CHAPTER III.—WAGES AND HOURS.

§ 1. Arbitration and Wages Boards Acts and Associated Legislation.

1. **General.**—Particulars regarding the operation of Commonwealth and State Acts for the regulation of wages, hours and conditions of labour were first compiled for the year 1913 and revised particulars have appeared annually in each issue of the Labour Report.

2. **Laws Regulating Industrial Matters.**—The principal Acts in force regulating rates of wage, hours of labour and working conditions generally in both Commonwealth and State jurisdictions at the end of 1959 are listed below:—

COMMONWEALTH.

Conciliation and Arbitration Act 1904–1959.
Public Service Arbitration Act 1920–1959.
Coal Industry Act 1946–1958.
Stevedoring Industry Act 1949–1957.
Snowy Mountains Hydro-electric Power Act 1949–1958.
Navigation Act 1912–1958.

STATES.

New South Wales ..	Industrial Arbitration Act, 1940–1959. Coal Industry Act, 1946–1957.
Victoria	Labour and Industry Acts 1958–1959.
Queensland ..	Industrial Conciliation and Arbitration Acts, 1932 to 1958.
South Australia ..	Industrial Code, 1920–1958.
Western Australia ..	Industrial Arbitration Act, 1912–1952. Mining Act, 1904–1955.
Tasmania	Wages Boards Act 1920–1951.

3. **Methods of Administration.**—(i) *Commonwealth—(a) Conciliation and Arbitration Act.*—Under placitum (xxxv.) of section 51 of the Commonwealth of Australia Constitution, the Commonwealth Parliament is empowered to make laws with respect to "conciliation and arbitration for the prevention and settlement of industrial disputes extending beyond the limits of any one State". The Parliament has made such a law, namely, the Conciliation and Arbitration Act.

This Act defines "an industrial dispute" as "(*a*) a dispute (including a threatened, impending or probable dispute) as to industrial matters which extends beyond the limits of any one State; and (*b*) a situation which is likely to give rise to a dispute as to industrial matters which so extends; and includes (*c*) such a dispute in relation to employment in an industry carried on by, or under the control of, a State or an authority of a State; (*d*) a dispute in relation to employment in an industry carried on by, or under the control of, the Commonwealth or an authority of the Commonwealth, whether or not the dispute extends beyond the limits of any one State; and (*e*) a claim which an organization is entitled to submit to the Commission [*see* page 17] under section eleven A of the *Public Service Arbitration Act* 1920–1959 or an application or matter which the Public Service Arbitrator has refrained from hearing, or from

further hearing, or from determining under section fourteen A of that Act, whether or not there exists in relation to the claim, application or matter a dispute as to industrial matters which extends beyond the limits of any one State".

The Conciliation and Arbitration Act was extensively amended by an Act (No. 44 of 1956) assented to on 30th June, 1956. This amendment altered the structure of the arbitration machinery by separating the judicial functions from the conciliation and arbitration functions. The Commonwealth Industrial Court was established to deal with judicial matters under the Act and the Commonwealth Conciliation and Arbitration Commission to handle the functions of conciliation and arbitration. Further amendments were made by Act No. 103 of 1956, Act No. 30 of 1958, Act No. 40 of 1959 and Act No. 15 of 1960. A summary of the provisions of the Conciliation and Arbitration Act 1904–1960 is given in the following paragraphs.

(*b*) *The Commonwealth Industrial Court.*—The Commonwealth Industrial Court is at present composed of a Chief Judge and three other Judges and the Act provides that the jurisdiction of the Commonwealth Industrial Court shall be exercised by not less than two Judges except in the following circumstances. A single Judge may exercise the jurisdiction of the Court with respect to a dismissal or injury of an employee on account of industrial action, interpretation of awards, questions concerning eligibility of membership of an organization, disputes between an organization and its members and a prescribed matter of practice or procedure. A single Judge may refer a question of law for the opinion of the Court constituted by not less than two Judges. The Court is a Superior Court of Record with the same power to punish contempts of its power and authority as is possessed by the High Court in respect of contempts of the High Court. In general, decisions of the Industrial Court are final; however, an appeal lies to the High Court, but only when the latter grants leave to appeal. Provision is made for the registration of employer and employee associations. In matters involving disputed elections in organizations, the Court may direct the Registrar to make investigations, and if necessary order a new election. The Act also provides for the Commission to exercise the powers of the Court with regard to an application for cancellation of registration of an organization. Any such change of jurisdiction must be notified by proclamation. This provision could be used if the powers of the Court in this regard were declared, in whole or in part, to be invalid.

Special provision is made concerning the right of audience before the Commonwealth Industrial Court. Briefly, except in proceedings which, in general, involve questions of law or offences against the Act, parties are able to elect whether to appear personally or to be represented by lawyers or officials. Even in proceedings involving questions of law, except appeals from decisions by other Courts to the Industrial Court on matters arising under this Act or the Public Service Arbitration Act 1920–1959, the parties may, if they wish and the Court grants leave, be represented by officials.

(*c*) *The Commonwealth Conciliation and Arbitration Commission.*—The Commonwealth Conciliation and Arbitration Commission is at present composed of a President, five Deputy Presidents, a Senior Commissioner, seven Commissioners and three Conciliators. The presidential members of the Commission must have been solicitors or barristers of the High Court or of the Supreme Court of a State of not less than five years' standing or Judges of the previously existing Court of Conciliation and Arbitration.

The Commonwealth Conciliation and Arbitration Commission is empowered to prevent or settle industrial disputes by conciliation or arbitration, and to make suggestions and to do such things as appear right and proper for (*a*) effecting a reconciliation between the parties to industrial disputes; (*b*) preventing and settling industrial disputes by amicable agreement; and (*c*) preventing and settling, by conciliation or arbitration, industrial disputes not prevented or settled by amicable agreement. The Commission may exercise its powers of its own motion or on the application of a party.

The President may assign a Commissioner to deal with industrial disputes relating to particular industries, or members of the Commission to deal with a particular industrial dispute. However, subject to the approval of the President, it is the duty of the Senior Commissioner to organize and allocate the work of the Commissioners and Conciliators.

When an industrial dispute occurs or is likely to occur, the Act provides that a Commissioner shall take steps for the prompt prevention or settlement of that dispute by conciliation, or, if in his opinion conciliation is unlikely to succeed or has failed, by arbitration. A Commissioner may arrange with the Senior Commissioner for a Conciliator to assist the parties to reach an amicable agreement and shall do so if the parties so request. If an agreement is reached, a memorandum of its terms shall be made in writing, and may be certified by the Commission. A certified memorandum shall have the same effect as an award.

The Commission in Presidential Session, that is, the Commission constituted by at least three presidential members nominated by the President, and not otherwise, is empowered to deal with making awards, or certifying agreements, in so far as they concern standard hours, basic wages and long service leave.

Upon application by a party to an industrial dispute, a Commissioner shall consult with the President as to whether, in the public interest, any matter in the dispute should be dealt with by a Commission constituted by not less than three members nominated by the President, at least one of whom shall be a presidential member and one, where practicable, the Commissioner concerned. The President may direct the Commission to hear the matter in dispute; however, after consideration, the Commission may refer the matter in dispute back for determination to the Commissioner originally dealing with the dispute.

An appeal against the decision of a Commissioner shall be heard by not less than three members nominated by the President, of whom at least two shall be presidential members of the Commission. However, an appeal will not be heard unless the Commission considers it is necessary as a matter of public interest. The President, after taking account of the views of the parties to a dispute, may appoint a member of the Commission to take evidence on behalf of the full bench of the Commission, so that the full bench can have this evidence before it when it commences its hearing.

Full benches of the Commission not constituted by the same persons may sit in joint session at the direction of the President when he considers it desirable and has the opinion that a question is common to the matters before those benches. A joint session may be held whether the benches concerned are constituted pursuant to the Conciliation and Arbitration Act or the Public Service Arbitration Act, and whether they are constituted to hear references or appeals. However, it is left to each appropriate full bench to determine any of the matters before it.

Provision is also made in the Act for a presidential member of the Commission to handle industrial matters in connexion with the Maritime Industries,

Snowy Mountains Area and Stevedoring Industry, except in those matters for which the Act requires that the Commission shall be constituted by more than one member.

The Commonwealth Conciliation and Arbitration Commission also deals with disputes and industrial matters, interstate or intra-State, associated with undertakings or projects of the Commonwealth Government which have been declared by the Minister to be Commonwealth projects for the purposes of this Act. In effect, this places employees of Commonwealth projects, so declared, under the jurisdiction of the Commission. The Commission may also make an award in relation to an industrial dispute involving such employees. The Minister has the power to exempt certain persons or classes of persons working on these projects from the jurisdiction of the Commission.

The Commission may make an award in relation to an industrial dispute when the Public Service Arbitrator refrains from dealing with claims made by a Public Service employee organization or consents to the claims being presented to the Commission, though such an award may be inconsistent with a law of the Commonwealth relating to salaries, wages, rates of pay or terms or conditions of service of employees in the Public Service as defined by section three of the Public Service Arbitration Act 1920–1959, not being the Commonwealth Employees Compensation Act 1930–1959, the Commonwealth Employees' Furlough Act 1943–1959, the Superannuation Act 1922–1959 or any other prescribed Act.

The Act provides that where a State law, or an order, award, decision or determination of a State industrial authority is inconsistent with or deals with a matter dealt with in an award of the Commonwealth Conciliation and Arbitration Commission, the latter shall prevail, and the former, to the extent of the inconsistency or in relation to the matter dealt with, shall be invalid.

(*d*) *Coal Industry Tribunal.*—The Coal Industry Tribunal was established under the Commonwealth Coal Industry Act 1946 and the New South Wales Coal Industry Act, 1946 to consider and determine interstate disputes and, in respect of New South Wales only, intra-State disputes between the Australian Coal and Shale Employees' Federation and employers in the coal-mining industry.

Special war-time bodies were created to deal with specific aspects of the coal industry, reference to which was made in earlier issues of the Labour Report (*see* No. 41, page 53). Under amending legislation passed jointly by the Commonwealth and New South Wales Parliaments in 1951, the Tribunal was vested with authority to deal with all interstate industrial disputes in the coal mining industry, irrespective of the trade union involved, and, in the case of New South Wales, intra-State disputes also. The Tribunal consists of one person, who may appoint two assessors nominated by the parties to advise him in matters relating to any dispute. Subsidiary authorities are the Local Coal Authorities and Mine Conciliation Committees, who may be appointed to assist in the prevention and settlement of certain disputes. An amendment to the Commonwealth Coal Industry Act, passed in 1952, makes it obligatory for the Tribunal to use conciliation and arbitration to settle industrial disputes.

(*e*) *Commonwealth Public Service Arbitrator.*—Wages, hours of work and working conditions in the Commonwealth Public Service are regulated by the Commonwealth Public Service Arbitrator, under powers conferred by the Public Service Arbitration Act 1920–1959. The system of arbitration commenced to operate in 1912, cases being heard by the Commonwealth Court of Conciliation and Arbitration as part of the ordinary work of that Court.

From 1920, however, the control was transferred to the Arbitrator, who is appointed by the Government for a term of seven years, and who need not necessarily have legal qualifications. In 1952 amending legislation made provision for reference of matters of general importance to the Full Court of the Commonwealth Court of Conciliation and Arbitration and also for appeals from decisions of the Arbitrator.

Amending legislation, assented to on 15th November, 1956, provided that an organization of employees in the Public Service may submit a claim to the Commonwealth Conciliation and Arbitration Commission with the consent of the Public Service Arbitrator or where the Arbitrator has, other than on the grounds of triviality, refrained from hearing or determining the claim. The amending legislation also provided that appeals from decisions of the Arbitrator may be made to the Commission.

(*f*) *Australian Capital Territory Industrial Board.*—The regulation of industrial matters in the Australian Capital Territory under a local Industrial Board commenced in the year 1922. However, an amending Ordinance, gazetted on 19th May, 1949, abolished the Board and transferred its functions to authorities established by the Commonwealth Conciliation and Arbitration Act. A separate Registry of the Commonwealth Court of Conciliation and Arbitration was established in Canberra and a Commissioner was assigned to the Australian Capital Territory.

The amendment to Commonwealth industrial legislation introduced in June, 1956 made little practical change in the day-to-day industrial administration of the Australian Capital Territory. In effect, the Conciliation Commissioner of the Commonwealth Court of Conciliation and Arbitration became the Commissioner for the Australian Capital Territory under the Commonwealth Conciliation and Arbitration Commission. In addition, the Industrial Court and the Commonwealth Conciliation and Arbitration Commission replaced the Commonwealth Court of Conciliation and Arbitration in those matters outside the jurisdiction of the Commissioner.

Details of the provisions relating to the Board during its period of jurisdiction may be found in issues of the Labour Report prior to No. 37 (*see* No. 36, p. 51).

(ii) *States*—(*a*) *New South Wales.*—The controlling authority is the Industrial Commission of New South Wales, consisting of a President and five other Judges. Subsidiary tribunals are the Conciliation Commissioners, the Apprenticeship Commissioner, Conciliation Committees and Apprenticeship Councils constituted for particular industries. Each Conciliation Committee consists of a Conciliation Commissioner as Chairman and equal numbers of representatives of employers and employees. The Apprenticeship Commissioner and the members of the Conciliation Committee for an industry constitute the Apprenticeship Council for the industry. These subsidiary tribunals may make awards binding on industries, but an appeal to the Industrial Commission may be made against any award. Special Commissioners with conciliatory powers and limited arbitration powers may be appointed. Compulsory control commenced in 1901, after the earlier Acts of 1892 and 1899 providing for voluntary submission of matters in dispute had proved abortive.

