that had access to the wharf over the week-end been through authorized gates there would have been less chance of this cargo being stolen. The sheds at Dunedin have direct access to the streets, but the supervision of goods delivered from them is inadequate. Wharves should be enclosed and all deliveries from them should pass through gates under the control of gatekeepers.

Goods should be securely packed, and in the case of small parcels or packages of standard type pillage would be prevented and considerable time and space would be saved if they were packed in larger containers. This system would also tend to minimize damage. Damage to goods is caused by bad stowage, insecure packages, careless handling, and accidents. An instance of bad stowage and bad packaging was a cargo of cement in paper bags, many of which were

broken and the contents spilled over other bags. Loose cement a foot deep in the hold had to be shovelled out, screened, and rebagged. This resulted in delay to the ship, loss of cement, and extra cost of handling, all due in the first place to bad stowage and the condition of the bags.

Other instances came under notice which indicated that damage had been caused as a result of heavy goods being stowed on top of lighter or more fragile packages. There were also cases of damage having occurred through carelessness and in some instances through inexperience in the making up of sling loads. The extent of damage to goods was more noticeable in the work of new union members, due very largely to their inexperience in handling goods and preparing slings. The main causes of damage can be attributed to various factors such as cargo falling from slings, careless and inexperienced stacking of goods in sheds. As the new members became more experienced the extent of damage to goods decreased. In some cases damage took place at a previous port, but did not become apparent until the cargo was moved.

In view of the fact that a proportion of damage is caused by inexperience in the handling of winches we recommend that employees engaged in handling this type of machinery should be properly trained, and in order to establish their suitability for this class of work a suitable form of examination should be undergone. This would at least tend to establish the suitability or otherwise of the different employees for this class of work. It is felt, however, that the most efficient check to both pillage and damage is in the efficient supervision on the ships and in the sheds, coupled with the authority of the supervisor or foreman to see that his instructions or directions are properly executed.

#### TALLY CLERKS

Representations were made to us at a number of ports regarding inaccuracies by clerks tallying cargo. At the main ports there is a separate Tally Clerks' Union, while at some of the smaller ports tallying is undertaken by members of the Waterside Workers' Union. The duties of men engaged in this work at the several ports vary and depend to some extent on how the port is worked—that is, whether the cargo is discharged to Harbour Board sheds or to Railway vehicles. The tally clerks employed by the Railways Department at ports where the Department receives and delivers cargo are members of the Waterside Workers' Union. The main criticism of tally clerks was at the ports where the men engaged in the work were members of the Waterside Workers' Union, and the objection raised was that the men allotted to this duty by the bureau were in some cases, through lack of training, not suited to the work. Tallying is an important duty and, apart from entering the correct marks and number of packages, &c., on the tally sheet, there is also the duty of noting damage, pillage, and such other defects as come under notice.

Numerous instances came under our notice where it was obvious that sufficient care had not been exercised by the tally clerk in dealing with not only inward cargoes, but also outward cargoes. Discrepancies in tallying are responsible for a considerable amount of investigation on the part of the interested parties in order to endeavour to trace the errors.

We cannot too strongly stress the necessity for having suitable men employed on this work. Apart from the actual tallying, efficient work on their part can go a long way to detect pillage and damage to cargo.

13. *The desirability of continuing or abolishing the present form of Commission control of the waterfront industry; if its abolition is recommended, the desirability of instituting some other industrial authority to deal solely with the waterfront industry or, alternatively, of bringing the industry within the provisions of the Industrial Conciliation and Arbitration Act 1925; the scope of the powers and authorities to be conferred on any special industrial authority instituted for the waterfront industry; and possible methods of improving industrial relationships in the waterfront industry.*

Commission control was instituted in 1940 under Waterfront Control Commission Emergency Regulations 1940 as a war measure and as a means of expediting the turn-round of ships and improving employer-employee relationship in the waterfront industry.

The Waterfront Industry Commission contends that it has justified itself and gave reasons why its administration should continue. Firstly, because its work had been efficiently carried out; secondly, because the Commission has been responsible for major improvements in the industry such as the provision of amenities and the institution of the co-operative contracting scheme; thirdly, because it is an independent body capable of administering affairs between employer and employee fairly and without prejudice and that with one exception only, all of the new unions desired Commission control to continue; fourthly, because it is an organization to which a Government can turn to obtain unbiased opinions and advice should intervention become necessary in the event of industrial trouble occurring on the waterfront, such as in the case of the recent dispute.

