

(11103.) CANTERBURY AND OTAGO TANNERS AND FELLMONGERS.—
AMENDMENT OF AWARDS.

In the Court of Arbitration of New Zealand.—In the matter of the Industrial Conciliation and Arbitration Amendment Act, 1936; and in the matter of applications to amend the Canterbury Tanners and Fellmongers' award, dated the 1st day of July, 1933, and recorded in Book of Awards, Vol. XXXIII, p. 629, and the Otago Tanners and Fellmongers' award, dated the 7th day of February, 1925, and recorded in Book of Awards, Vol. XXVA, p. 45. Mr. *H. G. Kilpatrick* for the workers; Mr. *A. MacLeod*, watching interests of Otago unions; Mr. *W. E. Anderson* for the employers.

JUDGMENT OF THE COURT, DELIVERED BY PAGE, J.

THESE are applications made under section 21 of the Industrial Conciliation and Arbitration Amendment Act, 1936, for a reduction to 40 hours per week of the working-hours fixed by the two awards above enumerated relating to the *tanning industry*.

In conjunction therewith, upon the terms detailed in the judgment of the Court given in the applications relating to the footwear-manufacturing industry, the Court is considering under section 3 of the Factories Amendment Act, 1936, four applications made on behalf of twelve factory occupiers for an extension, to 44, of the weekly hours of work fixed by the latter statute.

Each of the two statutes requires the hours of work to be fixed at 40 per week unless, in the opinion of the Court, it would be impracticable to carry on efficiently the industry (or, as the case may be, the work of the factory) if the hours of work were thus limited.

The onus of proof of impracticability lies on the employer.

The workers affected by these applications are those—some five to six hundred in number—engaged in the tanning industry.

During the past ten or twelve years, due in part to the establishment and the activities of the New Zealand Leather Research Association, the quality of New Zealand leather has steadily improved, with the result that it is now equal in quality to similar leather made anywhere else in the world.

It is used almost exclusively by New Zealand boot-manufacturers, who now produce the greater part of the footwear sold in New Zealand.

Fellmongeries and pelt works, industries somewhat allied to tanneries, are among the industries that are exempt from the restricting hours fixed by the Factories Act, but tanneries are still subject to those restrictions.

The method of tanning, which is a lengthy and highly technical one, has been described in detail to the Court. Once the hide is put into work the processes are continuous and extend over a long period. Some of them—*e.g.*, the liming process—are delicate and require accurate and skilled handling.

Recently, owing to the introduction of modern methods and machinery and to the alteration of the British tariff in favour of the Dominion, the New Zealand tanners have been able to export to the London market. If the progress of this industry were retarded and prevented from keeping abreast of development in the manufacture of leather in overseas countries, or if there were any falling off in the quality of the New Zealand output, serious effects on the industry would result.

At present 48 hours is the working-week, and even with that limit some overtime is worked.

The employers estimate that even with the hours at 44 per week considerable overtime will have to be worked and paid for.

It is clear that work will have to be done on Saturdays.

We have closely examined the evidence relating to the technical processes involved and to the financial returns and the estimates of increased cost and diminished returns that a 40-hour week would entail, and are of opinion that it has been shown to be impracticable to carry on this industry efficiently on a 40-hour week.

We therefore make an order that the maximum number of hours (exclusive of overtime) to be worked in any week by any worker bound by either of the above-mentioned awards, in so far as they relate to the tanning industry, shall be 44, and the awards will be amended accordingly.

A corresponding order will, on 1st September, 1936, be issued under the Factories Amendment Act, 1936, in respect of each factory concerned in these applications.

Work on Saturdays will be permitted.

Rates of pay prevailing on 1st September, 1936, will be adjusted in accordance with subsection (3) of section 21 of the Industrial Conciliation and Arbitration Amendment Act, 1936, so that the ordinary rates of weekly wages of any worker shall not be reduced by reason of the reduction made in the number of his working-hours.

This order will come into force on 1st September, 1936, and will continue in force until the 31st August, 1937.

Dated this 5th day of August, 1936.

[L.S.]

E. PAGE, Judge.