(*b*) *Victoria.*—The authorities are separate Wages Boards for the occupations and industries covered, each consisting of a chairman and equal numbers of representatives of employers and employees, and a Court of Industrial Appeals, the latter presided over by a Judge of the County Court. The system was instituted in the State in 1896, and represented the first example in Australia of legal regulation of wage rates.

(c) *Queensland.*—The authority is the Industrial Court, consisting of a Judge of the Supreme Court and not more than four members appointed by the Governor in Council. Legal control was first instituted in 1907 with the passing of the Wages Board Act.

(d) *South Australia.*—The principal tribunal is the Industrial Court, composed of the President (a person eligible for appointment as a Judge of the Supreme Court) who may be joined by two assessors employed in the industry concerned; also Deputy Presidents may be appointed. There are also Industrial Boards, for the various industries, consisting of a chairman and equal numbers of representatives of employers and employees. Another tribunal provided for under the Industrial Code is the Board of Industry, composed of a President, who shall be the President or a Deputy President of the Industrial Court, and four Commissioners. Broadly speaking, the functions of these three tribunals are:—(i) the Industrial Court delivers awards concerning workers who do not come under the jurisdiction of the Industrial Boards and hears appeals from decisions of Industrial Boards; (ii) the determinations of the Industrial Boards apply to most industries in the metropolitan area; however, for employees of the Public Service, Railways and councils of a municipality or district, determinations of Industrial Boards apply to the whole of the State; (iii) the Board of Industry declares the " living wage ".

(e) *Western Australia.*—The system of control comprises an Arbitration Court, Industrial Boards, Conciliation Committees and a Conciliation Commissioner. Employers and employees are equally represented on both Boards and Committees. The Court consists of a Judge of the Supreme Court and two members. Commissioners may also be appointed by the Minister for the settlement of particular disputes. Legal control dates back to 1900.

Since 1949, legislation has provided for the appointment of a Western Australian Coal Industry Tribunal to settle intra-State disputes in the coal mining industry in Western Australia. It was not, however, until April, 1952, that persons were appointed to the Tribunal. The Tribunal consists of a Chairman and four other members (two representatives each of employers and employees). Boards of reference may be appointed by the Tribunal and decisions of the Tribunal may be reviewed by the President of the Arbitration Court.

(f) *Tasmania.*—The authority consists of Wages Boards for separate industries, comprising a Chairman (who is common to all Wages Boards), appointed by the Governor, and equal numbers of representatives of employers and employees, appointed by the Minister administering the Act. The system was instituted in 1910.

4. Awards, Determinations, and Agreements in Force.—In each issue of the Labour Report from 1913–14 to 1947 (Reports Nos. 5–36), statistics were published of the number of awards and determinations made and industrial agreements filed, excluding variations, in each State and under Commonwealth legislation dealing with these matters. Statistics were also published, up to and including 1939, showing the number of awards, determinations and industrial agreements in force at the end of each year. These details are not now published because of the difficulty of obtaining precise data. One of the reasons for this decision is explained in the following paragraph.

It is difficult to establish the exact number of industrial awards and registered industrial agreements in force at the end of any period, because awards and determinations made by both State and Commonwealth tribunals generally

continue in force, after the term of operation mentioned therein has expired, until rescinded or superseded by a subsequent order or award. Section 58 (2) of the Commonwealth Conciliation and Arbitration Act provides that, after the expiration of the period specified, the award shall, unless the Commission otherwise orders, continue in force until a new award has been made; provided that, where in pursuance of this sub-section an award has continued in force after the expiration of the period specified in the award, any award made by the Commission for the settlement of a new industrial dispute between the parties may be made to operate from a date not earlier than the date upon which the dispute arose. Similar provisions are in force in the Industrial Code of South Australia, section 47 (2), and in legislation for other States. All industrial agreements continue in force after the expiration of the term mentioned until rescinded or superseded by a subsequent agreement or order. The Tasmanian Wages Boards Act 1934 repealed Part IV. of the Principal Act providing for industrial agreements and all such agreements ceased to operate from the commencement of the Act unless an agreement existed in a trade to which no determination of a Board was applicable, in which case the agreement remained in force until its expiry or until a determination was made.

5. **New Legislation and Special Reports.**—Information concerning the main provisions of various Industrial Acts in force throughout Australia was given in earlier Reports, and brief reviews are furnished in each issue of the more important aspects of new industrial legislation having special application to the terms of awards or determinations. The year 1959 is covered in this issue.

(i) *Commonwealth.*—(*a*) The Conciliation and Arbitration Act 1959 (No. 40 of 1959) made provision for full benches of the Conciliation and Arbitration Commission, not constituted by the same persons, to sit in joint session at the direction of the President when he considers it desirable and has the opinion that a question is common to matters before those benches. A joint session may be held whether the benches concerned are constituted pursuant to the Conciliation and Arbitration Act or to the Public Service Act, and whether they are constituted to hear references or appeals. However, it is left to each appropriate full bench to determine any of the matters before it. The Act also provides that the President, after taking account of the views of the parties to a dispute, may appoint a member of the Commission to take evidence on behalf of the full bench of the Commission, so that the full bench may have this evidence before it when it commences its hearing. Other minor amendments related to the payment of certain expenses of court-controlled union elections and reference of part of a dispute to the full bench of the Commission.

(*b*) The Public Service Arbitration Act 1920–1957 was amended by Act No. 41 of 1959 (assented to on 22nd May, 1959). Under this Act, where a claim, etc., is referred to the Commonwealth Conciliation and Arbitration Commission, or an appeal is made to the Commission against a determination of the Arbitrator, the presidential members of the Commission shall be nominated by the President. The Commission may have regard to any evidence given or arguments adduced in relation to the claim, etc., prior to its hearing. Before the Commission has been constituted for the purpose of hearing and determining a claim, etc., the President may refer it for investigation and report by the Arbitrator or a presidential member of the Commission. The Act makes it clear that the Commission may have referred to it any matter in dispute and not necessarily the whole of a claim or application.

(c) On 16th September, 1959 the Commonwealth Conciliation and Arbitration Commission gave judgment on claims for the insertion of long service leave provisions in the Graphic Arts Award. The Commission regarded this as a test case and also considered, in its deliberations, whether long service leave should be included as a general provision in federal awards, other than with consent of the parties, or in circumstances deemed to be special or exceptional. In its judgment the Commission (Kirby *C.J.*, Wright and Gallagher *JJ.*) pointed out that, as there was such a degree of substantial uniformity of long service leave entitlement in the various States (by law or agreement), it was not necessary or desirable in the circumstances to proceed further. The Commission did not dismiss the matter but refrained from determining the dispute so far as it concerned long service leave. If in a given set of circumstances it was of the opinion that long service leave on a national basis would be in the best interests of Australia as a whole, or for other reasons desirable, the Commission stated it would proceed to make an award on the subject.

(ii) *New South Wales.*—The Industrial Arbitration (Amendment) Act, 1959 (No. 29 of 1959) made a number of important amendments to the Industrial Arbitration Act, 1940–1958. The Act was assented to on 7th December, 1959 and came into operation on the same date.

The amending Act established the commission in court session, consisting of the President and at least two other members of the commission appointed by the President. The commission in court session is constituted to hear and determine appeals and other matters, including appeals from rulings, etc., of a member of the commission or the registrar, questions of jurisdiction, appeals regarding strikes and lockouts, appeals regarding union registration, etc. On these matters the commission in court session may make any order it thinks fit and may delegate its power to a single member of the commission.

The Act also provides that, except where otherwise provided, the jurisdiction, power and authority of the industrial commission is exercisable by a single member of the commission and the President is given authority to allocate work to individual members. The commission is charged with endeavouring to settle industrial matters by means of conciliation and to take all reasonable steps to effect an amicable settlement. Appeals to the commission shall not be by way of re-hearing but shall be determined solely on evidence placed before a conciliation commissioner or conciliation committee, unless further information or evidence has become available since the original hearing. There is no appeal from a decision of a conciliation committee or conciliation commissioner made by consent of the parties to a dispute, except by the Crown in the public interest; nor can a party apply for suspension of an order, award or decision of a conciliation committee. The commission has been given the same powers as a conciliation commissioner and can, on its own motion, amend awards or agreements to give effect to any general ruling or decision.

The work of each conciliation commissioner and each special commissioner is allocated by the senior conciliation commissioner, who is to report annually to the Minister. Conciliation commissioners can now hold office until they attain the age of 65 years instead of being appointed for seven years. A special commissioner can now determine matters in dispute where he is unable to induce the parties to come to an agreement, but such determinations, which are binding for a period not exceeding one month, are subject to appeal to the commission. A conciliation committee or conciliation commissioner may make an interim order or award, to be binding for a period not exceeding one

month, restoring or maintaining conditions prior to the dispute. There is an appeal to the commission but any subsequent order or award of the commission will not have effect until after the expiry date of the interim order.

Strikes by unions representing the majority of employees in a project, establishment or undertaking are no longer illegal, provided the following conditions have been observed:—(*a*) the unions have given notice in writing to the Minister of their intention to strike; (*b*) the strike does not start within 14 days of the date of receipt by the Minister of the above notice; and (*c*) the notice in writing sets out the matters in dispute, the proposed date of commencement of the strike, the action already taken to negotiate a settlement and any other prescribed particulars. The provision that a secret ballot should be taken before striking was deleted, as well as a number of penalty clauses relating to strikes. Trade unions can no longer be deregistered because of participation in strikes or for aiding other unions on strike.

In place of the provisions for absolute preference in employment of trade union members, the 1959 Act gives preference in employment to trade unionists at the time of engagement or retrenchment. The commission, conciliation committee or apprenticeship council, upon application, shall insert in awards or agreements preference for trade union members as outlined above.

Rates of wage determined in settlement of industrial disputes need no longer be the lowest or minimum rates but are to be those which seem just and reasonable in the circumstances. Where an award has existed for the period for which it is binding the commission or conciliation committee may, upon application, vary the terms of the award for any reason. A trade union may obtain cancellation of its registration and consequently cancellation of awards and agreements to which it is a party, but this does not relieve the union of any obligations under an order, award or agreement. Industrial agreements entered into by trade unions other than those registered under the Act can no longer be registered. Proceedings for breach of an order, award or agreement must be taken within twelve months of the breach. The power of the commission or conciliation committee to control certain contracts of work relating to persons other than employees has been widened. Other amendments provide for daylight training of apprentices, penalties for refusing entry or unduly obstructing a union representative who has a permit of entry and the deletion of sections of the Act relating to prices of commodities and State Labour Exchanges.

(iii) *Victoria.*—During 1959, the Labour and Industry Act 1958 was amended by the Labour and Industry (Retail Trading Hours) Act 1959 (Act No. 6514), the Labour and Industry (Motor Car Shops) Act 1959 (Act No. 6595) and the Labour and Industry (Amendment) Act 1959 (Act No. 6600). Acts No. 6514 and 6595 related solely to retail shopping hours whilst Act No. 6600 dealt with the registration of factories and other matters but none of these affected industrial matters or conditions.

(iv) *Queensland.*—No amendments were made to the Industrial Conciliation and Arbitration Acts during 1959.

(v) *South Australia.*—The Industrial Code was not amended during 1959. The Holidays Act Amendment Act (No. 21 of 1959), assented to on 26th November, 1959, provides that savings banks shall remain open until 5 p.m. on every Friday which is not a bank holiday, and that Saturdays shall be bank holidays. The amending Act was brought into operation by proclamation, to operate from 8th January, 1960, but if, subsequently, arrangements

enabling the change in trading hours cease to operate, it may be proclaimed to have no effect. Similar provisions in respect of trading banks, which had been made by the Holidays Act Amendment Act 1958, were cancelled.

(vi) *Western Australia.*—No major amendments to Acts affecting the regulation of wages or conditions of employment were made during 1959.

(vii) *Tasmania.*—The Public Service Tribunal Act (No. 78 of 1958) established a Public Service Tribunal with power to determine salaries and other conditions of employment for State Government employees, including public servants, teachers, police officers, railway employees and employees of State Government Authorities. The Act was proclaimed to operate from 1st December, 1959.

(viii) *Australian Capital Territory.*—No industrial legislation affecting only the Australian Capital Territory was passed in 1959.

§ 2. Rates of Wage and Hours of Work.

1. **General.**—The collection of data for minimum rates of wage in the many occupations in the industries carried on in each State was first undertaken by this Bureau in the early part of the year 1913. Particulars were ascertained primarily from awards, determinations and industrial agreements under Commonwealth and State Acts and related to the minimum wage prescribed. In those cases where no award, determination or agreement was in force, the ruling union or predominant rate of wage was ascertained from employers and secretaries of trade unions. This applied mainly in the earlier years; in recent years all occupations included have been covered by awards, etc. From the particulars so obtained, indexes of "nominal" (i.e., minimum) weekly wage rates were calculated. The indexes were the unweighted averages of selected occupations for the respective industries. These industry indexes were combined into an aggregate index by using industry weights as current in or about 1911.

Results were first published for 1913 in Labour Report No. 2, pages 28-43. Within a few years, the scope of these indexes was considerably extended (*see* Labour Report No. 5, pages 44-50). On the basis then adopted, weighted average minimum weekly and hourly wage rates and hours of work were published quarterly from 30th September, 1917 to 30th June, 1959, in the *Quarterly Summary of Australian Statistics*, and these were summarized annually in the Labour Report. Less detailed particulars of wage rates were also ascertained for each year back to 1891, and these were published in earlier issues of the Labour Report.

Early in 1960 these indexes were replaced by a new series constructed on the basis of data obtained from investigations which were commenced in 1954, as described in the next section hereof.