On the other hand, the Harbours Association of New Zealand contends that the record of the Commission over the last eleven years was one of failure and that it should be abolished. Individual Harbour Boards which gave evidence were also opposed to the continuance of Commission control.

The New Zealand Port Employers claimed that the constitution of their association was fully representative of all employers of waterside labour and that it was in complete agreement with the Harbour Board's view that Commission control should be abolished, and one of the reasons given for this view was the alleged high cost of administration under Commission control.

Both the Port Employers' Association and the Harbours Association of New Zealand contend that the Commission is a third body which comes between the employers and the workers, and, while not the employer in actual fact, its existence and administrative functions create the impression that it is and prevents that close and intimate association between employer and employee which is necessary to the well-being of any industry.

The employers claimed to have an efficient organization which could be expanded rapidly to assume the responsibility and control of waterside labour, and suggested that this action be taken. Also that the rates of pay and working conditions should come under the jurisdiction of the Arbitration Court. Should the control of labour be transferred to the Port Employers, the association would no more be the actual employer of that labour than, say, the Builders' Association is in relation to labour in the building trade, and it is doubtful whether the association could fully and fairly represent all the employers in allocating labour for overseas and coastal shipping or between ships and the Harbour Board where the Board performs the stevedoring work or at railway ports.

It was placed before us in evidence that the various overseas shipping companies have at times competed for labour and also that coastal vessels did not receive a fair allocation of labour, more particularly when there was an influx of shipping in a port. Instances were quoted where overseas shipping companies had engaged more labour than could be profitably employed having due regard to the position obtaining at that time. This practice, which in our opinion is not conducive to the efficient operation of a port, is at least controlled in Wellington, where the Harbour Board acts as wharfinger and as such is in a position to decide the number of gangs which can be allocated to ensure that there is no wastage of labour, more particularly with a discharging ship.

We consider that the Port Employers' Association as an administrative body would be as much a third party as the Commission. There is, however, an important difference in favour of Commission control as opposed to Port Employer control. The Commission is an independent body able to give unbiased service and consideration to all parties in the industry, whereas the Port Employers' Association is representative of one side only. It is inevitable that at times the interests of shipowners, Harbour Boards, and other employers would not be identical, and in such cases we consider that the Port Employers' Association could not give the same unbiased service as the Commission.

In fact, it is generally accepted that the stevedoring company is the real employer of labour, and in this connection it is relevant to quote Mr. H. Basten, who in his report of 4 January 1952 on The Turn-round of Shipping in Australia stated (para. 2, Chap. 3), *inter alia*, as follows:—

The true employer in the industry is the stevedoring company which contracts to discharge and load ships, engages labour and provides gear for the purpose, directs the work of the labour, and is paid by the shipowner for doing so. Responsibility for performing the duty of management and for the conduct of industrial relations "on the job" rests everywhere on the stevedoring company.

In an earlier part of our report reference is made to organizations which are similar, though not identical in constitution and functions, to the Waterfront Industry Commission, having been created in Great Britain and Australia, and in view of the divided opinion regarding the retention of Commission administration in New Zealand it is interesting to note that, notwithstanding recent inquiries in Australia and Great Britain, there is no suggestion in the findings that the administrative functions of the Australian Stevedoring Industry Board and the National Dock Labour Board in Great Britain should be transferred from these organizations.

The fact that similar organizations have evolved and continue to function in Great Britain and Australia, however, is not in itself a conclusive argument for the continuance of Commission control in New Zealand, but a change should not be made simply for the sake of making a change. Commission control has been established in New Zealand for eleven years, and while there have been changes in the controlling body the effect of the control on the industry has remained constant. On the other hand, it does not necessarily follow that a system deemed expedient to meet conditions which obtained in 1940 is the best system for conditions obtaining in 1952 or, for that matter, for the future. It is, however, reasonable to state that an organization which has functioned for eleven years and to which the parties concerned have become accustomed should not be suddenly dissolved, particularly at a period when it is desirable that every endeavour should be made to retain normal working conditions on the waterfront.

We have carefully considered the evidence in support of both opinions and, after having regard to all the circumstances, we recommend—

(a) That the Waterfront Industry Commission be retained, and

(b) That no action be taken to again bring the waterfront industry under the Industrial Conciliation and Arbitration Act.

In connection with (b) it can be stated that the industry was never happy under this Act. The waterfront industry is one which requires more detailed consideration and closer contact than the Court of Arbitration could give or is empowered by the Act to give. We think that a special Tribunal as provided for in the Waterfront Industry Emergency Regulations 1946, Amendment No. 10, is more likely to give satisfaction to the parties concerned.

#### POSSIBLE METHODS OF IMPROVING INDUSTRIAL RELATIONSHIP IN THE WATERFRONT INDUSTRY

The restrictive practices which have prevailed in this industry are legacies of a past period of bitter relations between employers and employees. Notwithstanding the improvements made to decasualize the industry, the men employed are aware of the casual nature of the work which obtained over the years, and are naturally suspicious that the threat of unemployment may again loom up. We know there are objections to mechanization principally because, it is considered it will save labour. However, it is reasonable to say that in the majority of cases mechanization assists labour by making the work easier. The waterside worker is tired of being singled out as the villain of the piece when at times he knows well that lack of organization on the part of others was a contributing factor to congestion on the waterfront. There must be a different approach to the problem in order to attempt to develop a better understanding of the position. Many of the men employed on the waterfront are good workers and are well fitted for this class of employment. It is reasonable to assume that such men are in a position to bring forward ideas which will be of benefit to the industry. In other industries employees are encouraged to submit ideas for improvements in the methods of work to the management, and we see no reason why such an organization should not be set up for the waterfront industry.

Another matter which, in our opinion, warrants some consideration is the encouragement for waterside workers to qualify for the position of foreman. Quite a number of men employed on the waterfront have had considerable experience at sea, and it would appear to be desirable to take advantage of such experience in developing a suitable scheme for training staff for the administrative position of foreman. In our opinion, this procedure would be of benefit to all parties concerned in this important industry.

#### *14. The desirability of retaining Cargo Control Committees.*

Cargo Control Committees were first established at Wellington in June 1941, and at Auckland in June 1942. These Committees, which were purely voluntary bodies were set up to deal with the extraordinary traffic on the wharves arising out of the war. At this period overseas and coastal vessels were working round the clock seven days a week. While these Committees performed good work, it was found that their usefulness was restricted because they had no legal authority to compel consignees to remove goods from the wharves.

In September 1942 the Cargo Control Emergency Regulations were made, and Committees were set up at the Ports of Auckland and Wellington, and later at other ports. The Committees were given wide powers to remove goods or require the owners of the goods to remove them if they were causing congestion on the wharves. When the goods were removed by the committee after

giving due notice to the consignee the consignee was required to pay the additional costs involved. On the other hand, the Government, through the War Expenses Account, bore these costs if the committee found it necessary to remove the goods without giving the consignee reasonable notice. Where a merchant took delivery of goods into his store in overtime hours the additional cost was also met from the War Expenses Account.

Off-wharf storage space was provided at Auckland, where the Government erected three stores, and at Wellington some storage space was made available in a shed which was under the control of the Ministry of Supply. The committees carried out their functions effectively until the end of the war, when it was decided that the clearance of transit sheds should be undertaken by the Harbour Boards, and in August 1946 the Cargo Control Emergency Regulations were revoked and the committees disbanded.

In September 1947, with the substantial increase in post-war importation, the problem of shed congestion at certain ports again became acute and, as a result of the National Conference of the Aid to Britain Committee, it was recommended that the Cargo Control Committees be reinstated. This was done in October 1947, and committees were appointed at Auckland, Wellington, Christchurch, and New Plymouth.

The committees have been of great assistance in getting cargo removed from sheds. A large measure of the success achieved was no doubt due to the fact that committees had power to recompense those merchants who were called upon to receive goods into their stores in overtime hours. This power was not enjoyed by the Harbour Boards. Expenditure by these committees for the year ended March 1951 was £10,017, which includes office costs and miscellaneous expenditure as well as reimbursements from Government funds for overtime payments, which for the year were £8,800. This is really a subsidy on those goods, and we do not think these payments should continue as they tend to encourage merchants to rely on the committees to remove the goods partly at Government expense. Cargo Control Committees were set up as an emergency measure and were not intended to become permanent. We consider that there is no longer any sound reason for the retention of these committees as their continued existence results in dual control of sheds and cargo, which is seldom satisfactory.

We recommend that Cargo Control Committees be disbanded and that the powers now vested in them (except the power to pay overtime wages from Government funds) be transferred to the Harbour Boards.