2. **New Indexes of Minimum Weekly and Hourly Wage Rates and Hours of Work.**—This section contains new indexes (with base year 1954 = 100.0) of minimum weekly and hourly rates of wage and standard hours of work for adult males and adult females for Australia and each State. In the new indexes there are 15 industrial groups for adult males and 8 industrial groups for adult females. For relevant periods the new indexes replace cognate indexes (base: year 1911 = 1,000 for males and April, 1914 = 1,000 for females) published in previous issues. Pending further investigation there is no new index for the rural group.

The overall trends of the old and new indexes (excluding rural industry) show comparatively little divergence from each other, except in the mining and building groups, for which the basis of measuring wage rates was changed in the new indexes.

The new indexes are based on the occupation structure existing in 1954. Weights for each industry and each occupation were derived from two sample surveys made in that year. The first was the Survey of Awards in April, 1954, which showed the number of employees covered by individual awards, determinations and agreements. This provided employee weights for each industry as well as a basis for the Survey of Award Occupations made in November, 1954. This second survey showed the number of employees in each occupation within selected awards, etc., in the various industries, thereby providing occupation weights.

In addition to the improved weighting, some desirable changes have been made in the industry classification used. A comparison of the industrial groups used in both the old indexes and the new is shown below. To aid comparison the sequence of industrial groups used in the old index has been rearranged, but their group numbers are shown:—

Groups in New Index.	Group No.	Groups in Old Index.
Mining and Quarrying	VIII.	Mining, Quarrying, etc.
Manufacturing—		
Engineering, Metal Works, etc.	II.	Engineering, Metal Works, etc.
Textiles, Clothing and Footwear	IV.	Clothing, Textiles, etc.
Food, Drink and Tobacco	III.	Food, Drink and Tobacco—Manufacturing and Distribution
Sawmilling, Furniture, etc.	I.	Wood, Furniture, Sawmills, Timber Works, etc.
Paper, Printing, etc.	V.	Books, Printing, Bookbinding, etc.
Other Manufacturing	VI.	Other Manufacturing
All Manufacturing Groups	.....	.....
Building and Construction	VII.	Building
Railway Services	VIII.	Railway and Tramway Services
Road and Air Transport	X.	Other Transport
Shipping and Stevedoring	XI.	Shipping, Wharf Labour, etc.
Communication	.....	.....
Wholesale and Retail Trade	XIV.	Miscellaneous
Public Administration and Professional		
Amusement, Hotels, Personal Service, etc.	XIII.	Domestic, Hotels, etc.
All Industrial Groups (except Rural and Shipping and Stevedoring)		*All Industrial Groups (except Shipping, Wharf Labour, etc., and Pastoral, etc.)*
.....	XII.	Pastoral, Agricultural, Rural, Horticultural, etc.
All Industrial Groups (except Rural)		*All Industrial Groups*

As this comparison indicates, the former Group XII. for Rural Industry is not included in the new index. Further data are being sought for this industry. The group " Miscellaneous " has been dissected into two component industry groups " Wholesale and Retail Trade ", and " Public Administration and Professional ". A new group, " Communication ", has been included, and the former Group XIII. has been extended to include Amusement, Sport and Recreation. The " Domestic " part of this group has been omitted because of coverage difficulties.

The minimum wage rates and hours of work used in the new indexes are for representative occupations within each industry. They have been derived entirely from representative awards, determinations and agreements in force at the end of each quarter, commencing with 31st March, 1939, for adult males and 31st March, 1951, for adult females. The index for adult males includes rates for 3,406 award designations. However, as some of these designations are operative within more than one industry, or in more than one State, the total number of individual award occupations is 2,314. For adult females the corresponding numbers are 1,120 and 522. By use of the industry and occupation weights derived from the surveys described above, these rates and hours were combined to give weighted averages for each industrial group for each State and for Australia as a whole.

Because the indexes are designed to measure movements in prescribed minimum rates of " wages " as distinct from " salaries ", awards, etc., relating solely or mainly to salary earners are excluded.

The particulars given in this chapter show variations in minimum weekly and hourly rates of wage and standard hours of work from year to year in each State and in various industrial groups. The amounts should not be regarded as actual current averages but as indexes expressed in money and hour terms, indicative of trends. Tables showing particulars of wage rates and index numbers as at the end of each quarter from 31st March, 1939 (for adult males), and 31st March, 1951 (for adult females) to 31st December, 1959, will be found in Sections V. and VI. of the Appendix.

In Sections VII. and VIII. of the Appendix, particulars of wage rates are given for a large number of the more important occupations in each industry group, and a comparison of wage rates and hours of work for certain occupations in Australia, the United Kingdom and New Zealand will be found in Section IX.

3. **Adult Male Weekly Wage Rates.**—(i) *States.* The following table shows, for each State and Australia, the weighted average minimum weekly rates of wage payable to adult male workers for a full week's work at the dates specified. Index numbers with the weighted average for Australia for the year 1954 as base (= 100) are also shown.

WEEKLY WAGE RATES: ADULT MALES, ALL GROUPS.(a)

Indexes of Weighted Average Minimum Weekly Rates payable for a Full Week's Work (excluding Overtime), as prescribed in Awards, Determinations and Agreements, and Index Numbers of Wage Rates.

(New Series: 1954 Base.)

RATES OF WAGE.(b)

Date.	N.S.W.	Vic.	Q'land.	S.A.	W.A.	Tas.	Australia.
	s. d.	s. d.	s. d.	s. d.	s. d.	s. d.	s. d.
31st December, 1939	100 1	97 1	99 5	94 1	100 6	92 2	98 4
" " 1945	122 6	121 1	118 1	116 0	120 4	115 7	120 7
" " 1950	206 2	201 9	195 2	197 11	200 7	198 0	202 0
" " 1951	250 2	240 6	229 11	236 0	241 6	238 3	242 5
" " 1952	280 2	270 8	258 6	270 10	275 6	272 3	273 2
" " 1953	287 4	278 7	264 8	273 6	283 8	283 4	280 2
" " 1954	293 3	284 10	275 7	281 7	287 2	287 8	286 10
" " 1955	305 3	295 7	283 6	285 0	300 1	293 7	297 0
" " 1956	322 9	309 7	302 9	296 4	312 10	313 11	313 0
" " 1957	324 6	316 0	304 4	306 11	321 7	318 6	317 5
" " 1958	329 3	319 8	317 10	312 5	324 0	323 7	322 11
31st March, 1959	330 6	320 2	321 1	312 8	324 0	324 7	324 1
30th June, 1959	338 2	330 7	326 10	327 11	327 2	333 3	332 8
30th September, 1959	338 10	334 1	327 6	328 0	330 3	336 10	334 4
31st December, 1959	350 1	344 0	334 4	339 10	340 9	347 0	344 7

INDEX NUMBERS.

(*Base: Weighted Average Weekly Wage Rate, Australia*, 1954 = 100.)

31st December, 1939	35.4	34.4	35.2	33.3	35.6	32.6	34.8
" " 1945	43.4	42.9	41.8	41.1	42.6	40.9	42.7
" " 1950	73 0	71.4	69.1	70.1	71.0	70.1	71.5
" " 1951	88.6	85.2	81.4	83.6	85 5	84.4	85.8
" " 1952	99.2	95.8	91.5	95.9	97.5	96.4	96.7
" " 1953	101.7	98.6	93.7	96.8	100.4	100.3	99.2
" " 1954	103.8	100.9	97.6	99.7	101.7	101.9	101.6
" " 1955	108.1	104.7	100.4	100.9	106.3	104.0	105.2
" " 1956	114.3	109.6	107.2	104.9	110.8	111.2	110.8
" " 1957	114.9	111.9	107.8	108.7	113.9	112.8	112.4
" " 1958	116.6	113.2	112.5	110.6	114.7	114.6	114.3
31st March, 1959	117.0	113.4	113.7	110.7	114.7	114.9	114.8
30th June, 1959	119.7	117.1	115.7	116.1	115.8	118.0	117.8
30th September, 1959	120.0	118.3	116.0	116.1	116.9	119.3	118.4
31st December, 1959	124.0	121.8	118.4	120.3	120.7	122.9	122.0

(a) Excludes rural. (b) The amounts shown should not be regarded as actual current averages, but as indexes expressed in money terms, indicative of trends.

(ii) *Industrial Groups, Australia.*—The following table shows for Australia weighted average minimum weekly rates of wage for each industrial group, for all manufacturing groups and for all groups combined, except rural. Corresponding index numbers are also given with the weighted average for all groups for the year 1954 as base (= 100).

WEEKLY WAGE RATES: ADULT MALES, INDUSTRIAL GROUPS, AUSTRALIA.(a)

Indexes of Weighted Average Minimum Weekly Rates payable for a Full Week's Work (excluding Overtime), as prescribed in Awards, Determinations and Agreements, and Index Numbers of Wage Rates.

(New Series: 1954 Base.)

Industrial Group.	At 31st December—							
	1939.	1945.	1950.	1955.	1956.	1957.	1958.	1959.
RATES OF WAGE.(b)								
	s. d.	s. d.	s. d.	s. d.	s. d.	s. d.	s. d.	s. d.
Mining and Quarrying(c)	109 11	138 8	259 7	366 10	384 7	375 8	376 2	407 1
Engineering, Metal Works, etc.	99 10	122 2	201 8	294 9	309 3	315 0	320 2	344 9
Textiles, Clothing and Footwear	93 1	115 10	197 5	285 0	296 7	306 0	310 11	331 7
Food, Drink and Tobacco	99 1	119 11	201 5	295 9	312 3	316 4	322 5	339 6
Sawmilling, Furniture, etc.	97 6	117 11	196 0	288 10	301 11	307 7	314 10	335 0
Paper, Printing, etc.	104 7	127 8	214 3	312 6	327 2	333 11	343 3	365 0
Other Manufacturing	96 5	118 7	197 7	291 4	307 6	311 6	316 7	335 2
All Manufacturing Groups	98 8	120 8	200 10	294 1	308 10	314 5	320 0	341 8
Building and Construction	99 3	119 8	198 7	295 6	312 3	316 6	322 8	343 7
Railway Services	94 6	117 9	195 10	290 11	310 4	311 2	316 8	336 9
Road and Air Transport	99 1	121 7	197 11	294 3	310 11	314 2	319 5	340 6
Shipping and Stevedoring(d)	91 0	117 7	196 7	276 11	300 10	309 4	314 6	338 5
Communication	97 10	123 9	213 4	316 6	325 8	336 0	341 0	383 7
Wholesale and Retail Trade	98 6	119 5	200 10	297 9	315 5	318 9	324 11	341 2
Public Administration and Professional	91 11	113 9	192 1	289 10	305 4	309 4	315 5	334 5
Amusement, Hotels, Personal Service, etc.	94 1	115 3	192 4	283 7	297 11	303 8	308 9	327 10
All Industrial Groups(a)	98 4	120 7	202 0	297 0	313 0	317 5	322 11	344 7
INDEX NUMBERS.								
(Base: Weighted Average Weekly Wage Rate, Australia, 1954 = 100.)								
Mining and Quarrying(c)	38.9	49.1	91.9	129.9	136.2	133.0	133.2	144.1
Engineering, Metal Works, etc.	35.3	43.3	71.4	104.4	109.5	111.5	113.4	122.1
Textiles, Clothing and Footwear	33.0	41.0	69.9	100.9	105.0	108.3	110.1	117.4
Food, Drink and Tobacco	35.1	42.5	71.3	104.7	110.6	112.0	114.2	120.2
Sawmilling, Furniture, etc.	34.5	41.8	69.4	102.3	106.9	108 9	111.5	118.6
Paper, Printing, etc.	37.0	45.2	75.9	110.7	115.8	118 2	121.5	129.2
Other Manufacturing	34.1	42.0	70.0	103.2	108.9	110.3	112.1	118.7
All Manufacturing Groups	34.9	42.7	71.1	104.1	109.4	111 3	113.3	121.0
Building and Construction	35.1	42.4	70.3	104.6	110.6	112.1	114.3	121.7
Railway Services	33.5	41.7	69.3	103.0	109 9	110.2	112.1	119.2
Road and Air Transport	35.1	43.0	70.1	104.2	110.1	111.2	113.1	120.6
Shipping and Stevedoring(d)	32.2	41.6	69.6	98.1	106.5	109.5	111.4	119.8
Communication	34.6	43.8	75.5	112.1	115.3	119.0	120.7	135.8
Wholesale and Retail Trade	34.9	42.3	71.1	105.4	111.7	112.9	115.0	120.8
Public Administration and Professional	32.5	40.3	68.0	102.6	108.1	109.5	111.7	118.4
Amusement, Hotels, Personal Service, etc.	33.3	40.8	68.1	100.4	105.5	107.5	109.3	116.1
All Industrial Groups(a)	34.8	42.7	71.5	105 2	110.8	112.4	114.3	122.0

(a) Excludes rural. (b) *See* note (b) to previous table. (c) For mining, the average rates of wage are those prevailing at the principal mining centres in each State. (d) Average rates of wage are for occupations other than masters, officers and engineers in the Merchant Marine Service, and include the value of keep, where supplied.

4. **Adult Female Weekly Wage Rates.**—(i) *States.* The following table shows the weighted average minimum weekly rates of wage payable to adult female workers for a full week's work in each State and Australia at the dates specified. Index numbers with the weighted average for Australia for the year 1954 as base (=100) are also shown.

WEEKLY WAGE RATES : ADULT FEMALES.

Indexes of Weighted Average Minimum Weekly Rates payable for a Full Week's Work (excluding Overtime), as prescribed in Awards, Determinations and Agreements, and Index Numbers of Wage Rates.