As previously stated, some off-wharf storage space has been provided by the Harbour Board at Auckland, and a very limited amount in a store at Wellington; other Boards do not have accommodation under their control to which cargo can be removed from the wharves. While under the Harbours Act Harbour Boards have always had authority to construct warehouses on any land vested in the Board, no Board has done so. In fact, it has never been regarded as part of the function of any Board that it should provide other than transit sheds for cargo. The provision of off-wharf storage by Harbour Boards came about as an emergency due to the war and post-war conditions, with an increase in the demand for storage and failure on the part of merchants, for various reasons, to erect their own warehouse accommodation. Should the Boards now embark on a programme providing for erection of warehouses it is quite possible that as building conditions improve merchants would improve and enlarge their own warehouses, and those provided by the Boards would not be used. We consider that merchants should themselves provide storage for the goods they import. The removal of goods from wharves to off-wharf stores and from there to merchants' warehouses results in more expenses than is the case when removed direct from wharf to the consignees' warehouses.

## PROPOSALS FOR AMENDMENT OF THE LAW

The Waterfront Control Commission Emergency Regulations 1940, provided for the appointment of a Waterfront Control Commission. These regulations, which set out the powers and duties of the Commission, were made under the provisions of the Emergency Regulations Act 1939, but were revoked by the Waterfront Industry Emergency Regulations 1946 (Reprint).

Under the latter regulations provision was made for the appointment of the Waterfront Industry Commission, which now functions.

We consider these regulations should be embodied in an Act to be called the Stevedoring Industry Act, which should make provision for—

(1) A Waterfront Industry Tribunal with functions and powers as set out in the Waterfront Industry Emergency Regulations 1946, with the addition that the Tribunal should have power of inspection and inquiry of its own motion, or on any matter brought to its notice, of any matter on procedure at any port which is, in the opinion of the Tribunal, likely to cause delay to ships or the removal of goods from wharves, and to make such recommendations as it deems fit with respect thereto to the Government or to the Waterfront Industry Commission or to the appropriate Harbour Board.

(2) A Waterfront Industry Commission with the functions and powers as set out in the Waterfront Industry Emergency Regulations 1946, except that the powers under clause 9 of the regulations should be subject to the approval of the Waterfront Industry Tribunal.

As indicated in order of reference 1 (a), we also recommend an Act to provide for a Central Harbour Commission.

The Harbours Act 1950 should be amended in accordance with our recommendation that at ports where the Harbour Boards do not perform the stevedoring work on the wharves and in the transit sheds the Boards should take over these duties in addition to the actual control of the port. The Harbours Act 1950 should also be amended if deemed necessary in connection with our recommendation for the provision of amenities.

Given under our hands and seals this 25th day of July 1952.

[L.S.]  
[L.S.]

T. BLOODWORTH }  
J. SAWERS } Commissioners.



## SUMMARY OF RECOMMENDATIONS AND PROPOSALS

### Order of Reference.

1. The adequacy and efficiency of the facilities provided at the various ports throughout New Zealand for the working of cargo with particular reference to—

(a) The adequacy efficiency and suitability of existing wharf berthage space, shed accommodation, mechanical wharf equipment and methods of working cargo for the present and immediate future.

(b) The provision of facilities and amenities for waterside workers and other workers connected with the waterfront industry including the suitability and sufficiency of those now provided and your opinion as to the persons by whom and the means by which there should be provided such additional facilities and amenities as may be found by you to be required.

### Recommendations of Sir Robert Kennedy.

Has signified agreement and is a party to the recommendations made by Hon. T. Bloodworth and J. Sawers, Esq.

Has signified agreement and is a party to the recommendations made by Hon. T. Bloodworth and J. Sawers, Esq.

### Recommendations of Hon. T. Bloodworth and J. Sawers Esq.

We have deemed it necessary to make separate recommendations under this heading for each port. In general we may say that port accommodation in many instances is old and the equipment not modern. Where wharves have been constructed in recent years the facilities are quite satisfactory. The main problems with which Harbour Boards are faced is the increased size of ships, which has placed an undue strain on the facilities constructed to deal with a smaller type of vessel carrying a lesser quantity of cargo than is the position at present. It is quite impossible to reorganize and re-equip a harbour in the same space of time that new and larger types of vessels can be constructed.

The various Harbour Boards are aware of the problem and have plans for improvement. New wharves and transit sheds require large capital investment and a considerable time for construction. We have accordingly recommended a Central Harbour Commission to plan the future developments of the harbours to cope with changes and expansion in trade.

Where amenities are of modern construction they are quite satisfactory but at some ports a considerable amount of work is necessary to bring amenities up to a reasonable standard.