(New Series: 1954 Base.)

Date.	N.S.W	Vic.	Qld.	S.A.	W.A.	Tas.	Aust.
RATES OF WAGE.(a)							
	s. d.	s. d.	s. d.	s. d.	s. d.	s. d.	s. d.
31st December, 1951	172 4	172 2	161 2	170 3	162 6	165 7	170 4
" " 1952	195 2	195 9	183 5	196 9	184 11	189 2	193 7
" " 1953	200 6	201 4	188 2	199 1	190 2	197 2	198 9
" " 1954	201 3	200 9	190 5	199 11	190 5	197 7	199 2
" " 1955	209 8	210 5	194 3	201 9	197 9	200 0	206 11
" " 1956	221 5	220 3	202 11	209 3	206 3	215 3	217 3
" " 1957	223 8	225 0	206 1	219 6	212 5	219 0	221 3
" " 1958	229 0	227 6	215 3	223 9	214 1	221 3	225 8
31st March, 1959	238 4	227 7	217 5	223 10	214 1	221 3	229 11
30th June, 1959	244 7	234 5	224 3	234 11	217 5	227 0	236 7
30th September, 1959	245 1	238 1	224 9	235 0	220 5	231 3	238 4
31st December, 1959	249 3	241 3	229 8	239 1	224 0	234 1	242 2
INDEX NUMBERS.							
(Base: Weighted Average Weekly Wage Rate, Australia, 1954 = 100.)							
31st December, 1951	86.6	86.5	81.0	85.5	81.6	83.2	85.6
" " 1952	98.0	98.3	92.1	98 8	92.9	95 0	97.2
" " 1953	100.7	101.1	94.5	100.0	95.5	99.0	99.8
" " 1954	101.1	100.8	95.6	100.4	95.6	99.2	100.0
" " 1955	105.3	105.7	97.6	101.3	99.3	100.5	103.9
" " 1956	111.2	110.6	101.9	105.1	103 6	108.1	109.1
" " 1957	112.4	113.0	103.5	110.3	106.7	110.0	111.1
" " 1958	115.0	114.3	108.1	112.4	107.5	111.1	113.4
31st March, 1959	119.7	114.3	109.2	112.4	107.5	111.1	115.5
30th June, 1959	122.9	117.8	112.6	118.0	109.2	114.0	118.8
30th September, 1959	123.1	119.6	112.9	118.0	110.7	116.2	119.7
31st December, 1959	125.2	121.2	115.4	120.1	112.5	117.6	121.6

(a) *See* note (*b*) to table on page 25.

(ii) *Industrial Groups, Australia.* The following table shows for Australia weighted average minimum weekly rates of wage for each of the industrial groups in which the number of females is significant, for all manufacturing groups and for all groups combined, at the dates specified. Corresponding index numbers are also given with the weighted average for all groups for the year 1954 as base (= 100).

WEEKLY WAGE RATES : ADULT FEMALES, INDUSTRIAL GROUPS, AUSTRALIA.

Indexes of Weighted Average Minimum Weekly Rates payable for a full Week's Work (excluding Overtime), as prescribed in Awards, Determinations and Agreements, and Index Numbers of Wage Rates.

(New Series: 1954 Base.)

Industrial Group.	At 31st December—					
	1951.	1955.	1956.	1957.	1958.	1959.
RATES OF WAGE.(a)						
	s. d.	s. d.	s. d.	s. d.	s. d.	s. d.
Engineering, Metal Works, etc.	170 11	206 6	216 11	220 9	225 4	241 4
Textiles, Clothing and Footwear	171 2	200 11	208 11	217 4	221 0	237 3
Food, Drink and Tobacco	165 9	206 10	213 8	215 11	220 2	235 11
Other Manufacturing	168 9	203 7	214 7	217 8	222 5	238 5
All Manufacturing Groups	169 11	203 4	212 2	217 10	222 0	238 1
Transport and Communication	177 6	213 10	223 8	228 3	232 3	254 9
Wholesale and Retail Trade	171 1	213 0	225 6	227 2	232 2	248 0
Public Administration and Professional ..	170 1	209 8	222 0	224 7	228 0	245 4
Amusement, Hotels, Personal Service, etc. ..	166 9	201 8	212 2	215 7	220 11	236 8
All Industrial Groups	170 4	206 11	217 3	221 3	225 8	242 2
INDEX NUMBERS. *(Base: Weighted Average Weekly Wage Rate, Australia, 1954 = 100.)*						
Engineering, Metal Works, etc.	85.9	103.7	109.0	110.9	113.2	121.2
Textiles, Clothing and Footwear	86.0	100.9	104.9	109.2	111.0	119.2
Food, Drink and Tobacco	83.3	103.9	107.3	108.5	110.6	118.5
Other Manufacturing	84.8	102.3	107.8	109.3	111.7	119.8
All Manufacturing Groups	85.4	102.1	106.6	109.4	111.5	119.6
Transport and Communication	89.2	107.4	112.4	114.7	116.7	128.0
Wholesale and Retail Trade	85.9	107.0	113.3	114.1	116.6	124.6
Public Administration and Professional ..	85.4	105.3	111.5	112.8	114.5	123.2
Amusement, Hotels, Personal Service, etc. ..	83.8	101.3	106.6	108.3	111.0	118.9
All Industrial Groups	85.6	103.9	109.1	111.1	113.4	121.6

(a) *See* note (*b*) to table on page 25.

5. Weekly and Hourly Rates of Wage, and Weekly Hours of Work, 31st December, 1959.—(i) *General.* The rates of wage referred to in the preceding paragraphs are the minimum rates payable for a full week's work (excluding overtime). However, the number of hours constituting a full week's work differs, in some instances, between various occupations in each State, and between the same occupations in the several States. To secure what may be for some purposes a better comparison, the results in the preceding paragraphs are reduced to a common basis, namely, the rate of wage per hour in industrial groups in each State and in all States. In the Appendix (Sections VII. and VIII.), details are given of the number of hours worked per week in a large number of occupations. The following tables include the average number of hours per week in industrial groups for each State.

The tables show weighted average weekly and hourly wage rates and weighted average standard weekly hours of work for adult male and female workers in each State. Rural industry is not included in the new index, and for hourly rates of wage and hours of work the Shipping and Stevedoring group has been excluded because of the difficulty of obtaining definite particulars for some of the occupations.

(ii) *Adult Males.*—The following table shows the weighted average minimum weekly and hourly rates of wage payable to adult male workers and the weekly hours of work at 31st December, 1959.

WEEKLY AND HOURLY RATES OF WAGE AND WEEKLY HOURS OF WORK: ADULT MALES, INDUSTRIAL GROUPS, 31ST DECEMBER, 1959.(a)

Indexes of Weighted Average Minimum Weekly Rates payable for a Full Week's Work, (excluding Overtime) and Weekly Hours of Work, as prescribed in Awards, Determinations and Agreements, and Indexes of Hourly Rates.

(New Series: 1954 Base.)

Industrial Group.	N.S.W.	Vic.	Qld.	S.A.	W.A.	Tas.	Aust.
WEEKLY RATES OF WAGE.							
	s. d.	s. d.	s. d.	s. d.	s. d.	s. d.	s. d.
Mining and Quarrying (b) ..	437 5	347 7	396 7	333 8	367 1	364 6	407 1
Engineering, Metal Works, etc. ..	344 11	344 8	340 5	345 4	346 4	353 3	344 9
Textiles, Clothing and Footwear ..	334 3	330 11	331 0	322 11	332 0	324 11	331 7
Food, Drink and Tobacco ..	336 4	349 5	329 6	334 8	339 10	342 4	339 6
Sawmilling, Furniture, etc. ..	346 2	335 11	313 11	340 3	329 4	340 6	335 0
Paper, Printing, etc.	365 6	367 6	361 5	358 8	379 5	352 10	365 0
Other Manufacturing	338 5	335 0	321 8	335 8	328 0	339 8	335 2
All Manufacturing Groups ..	343 5	342 6	332 0	341 10	339 8	346 1	341 8
Building and Construction ..	349 1	356 0	317 9	338 2	340 8	345 3	343 7
Railway Services	347 0	325 9	337 5	329 10	330 7	346 0	336 9
Road and Air Transport ..	352 9	339 11	312 1	331 3	336 0	342 10	340 6
Shipping and Stevedoring (c) ..	339 1	340 1	334 10	339 9	335 8	338 9	338 5
Communication	386 5	382 11	381 2	380 7	381 8	377 3	383 7
Wholesale and Retail Trade ..	343 0	343 6	336 3	337 4	336 7	343 9	341 2
Public Administration and Professional	340 5	334 11	326 10	326 0	327 11	355 11	334 5
Amusement, Hotels, Personal Service, etc.	336 8	322 6	316 2	319 5	325 7	333 1	327 10
All Industrial Groups (d) ..	350 1	344 0	334 4	339 10	340 9	347 0	344 7
HOURLY RATES OF WAGE (PENCE).							
Mining and Quarrying (b) ..	133 16	104.27	118.97	100.83	113.59	109.35	123.64
Engineering, Metal Works, etc. ..	103 48	103.40	102.13	103 60	103 90	105.98	103.43
Textiles, Clothing and Footwear ..	100.28	99.28	99.30	96 88	99.60	97.48	99.47
Food, Drink and Tobacco ..	101.05	104.83	98.85	100.40	101.95	102.70	101.90
Sawmilling, Furniture, etc. ..	103.85	100.78	94.18	102.08	98.80	102.15	100.50
Paper, Printing, etc.	109.65	110.42	108.43	107.60	116.12	105.85	109.64
Other Manufacturing	101.53	100.60	96.50	100.95	98 15	101.98	100.60
All Manufacturing Groups ..	103.05	102.78	99.60	102.60	101.92	103 82	102.53
Building and Construction ..	104.72	106.80	95.33	101 45	102.20	103.58	103.07
Railway Services	104.10	97.82	101.23	98 95	99.17	103.80	101.05
Road and Air Transport ..	105.83	101.98	93.62	99.38	100.80	102.85	102.15
Communication	115.93	114.88	114.35	115.36	114.50	114.35	115.22
Wholesale and Retail Trade ..	102.90	103.05	100.88	101.20	100.97	103.13	102.35
Public Administration and Professional	104.13	103.24	99.24	99.72	99.42	108.10	102.24
Amusement, Hotels, Personal Service, etc.	101.00	96.75	94.85	95 83	97.67	100.20	98.35
All Industrial Groups (e) ..	105 23	103.30	100.35	102.05	102.56	104.33	103.53
WEEKLY HOURS OF WORK.							
Mining and Quarrying (b) ..	39 42	40.00	40.00	39.71	38.78	40.00	39.51
Food, Drink and Tobacco ..	39 94	40.00	40.00	40.00	40.00	40.00	39.98
Paper, Printing, etc.	40 00	39.94	40.00	40.00	39.21	40 00	39.95
Other Manufacturing	40.00	39.96	40.00	39.90	40.10	39.97	39.98
All Manufacturing Groups ..	39.99	39.99	40.00	39.98	39.98	40 00	39.99
Railway Services	40.00	39.96	40.00	40 00	40 00	40.00	39.99
Communication	40.00	40.00	40 00	39 59	40 00	40.00	39.97
Public Administration and Professional	39.23	38.93	39.52	39.23	39.58	39.51	39.25
Amusement, Hotels, Personal Service, etc.	40.00	40.00	40.00	40.00	40.00	39.89	40.00
All Other Groups (f) ..	40.00	40 00	40 00	40 00	40.00	40 00	40.00
All Industrial Groups (e) ..	39.95	39.97	39.98	39.96	39.89	39.97	39.96

(a) The amounts shown should not be regarded as actual current averages, but as indexes expressed in money and hour terms, indicative of trends. (b) For mining, the average rates of wage and hours are those prevailing at the principal mining centres in each State. (c) Average rates of wage are for occupations other than masters, officers and engineers in the Merchant Marine Service, and include value of keep, where supplied. (d) Excludes Rural. (e) Excludes Rural and Shipping and Stevedoring. The former is not included in the Minimum Wage Rate Index and for the latter definite particulars for the computation of average hours of work and hourly rates of wage are not available. (f) Engineering, Metal Works, etc.; Textiles, Clothing and Footwear; Sawmilling, Furniture, etc.; Building and Construction; Road and Air Transport; and Wholesale and Retail Trade.

(iii) *Adult Females.*—The following table shows the weighted average minimum weekly and hourly rates of wage payable to adult female workers and the weekly hours of work at 31st December, 1959.

WEEKLY AND HOURLY RATES OF WAGE AND WEEKLY HOURS OF WORK: ADULT FEMALES, INDUSTRIAL GROUPS, 31ST DECEMBER, 1959.(a)

Indexes of Weighted Average Minimum Weekly Rates payable for a Full Week's Work, (excluding Overtime) and Weekly Hours of Work, as prescribed in Awards, Determinations and Agreements, and Indexes of Hourly Rates.

(New Series: 1954 Base.)