SUMMARY OF RECOMMENDATIONS AND PROPOSALS—*continued*

Order of Reference.	Recommendations of Sir Robert Kennedy.	Recommendations of Hon. T. Bloodworth and J. Sawers Esq.
(c) The efficiency of the measures taken for the prevention of accident the provision of first aid facilities and generally safeguarding the safety and health of waterside workers and other workers connected with the waterfront industry.	Has signified agreement and is a party to the recommendations made by Hon. T. Bloodworth and J. Sawers, Esq.	First-aid facilities have been improved at some ports. The clinics which have been established at Wellington, Lyttelton, and Dunedin are well equipped. First-aid equipment which is inadequate at certain ports should be brought up to the standard required by the Department of Health. All waterfront accidents should be reported and recorded in a proper manner.
2. The adequacy of the labour force now available to cope with the waterfront work which is now offering, including—	Those retained on the Bureau Register should be regularly available for work, and this excludes leave being given to go away for lengthy periods to other work when most needed on the wharf.	Under the conditions which now prevail the Port Conciliation Committee decides the number of men who shall be on the Bureau register, but the employers decide who shall be put on the register. The variation which exists between the nominal and effective membership should be rectified by a regular purging of the Bureau register.
(a) The adequacy of the present membership of the New Zealand Waterside Workers' Union to handle the volume of cargo passing through each port and the variation between the nominal membership of the Union and its effective membership.	The present arrangements for the limitation of the bureau register should be continued.	Due to the fluctuation in labour requirements there is a need to retain a limitation on the membership of the unions.
(b) The justification for and effect of imposing a limitation on membership of the various branches of the New Zealand Waterside Workers' Union.	It is necessary to use non-union labour. There should be no restriction on the method, place, and time of engagement of non-union labour.	Under present conditions non-union labour is not readily available between 8 a.m. and 5 p.m. There is a reasonable supply of non-union labour available between 6 p.m. and 9 p.m. Mondays to Fridays and on Saturday mornings, and this labour should be engaged in whatever way is most convenient.
(c) The availability and use of non-union labour.	Has signified agreement and is a party to the recommendations made by Hon. T. Bloodworth and J. Sawers, Esq.	The organization for the allocation of labour to the various ships is efficient when adequate labour is available. There is scope for an improvement in the allocation as between overseas and coastal ships when there is a shortage of labour.
(d) The allocation of labour to various ships including particularly its allocation as between coastal and overseas ships		

SUMMARY OF RECOMMENDATIONS AND PROPOSALS—*continued*

**Order of Reference.**

**Recommendations of Sir Robert Kennedy.**

**Recommendations of Hon. T. Bloodworth and  
J. Sawers Esq.**

3. The conditions of employment of all  
waterside workers including—

(a) The rates of remuneration including  
any allowance for skill

It is not considered that waterside work is  
skilled work in the sense that the Court of  
Arbitration uses that term.

It may be that some special allowance  
or differential pay may be necessary to get  
and keep the workers in the industry and  
for this reason and others, the case of the  
hatchman and winchman requires special  
consideration.

No recommendation to alter.

(b) The application of the guaranteed  
wage as defined in clause 51 of the  
main order of the Commission  
dated 6 June 1940 to all ports.

(c) The provision of additional payments  
in respect of work which is dirty or  
is otherwise specially dangerous or  
unpleasant.

Dirt-money awards should be related to the  
basis fixed by the Court of Arbitration in  
other comparable industries. They should  
be disposed of as quickly as possible.  
Independent chairmen of Port Conciliation  
Committees are necessary. Exceptional  
circumstances should not apply to certain  
lines the condition of which is generally  
uniform. The payment for "stoop"  
money should be on a graduated scale  
applying to all ports. Retrospective pay  
for trimmers may need consideration.

(d) The desirability of the continuation or  
extension of the present system of  
co-operative contracting or of the  
institution of some other system  
providing for payment by results.

If this system is to be continued there must  
be a comprehensive review of the present  
contract rates. Unless the defects, chiefly  
in administration, are remedied, it would  
be better to discontinue it and to sub-  
stitute some simple and direct scheme  
under which the worker will receive greater  
pay for his greater effort and under which  
he can see the result of his own work and in  
which he can be promptly paid his increased  
pay.

Consideration should be given to the  
adoption of a piece-work system similar to  
that obtaining in the Port of London.

We consider that the waterside industry is  
not a skilled occupation. Winchmen and  
deckmen who have passed a test for such  
work should be granted additional payment.

The guaranteed wage has assisted to de-  
casualize the industry and should be  
retained on the present basis at the  
various ports.