Industrial Group.	N.S.W.	Vic.	Qld.	S.A.	W.A.	Tas.	Aust.
WEEKLY RATES OF WAGE.							
	s. d.	*s. d.*	*s. d.*	*s. d.*	*s. d.*	*s. d.*	*s. d.*
Engineering, Metal Works, etc. ..	246 8	240 3	222 0	234 4	216 6	235 3	241 4
Textiles, Clothing and Footwear ..	239 3	235 11	236 10	238 2	235 10	229 3	237 3
Food, Drink and Tobacco ..	245 1	235 6	223 5	233 6	201 6	233 10	235 11
Other Manufacturing	242 10	238 4	224 3	234 2	214 10	233 4	238 5
All Manufacturing Groups ..	242 4	236 11	229 7	235 2	221 1	231 11	238 1
Transport and Communication ..	261 4	253 1	248 6	251 2	238 8	254 8	254 9
Wholesale and Retail Trade ..	260 5	249 3	230 3	244 11	219 11	228 8	248 0
Public Administration and Professional	253 4	249 2	231 1	240 2	214 11	257 3	245 4
Amusement, Hotels, Personal Service, etc	244 5	234 7	215 3	227 4	242 1	234 6	236 8
All Industrial Groups	249 3	241 3	229 8	239 1	224 0	234 1	242 2
HOURLY RATES OF WAGE (PENCE).							
Engineering, Metal Works, etc. ..	74.06	72.31	66.60	70.30	64.95	70.58	72.51
Textiles, Clothing and Footwear ..	71.86	70.78	71.05	71.45	70 75	68.78	71.21
Food, Drink and Tobacco ..	73.52	70.65	67.03	70.05	60.45	70.15	70.78
Other Manufacturing	73.23	71.61	67.28	70.50	64.45	70.00	71.76
All Manufacturing Groups ..	72.84	71.13	68.87	70.60	66.32	69.58	71.51
Transport and Communication ..	82.44	80.05	78.87	79.65	75.61	84.19	80.64
Wholesale and Retail Trade ..	79.01	74.78	69.08	73.48	65.98	68.60	74.74
Public Administration and Professional	78.98	76.18	70.67	73.54	65.39	81.88	75.62
Amusement, Hotels, Personal Service, etc.	74 44	70 48	64.72	68.46	72.77	71.35	71.61
All Industrial Groups	75.66	72.72	69.42	72.14	67.57	71.01	73.26
WEEKLY HOURS OF WORK.							
Engineering, Metal Works, etc. ..	39.97	39.87	40.00	40.00	40.00	40.00	39.94
Textiles, Clothing and Footwear ..	39.95	40.00	40.00	40.00	40.00	40.00	39.98
Food, Drink and Tobacco ..	40.00	40.00	40.00	40.00	40.00	40.00	40.00
Other Manufacturing	39.79	39.94	40.00	39.86	40.00	40.00	39.87
All Manufacturing Groups ..	39.92	39.97	40.00	39.97	40 00	40.00	39.95
Transport and Communication ..	38.04	37.94	37 81	37.84	37.88	36.30	37.91
Wholesale and Retail Trade ..	39.55	40.00	40.00	40.00	40.00	40.00	39.82
Public Administration and Professional	38.49	39.25	39.24	39.19	39.44	37.70	38.93
Amusement, Hotels, Personal Service, etc.	39.40	39.94	39.91	39.85	39.92	39.44	39.66
All Industrial Groups	39.53	39.81	39.70	39.77	39.78	39.56	39.67

(a) *See* note (a) to previous table.

6. **Hourly Wage Rates.**—The following table shows the weighted average minimum hourly rates of wage payable to adult male and adult female workers in each State and Australia at the dates specified. Index numbers are also given for each State with the weighted average for Australia for the year 1954 as base (= 100).

HOURLY WAGE RATES : ALL GROUPS.(a)

Weighted Average Minimum Hourly Rates Payable and Index Numbers of Hourly Rates.

(New Series: 1954 Base.)

At 31st December—	New South Wales.	Victoria.	Queensland.	South Australia.	Western Australia.	Tasmania.	Australia.
ADULT MALES—RATES OF WAGE.(b) (Pence.)							
1939	27.48	26.44	27.49	25.45	27.15	25.14	26.91
1945	33.64	33.05	32.63	31.72	32.83	31.71	33.05
1950	61.96	60.58	58.60	59.44	60.35	59.42	60.70
1955	91.89	88.87	85.22	85.68	90.50	88.45	89.36
1956 . ..	97.07	92.99	90.95	88.99	94.23	94.45	94.09
1957	97.57	94.90	91.32	92.17	96.87	95.75	95.37
1958	99.00	96.02	95.45	93.79	97.57	97.25	97.05
1959	105.23	103.30	100.35	102.05	102.56	104.33	103.53
ADULT MALES—INDEX NUMBERS. (*Base: Weighted Average Hourly Wage Rate, Australia,* 1954 = 100.)							
1939 . ..	32.4	31.1	32.4	30.0	32.0	29.6	31.7
1945	39.6	38.9	38.4	37.4	38.7	37.3	38.9
1950	73.0	71.4	69.0	70.0	71.1	70.0	71.5
1955 .. .	108.2	104.7	100.4	100.9	106.6	104.2	105.3
1956	114.3	109.5	107.1	104.8	111.0	111.2	110.8
1957	114.9	111.8	107.6	108.6	114.1	112.8	112.3
1958	116.6	113.1	112.4	110.5	114.9	114.5	114.3
1959	123.9	121.7	118.2	120.2	120.8	122.9	121.9
ADULT FEMALES—RATES OF WAGE.(b) (Pence.)							
1951	52.30	51.90	48.72	51.37	49.02	50.23	51.51
1955	63.65	63.43	58.72	60.88	59.65	60.67	62.59
1956	67.22	66.39	61.34	63.14	62.22	65.29	65.72
1957	67.90	67.82	62.29	66.23	64.08	66.43	66.93
1958	69.52	68.58	65.06	67.51	64.58	67.11	68.26
1959	75.66	72.72	69.42	72.14	67.57	71.01	73.26
ADULT FEMALES—INDEX NUMBERS. (*Base: Weighted Average Hourly Wage Rate, Australia,* 1954 = 100.)							
1951	86.9	86.2	80.9	85.3	81.4	83.4	85.6
1955	105.7	105.3	97.5	101.1	99.1	100.8	104.0
1956	111.6	110.3	101.9	104.9	103.3	108.4	109.2
1957 . ..	112.8	112.6	103.5	110.0	106.4	110.3	111.2
1958	115.5	113.9	108.1	112.1	107.3	111.5	113.4
1959	125.7	120.8	115.3	119.8	112.2	117.9	121.7

(a) All industrial groups except Rural and Shipping and Stevedoring. The former is not included in the Minimum Wage Rate Index and for the latter definite particulars for the computation of hourly wage rates are not available. (b) *See* note (b) to table on page 25.

7. Standard Weekly Hours of Work.—The following table shows, for each State and Australia, the weighted average standard hours (excluding overtime) in a full working week for adult males during the period 31st March, 1939, to 31st December, 1959, and for adult females during the period 31st March, 1951, to 31st December, 1959. Index numbers are given for each State with the weighted average hours of work for Australia for the year 1954 as base (= 100).

Dates have been selected so as to show when the more important changes occurred. Except for males in Tasmania, there has been no change in weighted average standard hours of work since 30th September, 1953.

WEEKLY HOURS OF WORK (EXCLUDING OVERTIME).(a)

Weighted Average Standard Hours of Work (excluding Overtime) for a Full Working Week and Index Numbers of Hours of Work.

(New Series: 1954 Base.)

Date.	New South Wales.	Victoria.	Queensland.	South Australia.	Western Australia.	Tasmania.	Australia.
ADULT MALES—HOURS OF WORK.(b)							
31st March, 1939 ..	43.81	44.46	43.55	44.62	44.57	44.32	44.10
30th September, 1941	43.76	44.02	43.51	43.92	44.12	43.95	43.85
30th September, 1947	41.83	43.82	43.48	43.83	43.95	43.73	43.00
31st March, 1948 ..	40.02	40.03	40.01	40.11	40.06	40.22	40.04
30th September, 1953	39.95	39.97	39.98	39.96	39.89	39.99	39.96
31st December, 1959	39.95	39.97	39.98	39.96	39.89	39.97	39.96
ADULT MALES—INDEX NUMBERS. (*Base: Weighted Average Hours of Work, Australia*, 1954 = 100.)							
31st March, 1939 ..	109.6	111.3	109.0	111.7	111.5	110.9	110.4
30th September, 1941	109.5	110.2	108.9	109.9	110.4	110.0	109.7
30th September, 1947	104.7	109.7	108.8	109.7	110.0	109.4	107.6
31st March, 1948 ..	100.2	100.2	100.1	100.4	100.3	100.7	100.2
30th September, 1953	100.0	100.0	100.0	100.0	99.8	100.1	100.0
31st December, 1959	100.0	100.0	100.0	100.0	99.8	100.0	100.0
ADULT FEMALES—HOURS OF WORK.(b)							
31st March, 1951 ..	39.54	39.81	39.70	39.77	39.87	39.56	39.68
30th June, 1953 ..	39.53	39.81	39.70	39.77	39.78	39.56	39.67
31st December, 1959	39.53	39.81	39.70	39.77	39.78	39.56	39.67
ADULT FEMALES—INDEX NUMBERS. (*Base: Weighted Average Hours of Work, Australia*, 1954 = 100.)							
31st March, 1951 ..	99.7	100.4	100.1	100.3	100.5	97.7	100.0
30th June, 1953 ..	99.6	100.4	100.1	100.3	100.3	99.7	100.0
31st December, 1959	99.6	100.4	100.1	100.3	100.3	99.7	100.0

(a) Weighted average standard weekly hours of work for all industrial groups except Rural and Shipping and Stevedoring. The former is not included in the Minimum Wage Rate Index and for the latter definite particulars are not available. (b) The figures shown should not be regarded as actual current averages, but as an index expressed in hours, indicative of trends.

8. **"Real" Wage Rates.**—Pending further investigation, the particulars of "real" wage rates, previously published, have been omitted from this issue.

§ 3. Average Weekly Wage Earnings.

1. **Average Weekly Total Wages Paid and Average Earnings, All Industries.**—The following figures are derived from employment and wages recorded on Pay-roll Tax returns (which cover approximately 75 per cent. of the estimated number of civilian wage and salary earners in employment), from other direct collections and from estimates of the unrecorded balance. Pay of members of the Defence Forces is not included. The figures are not seasonally adjusted, but a seasonally adjusted quarterly index of average weekly wage earnings is shown in para. 2 below. Corresponding figures for each quarter are published in the *Monthly Review of Business Statistics* and the *Monthly Bulletin of Employment Statistics*.

AVERAGE WEEKLY TOTAL WAGES PAID AND AVERAGE EARNINGS.(a)

Period.	N.S.W. (b)	Vic.	Q'land.	S. Aust. (c)	W. Aust.	Tas.	Aust.
AVERAGE WEEKLY TOTAL WAGES PAID. (£'000.)							
1948–49	8,279	5,710	2,523	1,654	1,168	571	19,905
1949–50	9,250	6,600	2,904	1,922	1,383	678	22,737
1950–51	11,759	8,223	3,588	2,416	1,728	826	28,540
1951–52	14,778	10,171	4,391	3,051	2,231	1,075	35,697
1952–53	15,422	10,816	4,868	3,357	2,492	1,199	38,154
1953–54	16,480	11,767	5,227	3,615	2,754	1,305	41,148
1954–55	17,970	12,901	5,601	3,940	2,928	1,399	44,739
1955–56	19,764	14,144	6,033	4,330	3,104	1,521	48,896
1956–57	20,943	14,925	6,457	4,507	3,177	1,635	51,644
1957–58	21,664	15,510	6,585	4,635	3,284	1,671	53,349
1958–59	22,414	16,240	6,970	4,823	3,347	1,725	55,519
1958–59—							
September Quarter	22,129	15,827	6,983	4,777	3,392	1,648	54,756
December ,,	23,601	16,970	7,387	4,984	3,494	1,798	58,234
March ,,	21,185	15,377	6,501	4,599	3,122	1,666	52,450
June ,,	22,740	16,787	7,010	4,930	3,381	1,790	56,638
1959–60—							
September ,,	23,555	17,389	7,438	5,248	3,533	1,768	58,931
December ,,	25,476	18,451	7,625	5,423	3,688	1,887	62,550
AVERAGE WEEKLY EARNINGS PER EMPLOYED MALE UNIT.(d) (£.)							
1948–49	9.04	9.12	8.08	8.35	8.14	7.83	8.77
1949–50	9.89	10.08	8.91	9 23	9.08	8.96	9.66
1950–51	11.92	12.05	10.47	11.03	10.67	10.56	11.55
1951–52	14.74	14.48	12.60	13.63	13.32	13.29	14.13
1952–53	15.96	15.71	14.17	15.17	14.69	14.80	15.45
1953–54	16.69	16.64	14.98	15.87	15.59	15.78	16.26
1954–55	17.64	17.59	15.58	16.83	16.11	16.54	17.13
1955–56	18.92	18.78	16.49	17.88	16.92	17.75	18 28
1956–57	19.89	19.70	17.50	18.28	17.48	18.79	19.16
1957–58	20.44	20.22	17.94	18.68	18.05	18.95	19.67
1958–59	21.04	20.69	18.63	19.10	18.19	19.33	20 19
1958–59—							
September Quarter	20.83	20.52	18 53	19.17	18.50	18.61	20.05
December ,,	22.11	21.85	19.72	19.89	18.97	20.22	21.23
March ,,	19.88	19.44	17.50	18.14	16.95	18.53	19.03
June ,,	21.32	20.97	18.78	19.20	18.33	19.96	20.44
1959–60—							
September ,,	21.98	21.60	19.78	20.31	19.14	19.84	21.16
December ,,	23.47	22.68	20.48	20.82	19.87	20.91	22.28

(a) Includes, in addition to wages at award rates, earnings of salaried employees, overtime earnings, over-award and bonus payments, etc. (b) Includes the Australian Capital Territory. (c) Includes the Northern Territory. (d) Total wages and salaries, etc., divided by total civilian employment expressed in male units. Male units represent total male employment plus a proportion of female employment based on the approximate ratio of female to male earnings. The same ratio has been used in each State, and because the average ratio of female to male earnings may vary between States, precise comparisons between average earnings in different States cannot be made on the basis of the figures above.