We consider it should be possible to define the  
cases where payment for working special  
cargoes is necessary, and the only exceptions  
should be in cases of damaged vessels,  
flooded cargo or fire.

The present co-operative contract system  
should be retained and the basis amended  
with a view to reducing the present high  
percentage of unproductive time.

## Order of Reference.

(e) The desirability of providing for the engagement of labour on a permanent or semi-permanent basis instead of the present casual basis.

(f) The efficiency of the bureau system of engagement of labour; the imposition of bureau penalties; the desirability of introducing a gang system for the engagement of labour.

## Recommendations of Sir Robert Kennedy.

If the industry is to function efficiently and harmoniously employers and workers must come closer together, and this can be effectively achieved only in permanent employment. Neither employers nor workers should be discouraged from the permanent employment of the limited number of workers in certain special fields. In the main ports workers permanently employed could rotate from employer to employer, and a permanent allocation could be made to the main shipping and stevedoring companies. The general introduction of permanent employment should be pressed forward as an immediate aim.

The bureau system should be retained. The following modifications are proposed:—

(a) In allocating workers to various jobs more freedom to place the men in particular places on the jobs should be given:

(b) It would be an improvement to have a further classification within the bureau and to have equalisation within classification:

(c) The management of the bureau should best be left to those in charge:

(d) The Wellington Harbour Bureau and the Railways Bureau at Lyttelton should not be taken over.

The bureau rules and penalties should be retained. There should be some process by which those whose conduct has proved that they are not suitable to work in the industry can be removed from it.

*Gang System:* This system should be tried for a period at some port in New Zealand and extended if proved successful.

## Recommendations of Hon. T. Bloodworth and J. Sawers Esq.

It would not be possible to provide for the engagement of labour on a permanent basis at all ports. There is scope for the employment of men on a permanent basis in transit sheds where the experience gained would substantially assist in dealing with the delivery of cargoes.

The bureau system of engagement of labour has been accepted by all parties and has become established. We see no reason for a change.

While the adoption of the gang system should lead to better results the engagement by gangs does present some difficulties due to the size of the gang varying with the class of cargo to be worked.

SUMMARY OF RECOMMENDATIONS AND PROPOSALS—*continued*

Order of Reference.	Recommendations of Sir Robert Kennedy.	Recommendations of Hon. T. Bloodworth and J. Sawers Esq.
(g) The hours of work and the desirability and practicability of introducing a shift system.	<p><i>Hours of Work</i> : Consideration should be given to freeing the men from overtime for at least one night a week.</p> <p><i>Overtime</i> : Overtime should be worked in special hatches on a ship if necessary for despatch without the necessity to employ all the men engaged on that ship in overtime hours.</p> <p><i>Working the Meal Hour</i> : This practice of working the meal hour to expedite the turn-round of shipping in cases other than to finish the ship should be re-instituted.</p> <p><i>Minimum Periods</i> : Day minima might well be abolished and there might be a larger attendance payment made. On Saturday morning and in overtime hours the minimum periods should be retained.</p>	<p>Better organization of berth and shed accommodation would enable overtime work to be reduced in so far as discharging vessels are concerned so as to allow every watersider at least one free night each week.</p> <p><i>Shift System</i> : Owing to the number of industries associated with the delivery and removal of cargo at ports and the number of men who would be required to work a shift system the introduction of two shifts on the waterfront is not practicable.</p>
(h) The desirability of and necessity for providing reasonable "rest" or "smoko" periods and the present "spelling" practice	<p>6 <i>p.m. Starts</i> : These should be restored.</p> <p>Spelling which was practised in the past has now ceased.</p> <p><i>Smoko</i> : There should be a fixed break morning and afternoon, the starting and closing times being indicated by some port or ship signal. The system of relieving deckmen while part of the gangs are having a break is not favoured.</p>	<p>Spelling which was practised in the past at some ports has ceased.</p> <p>Reasonable rest or smoko periods should be arranged by agreement between employers and employees.</p>
(i) The justification for stop-work meetings and the extent to which they should obtain.	<p>While the present hours of work are in force on the waterfront stop-work meetings should continue on the terms at present specified in the main order.</p>	<p>Until such time as some evenings are free from overtime work provision should be made for one stop-work meeting each month. The time and date of the meeting should be the same at all ports.</p>
(j) The desirability of increasing weights of sling loads of cargo which is not hand-trucked on the wharf.	<p><i>Restriction of Sling Loads</i> : These should be restricted only by the safe working load of the equipment used and practical considerations of safety and convenience of working.</p>	<p>Owing to the variation in the types of cargo and the size of ships standard sling loads cannot conveniently be arranged.</p>