NOTE.—Comparisons as to trend should be made for complete years or corresponding periods of incomplete years. Quarterly totals and averages are affected by seasonal influences.

2. **Average Weekly Wage Earnings Index Numbers.**—The following table shows, for "All Industries" and for "Manufacturing", the movement in average weekly wage earnings from 1947–48 to the December Quarter, 1959. The "All Industries" index is based on Pay-roll Tax returns and other data. The index for manufacturing industries for the years 1947–48 to 1959–60 is based on the average earnings of male wage and salary earners employed in factories as disclosed by annual factory returns.

The index numbers show for "All Industries" and "Manufacturing" the movement in average earnings over a period of time. However, they do not give, at any point of time, a comparison of actual earnings in the two groups. The base of each series is the year 1953–54 = 100 and both series have been seasonally adjusted. The series shown herein, with base 1953–54 = 100, replace the series with base 1945–46 = 1,000, published in previous issues.

AVERAGE WEEKLY WAGE EARNINGS(*a*) INDEX NUMBERS: AUSTRALIA.

NEW SERIES (SEASONALLY ADJUSTED).

(*Base of each Series:* 1953–54 = 100.)

Year.	All Industries (*b*)	Manufacturing.	Quarter.	All Industries.(*b*)	Manufacturing.
1947–48	47.5	48.0	1957–58—Sept. Qtr. .	120.2	119.8
1948–49	53.9	54.3	Dec. „ ..	121.5	122.1
1949–50	59.3	60.0	March „ ..	121.3	122.3
1950–51	71.1	72.0	June „ ..	122.3	123.6
1951–52	87.1	88.4			
1952–53	95.2	95.4	1958–59—Sept. „ ..	123.6	124.2
			Dec. „ ..	124.5	126.0
1953–54	100.0	100.0	March „ ..	124.3	125.4
1954–55	105.4	106.9	June „ ..	125.5	126.8
1955–56	112.2	113.8			
1956–57	118.2	118.3	1959–60—Sept. „ ..	129.7	131.8
1957–58 .. .	121.3	122.0	Dec. „ ..	130.5	132.7
1958–59	124.5	125.6			

(*a*) Includes, in addition to wages at award rates, earnings of salaried employees, overtime earnings, over-award and bonus payments, etc. (*b*) Average earnings per male unit employed. Male units represent total male employment plus a proportion of female employment based on the approximate ratio of female to male earnings.

§ 4. Standard Hours of Work.

1. **General.**—In the fixation of weekly wage rates most industrial tribunals prescribe the number of hours constituting a full week's work for the wage rates specified. The hours of work so prescribed form the basis of the compilation of the weighted averages and index numbers on pages 31 and 32.

The main features of the reduction of hours from 48 to 40 per week are summarized below. In considering such changes it must be remembered that even within individual States the authority to alter conditions of work is divided between Commonwealth and State industrial tribunals and the various legislatures, and that the State legislation usually does not apply to employees covered by awards of the Commonwealth Conciliation and Arbitration Commission. However, it may do so in respect of matters not treated in Commonwealth awards.

2 **The 44-hour Week.**—No permanent reduction to a 44-hour week was effected until 1925, although temporary reductions had been achieved earlier. In 1920 the New South Wales legislature granted a 44-hour week to most industries, but in the following year this provision was withdrawn. Also in 1920 the President of the Commonwealth Court of Conciliation and Arbitration (Higgins *J.*), after inquiry, granted a 44-hour week to the Timber Workers' Union, and in the following year extended the same privilege to the Amalgamated Society of Engineers. In 1921, however, a reconstituted Commonwealth Court of Conciliation and Arbitration unanimously rejected applications by five trade unions for the shorter standard week and reintroduced the 48-hour week in the case of the above-mentioned two unions then working 44 hours. During 1924 the Queensland Parliament passed legislation to operate from 1st July, 1925, granting the 44-hour standard week to employees whose conditions of work were regulated by awards and agreements of the Queensland State industrial authority. Similar legislative action in New South Wales led to the re-introduction of the 44-hour week in that State as from 4th January, 1926.

In 1927 after an exhaustive inquiry the Commonwealth Court of Conciliation and Arbitration granted a 44-hour week to the Amalgamated Engineering Union and intimated that this reduction in standard hours of work would be extended to industries operating under conditions similar to those in the engineering industry. Applications for the shorter hours by other unions were, however, treated individually, the nature of the industry, the problem of production, the financial status and the amount of foreign competition being fully investigated. The economic depression delayed the extension of the standard 44-hour week until the subsequent improvement in economic conditions made possible its general extension to employees under Commonwealth awards.

In States other than New South Wales and Queensland no legislation was passed to reduce the standard hours of work so that, for employees not covered by Commonwealth awards, the change had to be effected by decisions of the appropriate industrial tribunals. In these cases the date on which the reduction to 44 hours was implemented depended on the decision of the tribunals in particular industries, employees in some industries receiving the benefit of the reduced hours years ahead of those in others. In these States the change to the shorter week extended over the years from 1926 to 1941.

3. **The 40-hour Week.**—(i) *Standard Hours Inquiry*, 1947.—Soon after the end of the 1939–45 War, applications were made to the Commonwealth Court of Conciliation and Arbitration for the introduction of a 40-hour week, and the hearing by the Court commenced in October, 1945. Before the Court gave its decision the New South Wales Parliament passed legislation granting a 40-hour week, operative from 1st July, 1947, to industries and trades regulated by State awards and agreements, and in Queensland similar legislation was introduced in Parliament providing for the 40-hour week to operate from 1st January, 1948.

The Commonwealth Court of Conciliation and Arbitration, in its judgment on 8th September, 1947, granted the reduction to the 40-hour week from the beginning of the first pay-period commencing in January, 1948. The Queensland Act was passed, and was proclaimed on 10th October, 1947. On 27th October, 1947, the South Australian Industrial Court, after hearing applications by unions, approved the incorporation of the 40-hour standard week in awards

of that State. The Court of Arbitration of Western Australia on 6th November, 1947, approved that, on application, provision for a 40-hour week could be incorporated in awards of the Court, commencing from 1st January, 1948.

In Victoria and Tasmania the Wages Boards met and also incorporated the shorter working week in their determinations, so that from the beginning of 1948 practically all employees in Australia whose conditions of work were regulated by industrial authorities had the advantages of a standard working week of 40 hours or, in certain cases, less.

(ii) *Basic Wage and Standard Hours Inquiry, 1952–53.*—In the 1952–53 Basic Wage and Standard Hours Inquiry the employers sought an increase in the standard hours of work per week, claiming that "one of the chief causes of the high costs and inflation has been the loss of production due to the introduction of the 40-hour week ".* This claim was rejected by the Court as it considered that the employers had not proved that the existing economic situation called for a reduction of general standards in the matter of the ordinary working week. (*See also* page 42.)

§ 5. Basic Wages in Australia.

1. **The Basic Wage.**—The concept of a "basic" or "living" wage is common to rates of wage determined by industrial authorities in Australia. Initially the concept was interpreted as the "minimum" or "basic" wage necessary to maintain an average employee and his family in a reasonable state of comfort. However, it is now generally accepted "that the wage should be fixed at the highest amount which the economy can sustain and that the 'dominant factor' is the capacity of the community to carry the resultant wage levels."†

Under the Commonwealth Conciliation and Arbitration Act, the Commonwealth Conciliation and Arbitration Commission (prior to June, 1956 the Commonwealth Court of Conciliation and Arbitration) may, for the purpose of preventing or settling an industrial dispute extending beyond the limits of any State, make an order or award altering the basic wage (that is to say, that wage, or that part of a wage, which is just and reasonable, without regard to any circumstance pertaining to the work upon which, or the industry in which, the person is employed) or the principles upon which it is computed.

In practice, the Commonwealth Conciliation and Arbitration Commission holds general basic wage inquiries from time to time and its findings apply to industrial awards within its jurisdiction. Prior to the decision of the Commonwealth Court of Conciliation and Arbitration, announced on 12th September, 1953, discontinuing the automatic adjustment of basic wages in Commonwealth awards in accordance with variations occurring in retail price index numbers, the relevant basic wage of the Commonwealth Court of Conciliation and Arbitration was adopted to a considerable extent by the State Industrial Tribunals. In New South Wales and South Australia the State industrial authorities adopted the relevant Commonwealth basic wage. In Victoria and Tasmania, where the Wages Boards systems operate, no provision was included in the industrial Acts for the declaration of a basic wage, although Wages Boards in the past generally adopted basic wages based on those of the Commonwealth Court. In Queensland and Western Australia the determination of a basic wage is a function of the respective State Industrial or Arbitration Courts and, subject to State law, they have had regard to rates

* *Commonwealth Arbitration Reports*, Vol. 77, p. 505. † Ibid., p. 494.

determined by the Commonwealth Court. Following the decision of the Commonwealth Court of Conciliation and Arbitration to discontinue automatic quarterly adjustments to the basic wage, the various State industrial authorities determined State basic wages in accordance with the provisions of their respective State industrial legislation. Details of the action taken in each State and subsequent variations in State basic wages are set out in para. 5 (*see* pages 62–76).

In addition to the basic wage, "secondary" wage payments, including margins for skill, loadings and other special considerations peculiar to the occupations or industry, are determined by these authorities. The basic wage and the "secondary" wage, where prescribed, make up the "minimum" wage for a particular occupation. The term minimum wage (as distinct from the basic wage) is used currently to express the lowest rate payable for a particular occupation or industry.

In §1 of this chapter (pages 13–18) particulars are given of the current Commonwealth and State industrial Acts and the industrial authorities established by these Acts. The powers of these authorities include the determination and variation of basic wage rates.

2. **The Commonwealth Basic Wage.**—(i) *Early Judgments.*—The principle of a living or basic wage was propounded as far back as 1890 by Sir Samuel Griffith, Premier of Queensland, but it was not until the year 1907 that a wage, as such, was declared by a Court in Australia. The declaration was made by way of an order in terms of section 2 (*d*) of the Excise Tariff 1906 in the matter of an application by H. V. McKay that the remuneration of labour employed by him at the Sunshine Harvester Works, Victoria, was "fair and reasonable". Mr. Justice Higgins, President of the Commonwealth Court of Conciliation and Arbitration, discussed at length the meaning of "fair and reasonable", and defined the standard of a "fair and reasonable" minimum wage for unskilled labourers as that appropriate to "the normal needs of the average employee, regarded as a human being living in a civilized community".* The rate declared by the President in his judgment (known as the "Harvester Judgment") was 7s. a day or £2 2s. a week for Melbourne, the amount considered reasonable for "a family of about five".† According to a rough allocation by the Judge, the constituent parts of this amount were £1 5s. 5d. for food, 7s. for rent, and 9s. 7d. for all other expenditure.

The "Harvester" standard was adopted by the Commonwealth Court of Conciliation and Arbitration for incorporation in its awards, and practically the same rates continued until the year 1913, when the Court took cognizance of the retail price index numbers, covering food and groceries and rent of all houses ("A" Series) for the 30 more important towns of Australia, which had been published by the Commonwealth Statistician for the first time in the preceding year. The basic wage rates for towns were thereafter varied in accordance with the respective retail price index numbers. Court practice was to equate the retail price index number 875 for Melbourne for the year 1907 to the "Harvester" rate of 42s. a week (or the base of the index (1,000) to 48s. a week). At intervals thereafter, as awards came before it for review, the Court usually revised the basic wage rate of the award in proportion to variations in the retail price index. In some country towns certain "loadings" were added by the Court to wage rates so derived to offset the effect of lower housing standards, and consequently lower rents, on the index numbers for these towns.

* *Commonwealth Arbitration Reports*, Vol. 2, p. 3. † For particulars of information then available on the average number of dependent children per family, *see* Labour Report No. 41, footnote on page 73.

During the period of its operation, the adequacy or otherwise of the "Harvester" standard was the subject of much discussion, the author of the judgment himself urging on several occasions the need for its review. During the period of rapidly rising prices towards the end of the 1914–18 War, strong criticism developed that this system did not adequately maintain the "Harvester" equivalents. A Royal Commission was appointed in 1919 to inquire as to what it would actually cost a man, wife and three children under fourteen years of age to live in a reasonable standard of comfort, and as to how the basic wage might be automatically adjusted to maintain purchasing power. The Commission's Reports were presented in November, 1920 and April, 1921. An application by the unions to have the amounts arrived at by the inquiry declared as basic wage rates was not accepted by the Court because they were considerably in advance of existing rates and grave doubts were expressed by members of the Court as to the ability of industry to pay such rates. Further details of the recommendations of the Commission were published in Labour Report No. 41, page 102.

The system of making automatic quarterly adjustments to the basic wage in direct ratio to variations in the retail price index ("A" Series) was first introduced in 1921. The practice then adopted was to calculate the adjustments to the basic wage quarterly on the index number for the preceding quarter. Previously adjustments had been made sporadically in relation to retail price indexes for the previous calendar year or the year ended with the preceding quarter. The new method would have resulted in a basic wage lower than that based on the previous method, and in 1922* the Court added to the basic wage a general loading of 3s. (known as the "Powers 3s."), "a sum . . . which did, to the extent of 3s. per week, relieve the employees from the detrimental effect so far as they were concerned of the change which the Court was then making in its method of fixing the basic wage."† This loading continued until 1934. The practice adopted by the Commonwealth Court in 1921 of making automatic quarterly adjustments continued until the Court's judgment of 12th September, 1953. (*See* page 42.)

(ii) *Basic Wage Inquiries*, 1930–31, 1932, 1933.—No change was made in the method of fixation and adjustment of the basic wage until the onset of the depression, which began to be felt severely during 1930. Applications were then made to the Court for some greater measure of reduction of wages than that which resulted from the automatic adjustments due to falling retail prices. The Court held a general inquiry, and, while declining to make any change in the existing method of calculating the basic wage, reduced all wage rates under its jurisdiction by 10 per cent. from 1st February, 1931.‡ In June, 1932, the Court refused applications by employee organizations for the cancellation of the 10 per cent. reduction in wage rates.§ In May, 1933 the Court again refused to cancel the 10 per cent. reduction in wage rates, but decided that the existing method of adjustment of the basic wage in accordance with the "A" Series retail price index number had resulted in some instances in a reduction of more than 10 per cent. In order to rectify this the Court adopted the "D" Series of retail price index numbers for future quarterly adjustments of the basic wage.‖

(iii) *Basic Wage Inquiry*, 1934.—The "Harvester" standard, adjusted to retail price variations, continued to be the theoretical basis of the basic wage of the Commonwealth Court until the Court's judgment, delivered on 17th April, 1934,¶ declared new basic wage rates to operate from 1st May, 1934. The new rates were declared on the basis of the respective "C" Series

* *Commonwealth Arbitration Reports*, Vol. 16, p. 32. † Ibid., p. 841. ‡ 30 *C.A.R.*, p. 2. § 31 *C.A.R.*, p. 305. ‖ 32 *C.A.R.*, p. 90. For further particulars *see* Labour Report No. 22, pp. 45–8 and Labour Report No. 23, pp. 45–62. ¶ 33 *C.A.R.*, p. 144.

retail price index numbers for the various cities for the December quarter, 1933, and ranged from 61s. for Brisbane to 67s. for Sydney and Hobart, the average wage for the six capital cities being 65s.

The 10 per cent. special reduction in wages referred to above ceased to operate upon the introduction of the new rates, and the automatic quarterly adjustment of the basic wage in accordance with variations in retail price index numbers was transferred from the "A" and the "D" Series to the "C" Series Retail Price Index.* The base of the index (1,000) was taken by the Court as equal to 81s. a week. The new basic wage for the six capital cities was the same as that previously paid under the "A" Series, without the "Powers 3s." and without the 10 per cent. reduction. For further particulars of the judgment in this inquiry *see* Labour Report No. 26, page 76.

(iv) *Basic Wage Inquiry*, 1937.—In May and June, 1937, the Commonwealth Court heard an application by the combined unions for an increase in the basic wage. The unions asked that the equivalent of the base (1,000) of the "C" Series index be increased from 81s. to 93s., which on index numbers then current would have represented an average increase of about 10s. a week. The chief features of the judgment, delivered on 23rd June,† were:—

(*a*) Amounts were added to the basic wage not as an integral, and therefore adjustable, part of that wage, but as "loadings" additional to the rates payable under the 1934 judgment. The wage assessed on the 1934 basis was designated in the new judgment as the "needs" portion of the total resultant basic wage. These loadings, referred to as "Prosperity" loadings, were 6s. for Sydney, Melbourne and Brisbane; 4s. for Adelaide, Perth and Hobart; and 5s. for the six capitals basic wage. "Prosperity" loadings for the basic wage for provincial towns in each State, for combinations of towns and combinations of capital cities, and for railway, maritime and pastoral workers were also provided for in the judgment.

(*b*) The minimum adjustment of the basic wage was fixed at 1s. a week instead of 2s.

(*c*) The basis of the adjustment of the "needs" portion of the wage in accordance with the variations shown by retail price index numbers was transferred from the "C" Series to a special "Court" Series based upon the "C" Series. (*See* page 5.)

(*d*) Female and junior rates were left for adjustment by individual judges when dealing with specific awards.

The main parts of the judgment were reprinted in Labour Report No. 28, pages 77–87.

(v) *Judgment, December*, 1939.—The Commonwealth Court on 19th December, 1939 heard an application by trade unions for an alteration in the date of adjustment of the basic wage in accordance with the variations in the "Court" Series of index numbers. On the same day, the Court directed that such adjustments be made operative from the beginning of the first pay-period to commence in February, May, August or November, one month earlier than the then current practice.‡

(vi) *Basic Wage Inquiry*, 1940.—On 5th August, 1940 the Full Court commenced the hearing of an application by the combined unions for an increase in the existing basic wage by raising the value of 1,000 (the base of the

* For an explanation of the "A", "C" and "D" Series *see* page 5 of this Report. † *Commonwealth Arbitration Reports*, Vol. 37, p. 583. ‡ 41 *C.A.R.*, p. 520.

"C" Series index upon which the "Court" Series was based) from 81s. to 100s. a week, and the incorporation of the existing "Prosperity" loadings in the new rate. In its judgment of 7th February, 1941* the Court unanimously refused to grant any increase, and decided that the application should not be dismissed but stood over for further consideration after 30th June, 1941. The application was refused mainly because of the uncertainty of the economic outlook under existing war conditions.

Concerning the concept of a basic wage providing for the needs of a specific family unit, Chief Judge Beeby in his judgment stated:—"The Court has always conceded that the 'needs' of an average family should be kept in mind in fixing a basic wage. But it has never, as the result of its own inquiry, specifically declared what is an average family, or what is the cost of a regimen of food, clothing, shelter and miscellaneous items necessary to maintain it in frugal comfort, or that a basic wage should give effect to any such finding. In the end economic possibilities have always been the determining factor. . . . what should be sought is the independent ascertainment and prescription of the highest basic wage that can be sustained by the total of industry in all its primary, secondary and ancillary forms. . . . More than ever before wage fixation is controlled by the economic outlook."

The Chief Judge suggested that the basic wage should be graded according to family responsibilities and that, notwithstanding the increase in aggregate wages, a reapportionment of national income to those with more than one dependent child would be of advantage to the Commonwealth. The relief afforded to those who needed it would more than offset the inflationary tendency of provision for a comprehensive scheme of child endowment. If a scheme of this nature were established, future fixations of the basic wage would be greatly simplified. (The Commonwealth Child Endowment Act came into operation on 1st July, 1941. *See* § 7 of this chapter for the main features as at 31st December, 1959.)

(vii) "*Interim*" *Basic Wage Inquiry*, 1946.—The Court, on 25th November, 1946, commenced the hearing of this case as the result of (*a*) an application made on 30th October, 1946 (during the course of the Standard Hours Case) by the Attorney-General of the Commonwealth for the restoration to the Full Court List of certain adjourned 1940 basic wage applications (*see* (vi) above); (*b*) a number of fresh cases which had come to the Court since 1941; and (*c*) an application by the Australian Council of Trade Unions on behalf of trade unions for an "interim" basic wage declaration.

Judgment was delivered on 13th December, 1946,† whereby an increase of 7s. was granted in the adjustable portion of the basic wage then current to operate from the beginning of the first pay-period commencing in the month of December, 1946, except in the case of casual and maritime workers, for whom the increases operated from 1st December.

For the purpose of automatic quarterly adjustments a new "Court" Series of index numbers was created by increasing the base index number (1923–27) from 81.0 to 87.0. The "Court" Series index number calculated on this base for the September quarter, 1946 effected an increase in the basic wage for the weighted average of the six capital cities (as a whole) from 93s. to 100s. A similar increase of 7s. was recorded in the basic wage for each capital city except Hobart, where the amount was 6s. All "loadings" on the basic wage were retained at their existing amounts unless otherwise ordered by the Court.

* *Commonwealth Arbitration Reports*, Vol. 44, p. 41. † 57 *C.A.R.*, p. 603.

This new series was designated "Court Index (Second Series)" to distinguish it from the "Court Index (First Series)" which was introduced after the 1937 Basic Wage Inquiry. The new "Court" index numbers were obtained by multiplying the "C" Series retail price index numbers (Base: 1923–27 = 1,000) by the factor 0.087, and taking the result to the first decimal place.

The wage rates for adult females and juveniles were to be increased proportionately to the increase granted to adult males, the amount of the increase being determined by the provisions in each award. For further particulars of the judgment *see* Labour Report No. 38, page 79.

(viii) *Basic Wage Inquiry*, 1949–50.—This finalized the case begun in 1940 and continued in 1946 (*see* above). In 1946, during the hearing of the Standard Hours Inquiry and following the restoration to the Full Court List of applications for an increased basic wage, the Chief Judge ruled that the claim for an increase in the basic wage should be heard concurrently with the "40-hour week" claims then before the Court. The unions, however, objected to this course being followed, and, on appeal to the High Court, that Court in March, 1947, gave a decision which resulted in the Arbitration Court proceeding with the "Hours" Case to its conclusion.

The Basic Wage Inquiry, 1949–50, finally opened in February, 1949, and the general hearing of the unions' claims was commenced on 17th May, 1949. Separate judgments were delivered on 12th October, 1950;* in the judgments, which were in the nature of general declarations, a majority of the Court (Foster and Dunphy *JJ.*) was of the opinion that the basic wage for adult males should be increased by £1 a week, and that for adult females should be 75 per cent. of the adult male rate. Kelly *C.J.*, dissenting, considered that no increase in either the male or the female wage was justified.

The Court, on 24th October and 17th and 23rd November, 1950, made further declarations concerning the "Prosperity" and other loadings. The "Prosperity" loading of 1937 (*see* page 39), which was being paid at rates of between 3s. and 6s. a week according to localities, was standardized at a uniform rate of 5s. a week for all localities and was declared to be an adjustable part of the basic wage, the "War" loadings were declared to be not part of the basic wage, and any other loading declared to be part of the basic wage ceased to be paid as a separate entity.

The new rates operated from the beginning of the first pay-period in December, 1950, in all cases being the rate based on the Court Index (2nd Series) for the September quarter, 1950 plus a flat-rate addition of £1, together with the standardized "Prosperity" loading of 5s. The new basic wage rate for the six capital cities (weighted average) was £8 2s. comprising £6 17s. Court (2nd Series) plus 5s. uniform "Prosperity" loading plus the £1 addition. The declaration provided that the whole of this basic wage would be subject to automatic quarterly adjustments as from the beginning of the first pay-period commencing in February, 1951, on the basis of the index numbers for the December quarter, 1950. For this purpose the new rate of £8 2s. was equated to the "C" Series retail price index number 1572 for the six capital cities (weighted average) for the September quarter, 1950. From this equation was derived a new "Court" Index (Third Series) with 103.0 equated to 1,000 in the "C" Series Index.

The basic wage rates operative from the beginning of the first pay-period commencing in December, 1950 were as follows (rates operative in November, 1950 in parentheses):—Sydney, £8 5s. (£7 6s.); Melbourne, £8 2s. (£7 3s.);

* *Commonwealth Arbitration Reports*, Vol. 68, p. 698.

Brisbane, £7 14s. (£6 15s.); Adelaide, £7 18s. (£6 17s.); Perth, £8 (£6 19s.); Hobart, £8 (£6 19s.); Six Capitals, £8 2s. (£7 2s.). Further particulars of the judgment may be found in Labour Report No. 39, p. 81.

(ix) *Basic Wage and Standard Hours Inquiry*, 1952–53.—On 5th August, 1952, the Commonwealth Court of Conciliation and Arbitration began hearing claims by:—

1. The Metal Trades Employers' Association and other employers' organizations that—
   (*a*) the basic wage for adult males be reduced;
   (*b*) the basic wage for adult females be reduced;
   (*c*) the standard hours of work be increased;
   (*d*) the system of adjusting the basic wages in accordance with variations occurring in retail price index numbers be abandoned.
2. The Metal Trades Federation, an association of employees' organizations, that the basic wage for adult males be increased, which would also have resulted in increasing the amount, though not the proportion it bore to the basic wage for adult males, of the basic wage for adult females.

A number of Governments, organizations and other bodies obtained leave to intervene and in this role the Australian Council of Trade Unions supported the claims of the Metal Trades Federation.

The decision of the Court, announced on 12th September, 1953,* was as follows:—the employers' applications for reduction of the basic wages for adult males and females and for an increase of the standard hours of work were refused; the employers' applications for omission or deletion of clauses or sub-clauses providing for the adjustment of basic wages were granted; and the unions' applications for increases of basic wages were refused.

The Court in the course of its judgment said that nothing had been put before it during the inquiry in support of a departure from its well-established principle that the basic wage should be the highest that the capacity of the community as a whole could sustain. If the Court is at any time asked to fix a basic wage on a true needs basis, the question of whether such a method is correct in principle and all questions as to the size of the family unit remain open.

In order to remove certain misconceptions about its function, the Court stated that it was neither a social nor an economic legislature, and that its function under section 25 of the Act was to prevent or settle specific industrial disputes. However, these must be settled upon terms which seem just to the Court, having regard to conditions which exist at the time of its decision.

The Court intimated that time would be saved in future inquiries if the parties to the disputes, in discussing the principle of the "capacity to pay", directed their attention to the broader aspects of the economy, as indicated by a study of employment, investment, production and productivity, oversea trade, oversea balances, the competitive position of secondary industry and retail trade.

In accordance with its decision to abolish the automatic adjustment clause from its awards, the Court, commencing on 21st October, 1953, amended all awards listed before it as a result of application by one of the parties to the

* *Commonwealth Arbitration Reports*, Vol. 77, p. 477.

awards. Afterwards the Court, on its own motion under section 49 of the Commonwealth Conciliation and Arbitration Act, listed those awards not the subject of an application by one of the parties and then proceeded to delete the clauses providing for the automatic adjustment of the basic wage.