## Order of Reference.

4. The adequacy and equitability of the means provided for the settlement of disputes, to that end and for the purpose of your ultimate general report giving consideration to any relevant disputes or matters of grievance between employers and employees in the industry whether determined or not and whether occurring before or after the date of these presents: Provided that you shall not be required to furnish any interim report upon any particular dispute or matter of grievance.
5. The desirability of providing means for the imposition of adequate and enforceable penalties on both employers and employees for causing an unreasonable stoppage of work.
6. The practicability of co-ordinating the hours of work of all sections of workers employed in connection with the delivery and receipt of cargoes.
7. The causes of the delay in clearing goods from wharf and railway goods sheds.

## Recommendations of Sir Robert Kennedy.

It should be possible under the present regulations in force for disputes to be promptly resolved. The decision of the independent chairman must be final in dirt-money disputes.

There is no reason why the provisions of the Industrial Conciliation and Arbitration Act 1925 and its amendments as to strikes, lock-outs, and unreasonable stoppages of work should not apply to waterside workers and employers. The provisions of the Act as to secret ballots and imposing penalties by way of fine in case of a strike or lock-out before or in disregard of a secret ballot should in particular apply.

Has signified agreement and is a party to the recommendations made by Hon. T. Bloodworth and J. Sawers, Esq.

## Recommendations of Hon. T. Bloodworth and J. Sawers Esq.

There should be a complete revision of the main order. Since the order was first issued a number of amendments have been introduced, but there has been no general revision in view of the introduction of the guaranteed weekly payments.

There are anomalies which exist and have little or no bearing on the existing conditions of the industry. The terms should be definite and easily understood with freedom from contradictions which exist in the present Order. The prompt settlement of disputes is essential to satisfactory working on the waterfront.

There should be means provided for the imposition of adequate and enforceable penalties, and these should be in the Stevedoring Industry Act which we recommended.

The various industries and organizations connected with the movement of cargoes to and from the wharves work under conditions which necessitates a wide variation in hours to meet their own particular requirements, and for this reason it is impracticable to fully co-ordinate the hours of work with those of the waterfront industry.

In dealing with the cause of delay in clearing wharf and railways goods sheds too much attention has been centred on wharf congestion and too little consideration has been given to the causes which in many cases emanate from rules and practices which have become outdated.

SUMMARY OF RECOMMENDATIONS AND PROPOSALS—*continued*

Order of Reference.	Recommendations of Sir Robert Kennedy.	Recommendations of Hon. T. Bloodworth and J. Sawers Esq.
8. The adequacy and suitability of railway rolling-stock, marshalling yards, and storage facilities.	Has signified agreement and is a party to the recommendations made by Hon. T. Bloodworth and J. Sawers, Esq.	The principal cause of the inadequacy of railway rolling-stock is the shortage of workshop employees for the repair of wagons. The number of wagons awaiting repair is excessive. Prompt measures should be taken to improve the marshalling yards at Auckland.
9. The practicability of providing for the standardization of packages for shipment and for the limitation of the number of marks on packages with the object of simplifying and expediting the sorting and stacking of cargo in wharf sheds; the provision of means to reduce delays caused through the inadequate and indistinct marking of goods by shippers.	Has signified agreement and is a party to the recommendations made by Hon. T. Bloodworth and J. Sawers, Esq.	There is room for considerable improvement in the marking of goods. Multiplicity of marks is a matter which should be rectified. Goods consigned "to order" should be severely restricted, and standard lines of goods should not be on separate bills of lading.
10. The steps (if any) which could be taken by the Customs Department to expedite the release of documents; and the practicability and desirability of abolishing or "staggering" the expiry date of import licences.	Has signified agreement and is a party to the recommendations made by Hon. T. Bloodworth and J. Sawers, Esq.	The position regarding the release of documents by the Customs Department is on a satisfactory basis and calls for no comment.
11. Any other factors affecting the speed and efficiency of cargo handling and the turn round of shipping in New Zealand ports.	<i>The Job and Other Clauses</i> : This clause has long outlived its day and more mobility should be restored to labour. Labour should be freely transferable. If it is retained freer transfer of labour should be allowed. <i>Wet and Windy Weather</i> : The provision obtaining under the main order concerning this subject should be revoked and replaced with a provision giving with suitable safeguards authority to the foreman in charge of the ship to determine whether the weather is sufficiently wet or windy to cause work to stop. <i>Sheeting</i> : It might be better in appropriate cases to appoint a mobile gang of three sheeters to a ship.	A reduction in the non-productive hours on the waterfront would assist in the turn-round of shipping.

SUMMARY OF RECOMMENDATIONS AND PROPOSALS—*continued*

H—50

Order of Reference.

Recommendations of Sir Robert Kennedy.

Recommendations of Hon. T. Bloodworth and J. Sawers Esq.

11—*continued*

*Overmanning*: Most over-manning requirements ceased with the strike, but some remaining provisions and interpretations require revision.

*Order 115 of the Waterfront Industry Commission*: The mobility of labour in the Wellington sheds existing before this order was made, should be restored.

*Restrictions on the Use of Permanent Staff*: The Wellington Harbour Board should be free to employ its permanent employees to deliver goods from its sheds when they are free to do that work.

12. The further steps (if any) which should be taken to reduce losses caused through damage to goods in their handling and through pillaging of cargo.

The use of waterside workers as tally clerks should be discontinued and they should be replaced by men with the necessary clerical experience to do the work of tallying.

Has signified agreement and is a party to the other recommendations made by Hon. T. Bloodworth and J. Sawers, Esq.

In many cases the containers in which some goods are packaged are quite unsuitable for transit. Old and second-hand containers are the cause of loss and damage to contents.

Wherever possible, wharves should be enclosed and goods removed should pass through gates under the control of gate-keepers.

Efficient supervision on the ships and in transit sheds is recommended.

At ports where there is no Tally Clerks' Union the bureau should ensure that reliable men are allocated to this work.

13. The desirability of continuing or abolishing the present form of Commission control of the waterfront industry; if its abolition is recommended, the desirability of instituting some other industrial authority to deal solely with the waterfront industry or alternatively of bringing the industry within the provisions of the Industrial Conciliation and Arbitration Act 1925; the scope of the powers and authorities to be conferred on any special industrial authority instituted for the waterfront industry; and possible methods of improving industrial relationships in the waterfront industry.

As long as co-operative contracting is the system determining the remuneration of workers it must continue to be administered by the Commission. If some other incentive scheme is adopted the administrative work could perhaps be left better with the employers. The Commission should be retained to administer the labour bureaux, the central pay offices, holiday provisions, the co-operative contracting scheme, and the collection and preparation of statistics. It should be left to deal with amenities and levy moneys for these purposes. It could also supply the Tribunal with information and advise Government on industrial matters concerning the waterfront.

We recommend that the present form of administrative control by the Waterfront Industry Commission should be continued. Commission control has been established in New Zealand for eleven years, and to make a change just for the sake of doing so might possibly result in a good deal of disorganization in the industry. We do not recommend that the waterfront industry should be again placed under the Industrial Conciliation and Arbitration Act. The Waterfront Industry Tribunal, which was constituted under the Waterfront Industry Emergency Regulations 1946, Amendment No. 10, has ample powers to deal with all industrial matters connected with this industry.

216



SUMMARY OF RECOMMENDATIONS AND PROPOSALS—*continued*

Order of Reference.

Recommendations of Sir Robert Kennedy.

The employers should be free to establish and manage labour bureaux and pay offices for their own permanent employees and to take care of the provisions for their holidays.

The industry should come under the jurisdiction of the present Waterfront Industry Tribunal. That tribunal should be regarded, however, as acting in the meantime in relief of the Court of Arbitration and not as a permanent new tribunal.

The Waterfront Industry Commission, if retained, and the Tribunal should have the authority of a statute for their constitution although that statute might, in terms, largely reproduce the regulations.

Has signified agreement and is a party to the recommendations made by Hon. T. Bloodworth and J. Sawers, Esq.

Recommendations of Hon. T. Bloodworth and J. Sawers Esq.

Regarding the improvement of industrial relationships, it is unfair to lay the whole blame for the delays which have occurred on the watersiders, and we consider there should be a more humane approach to the problem. The men should be encouraged to submit ideas for improvement in working methods and other matters relating to their employment, and they should be given opportunity to qualify for positions as foremen on the wharves.

Cargo Control Committees should be abolished, but the powers to enable them to remove cargo from wharf transit sheds should be vested in the Harbour Boards. The reimbursement from Government funds for the cost involved in removing cargo in overtime hours should be cancelled.

14. The desirability of retaining Cargo Control Committees.