The power of the Commonwealth Court of Conciliation and Arbitration to vary awards not the subject of an application by one of the parties was unsuccessfully challenged in the High Court of Australia.

For further particulars of the judgment *see* Labour Report No. 46, p. 64.

(x) *Basic Wage Inquiry, 1956.*—On 14th February, 1956, the Commonwealth Court of Conciliation and Arbitration commenced hearing an application by the Amalgamated Engineering Union and others made by summons for alteration of the basic wage prescribed in the Metal Trades Award in the following respects:—namely, for an increase in the basic wage to the amount it would have reached if automatic quarterly adjustments deleted by the Court in September, 1953, had remained in force; an increase of a further £1 in the basic wage; the re-introduction of automatic quarterly adjustments; and the abolition of what is known as the 3s. country differential. This application was regarded as a general application for variation of the basic wage in all awards of the Commonwealth Court of Conciliation and Arbitration.

All the claims made by the unions were opposed by the respondent employers. The Commonwealth Government appeared not as a party to the dispute but in the public interest and supplied much factual and statistical material in a review of the economy from 1953. However, the Commonwealth opposed the re-introduction of automatic adjustments. The States of New South Wales, Queensland, Western Australia and Tasmania supported the unions' claims for the re-establishment of the system of automatic adjustments and the raising of the basic wage to the levels indicated by current " C " Series index numbers, but the State of South Australia opposed these claims. The State of Victoria neither supported nor opposed the unions' claims.

The judgment was delivered on 26th May, 1956. The Court rejected each claim made by the unions but decided to increase the adult male basic wage by 10s. a week, payable from the beginning of the first pay-period in June. As a result of this decision, the basic wage for adult females was increased by 7s. 6d. a week with proportionate increases for juniors of both sexes and for apprentices.

The Court took the view that its decision in 1953 to abandon the system of quarterly adjustments was clearly right and that " so long as the assessment of the basic wage is made as the highest which the capacity of the economy can sustain, the automatic adjustment of that basic wage upon price index numbers cannot be justified, since movements in the index have no relation to the movements in the capacity of the economy ".* The Court was satisfied " that a basic wage assessed at the highest amount which the economy can afford to pay cannot in any way be arrived at on the current price of listed commodities. There is simply no relationship between the two methods of assessment ".†

" The Court's examination of the economy and its indicators—employment, investment, production and productivity, overseas trade, overseas balances, the competitive position of secondary industry and retail trade—and its consideration of inflation and its possible disastrous extension has led to the Court's conclusion that the nation now has not the capacity to pay a basic wage of the amount to which automatic quarterly adjustments would have brought it ".‡

* *Commonwealth Arbitration Reports*, Vol. 84, p. 175. † Ibid., p. 176. ‡ Ibid., p. 177.

In the course of setting out the reasons for its decision the Court considered the period over which the capacity of the economy should be assessed, and concluded: " A year has been found almost universally to be a sensible and practicable period for such a purpose in the case of trading institutions the world over. The Court considers—fortified by the Judges' experience of considering from time to time Australia's capacity—that a yearly assessment of the capacity of Australia for the purpose of fixing a basic wage would be most appropriate. We would encourage any steps to have the Court fulfil such a task each year . . ."*

For further details *see* Labour Report, No. 46, p. 67.

(xi) *Basic Wage Inquiry*, 1956–57.—On 13th November, 1956, the Commonwealth Conciliation and Arbitration Commission in Presidential Session commenced to hear claims for alteration of the basic wage prescribed in the Metal Trades Award. The claims made were as follows:—

(1) " For the increase of the basic wage in all its manifestations to the amount it would have reached if there had remained in the award provisions for automatic quarterly adjustments, which had been deleted in September, 1953. . . ."

(2) " For the re-insertion in the award of the provisions for the automatic quarterly adjustment of the basic wage. . . ."†

In accordance with past practice this application in respect of the Metal Trades Award was treated by the Commission as a general application for alteration of the basic wage in all Federal awards.

The unions' claims were opposed by the respondent employers.

The Australian Council of Salaried and Professional Associations intervened in support of the applicant unions. Victoria and South Australia were the only States to appear before the Commission and the Attorney-General of the Commonwealth intervened in the public interest.

Victoria neither supported nor opposed the application by the unions. South Australia opposed the unions' claims and suggested that, if an increase in the basic wage were granted, the Commission should decide on the increase to be added to the six capitals basic wage and then apportion that increase amongst the six capital cities on a basis accurately reflecting the differences in their cost of living.

The Commonwealth opposed the restoration of the automatic adjustment system, whatever index were used for this purpose.

The Commission decided that before it could reach a decision it would have to examine, in detail, three main issues, namely, (i) should the system of automatic adjustment be restored? (ii) should there be an increase in the basic wage, and, if so, of what amount? and (iii) should the increase, if there be one, be of a uniform amount, or should it be variable as between capital cities?

(i) *Should the System of Automatic Adjustment be Restored?*—After hearing submissions by counsel for the unions that automatic quarterly adjustments of the basic wage should be restored and argument as to the appropriateness of using the " C " Series index for this purpose, the Commission reaffirmed the decision of the Court in 1953, which, it said, " was primarily based on the view that there is no justification for automatically adjusting in accordance with a price index a wage assessed as the highest that the capacity of the community as a whole can sustain ".‡ Accordingly, the claim for restoration of automatic quarterly adjustments was refused.

* *Commonwealth Arbitration Reports*, Vol. 84, p. 177. † 87 *C.A.R.*, p. 439. ‡ Ibid., p. 445.

(ii) *Should there be an Increase in the Basic Wage and, if so, of what Amount?* —The Commission reaffirmed the principles used to determine the basic wage in the 1953 and 1956 judgments of the Court and accepted as correct the decision of the Court in 1956 to increase the then existing basic wages by 10s. This led the Commission to a comparison of the state of the national economy at the time of the 1956 and 1957 basic wage inquiries.

The Commission, having considered all aspects of the state of the economy, decided that the basic wages in Federal awards should be increased and that the increase to the six capital cities basic wage should be 10s. a week for adult males.

(iii) *Should the Increase be of a Uniform Amount?*—The historical background of differential rates of basic wage for respective cities and towns was examined by the Commission and it acknowledged that the Federal basic wage had two components. The first and greater component differed for each capital city and represented a rate of wage calculated by the use of " C " Series retail price index numbers for the June quarter, 1953, and the second component, common to all places, was the uniform 10s. awarded by the Court in 1956.

On the question of whether the increase should be of a uniform amount the alternative open to the Commission appeared to be either to follow what the Court did in 1956, or to recalculate the inter-capital-city differentials of the newly-fixed standard basic wage according to the latest " C " Series index numbers. The Commission decided to grant an increase of a uniform amount.

In the judgment delivered on 29th April, 1957, the Commission rejected the claims made by the unions and granted a uniform increase of 10s. a week in the basic wage for adult males to come into effect from the first pay-period to commence on or after 15th May, 1957. As a result of this decision the basic wage for adult females was increased by 7s. 6d. with proportionate increases for juniors of both sexes and for apprentices. The Commission also advised that it approved an annual review of the basic wage and would be available for this purpose in February, 1958. However, although favouring an annual review of the basic wage, the Commission considered that " it would not be proper for it nor would it wish to curtail the existing right of disputants to make an application at whatever time they think it necessary to do so ".*

A more detailed summary of the judgment may be found in Labour Report No. 46, p. 68.

(xii) *Basic Wage Inquiry*, 1958.—On 18th February, 1958, the Conciliation and Arbitration Commission, constituted in Presidential Session, commenced hearing an application by respondent unions for the following variations of the existing Metal Trades Award, namely:—

> " By increasing the amounts of basic wage prescribed therein for respective cities, towns and localities to the figure they each would have reached had the quarterly adjustment system based on the " C " Series retail price index numbers been retained, plus an addition of 10s. to each basic wage, and by making provision for future adjustment of each of the new amounts at quarterly intervals by the application thereto of the same index numbers."†

The claims for the restoration of quarterly adjustments and for basic wage increases were opposed by private employers and by the State of South Australia, which also contended that, as the cost of living was much lower in Adelaide than in

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* *Commonwealth Arbitration Reports*, Vol. 87, p. 459. † Print No. A6079, p. 4.

Melbourne and Sydney, greater disparities in basic wage rates than then existed should be determined if, against its submission, any general increase in the basic wage were decided upon. Tasmania, the only other State represented, made no submissions.

The Attorney-General of the Commonwealth intervened in the public interest under section 36 (1.) of the Conciliation and Arbitration Act and leave to intervene was granted to the Professional Officers' Association of the Commonwealth Public Service, three other organizations of medical and scientific workers employed in the Commonwealth Public Service and the Australian Council of Salaried and Professional Associations.

In its judgment, delivered on 12th May, 1958, the Commission rejected the submission by counsel for the Professional Officers' Association " that if the Commission is satisfied that there is in the community capacity to pay a higher wage bill, consideration should be given to the question whether that increased capacity should be reflected in an increased basic wage only or extended also to the marginal or secondary contents of aggregate wages and salaries."* The Commission also rejected the submission by counsel for the Australian Council of Salaried and Professional Associations that when the Commission looked at the capacity of industry to pay and gave an increase in the basic wage, it " always kept something in hand for a marginal claim which would probably be coming up."†

The claim of the unions for the restoration of the 1953 basic wage standard was rejected by the Commission on the same grounds as in its 1957 judgment, i.e., that it was unsafe to assume that the economy could sustain the 1953 rate as a " standard " in real terms.

The Commission then considered the three specific issues before it, namely, (i) should the system of automatic adjustments be restored? (ii) should the basic wage be increased, and if so, by what amount? and (iii) should there be uniform or disparate increases?

(i) *Should the System of Automatic Adjustments be Restored*?—Counsel for the unions submitted that the unions still regarded the " C " Series index as a proper guide for the determination of basic wage levels but that if this contention were unacceptable to the Commission, as it had been in the three previous inquiries, there should be an immediate decision upon principle and later, if need be, an inquiry in an effort to ascertain a proper price index. He also submitted that there should be, from time to time, additions to wages to afford to workers their proper share of increased productivity and efficiency and that although the unions had never claimed that increments for increased productivity could under present circumstances be made by way of automatic adjustment, the objective of wage increases commensurate with price increases could best be achieved by the use of an automatic adjustment system.

After having considered the submissions and without hearing arguments against the proposition, the Commission, on 21st February, 1958, rejected the application for the restoration of automatic adjustments and for a deferred inquiry thereon.

In the reasons for its judgment the Commission stated that there was nothing in the submission to justify a departure from the decisions of 1953, 1956 and 1957 to reject automatic wage adjustments. The Commission also again expressed the opinion that a yearly assessment of the capacity of Australia for the purpose of fixing a basic wage would be most appropriate.

* Print No. A6079, p. 5. † Ibid., p. 7.

(ii) *Should the Basic Wage be Increased and, if so, by what Amount?*—After hearing arguments for and against an increase in the basic wage rates, and submissions, mainly statistical, on behalf of the Commonwealth, the Commission was unanimously of the opinion that the position of the economy regarded as a whole was such as to justify an increase in the basic wage, but a difference of opinion existed as to what the amount of the increase should be.

A majority of the members, namely, Kirby *C.J.* and Gallagher *J.*, considered that it was undesirable in the interests of all to grant an increase higher than 5s.; Wright *J.*, on the other hand, considered that a basic wage level substantially higher than that proposed by the majority was justified.

Under section 68 of the Conciliation and Arbitration Act 1904–1956 the question was decided according to the decision of the majority. Accordingly the decision of the Commission was that the rates of basic wage for adult males under Federal awards should each be increased by 5s. a week.

(iii) *Uniform or Disparate Increases?*—The South Australian Government submitted that economically there was no scope at all for a basic wage increase anywhere in Australia; and, as in the 1957 inquiry, again pursued the question of inter-city differentials in those awards where it applied, as an answer to the union claim that the amount of the basic wage in Adelaide should be calculated by reference to the " C " Series retail price index numbers for that city. The substance of the State's case on inter-city differentials was that the actual cost of living was so much lower in Adelaide than in Melbourne and Sydney that greater disparities in basic wage rates than then existed should be determined by the Commission, if any general increase in the basic wage were decided upon. Subject to a stipulation that no reduction should be made in the existing basic wage rate for Adelaide, counsel for the South Australian Government claimed that the rate should be approximately 10 per cent. below the rate fixed for Sydney instead of approximately 5 per cent. below, as it then was.

He also claimed that the proposal had the support of South Australian employers, but in the Commission's view the employers had not spoken unitedly or unanimously, nor had any one supported the proposal as put to the Commission. It concluded that the claim must be rejected on the ground that it would not be wise or just to apply it in South Australia in view of the fact that it was neither sought nor supported by any other party, and its application to the Government and its instrumentalities alone was not sought.

The Commission indicated that the issues involved in inter-city differential wage rates were complex and could not be decided after a brief hearing.

In the judgment delivered on 12th May, 1958, the decisions of the Commission were given in the following terms:—

" 1. The claim for restoration of automatic quarterly adjustments is refused.
2. The claim of the South Australian Government for special treatment is refused.
3. The basic wages of adult male employees covered by Federal awards will be increased by a uniform amount of 5s. per week.
4. The new rates will come into effect from the beginning of the first pay-period commencing on or after 21st May instant subject to special cases."*

As a result of this decision the basic wage for adult females was increased to 75 per cent. of the new basic wage for adult males with proportionate increases for juniors and apprentices of both sexes.

* Print No. A6079, p. 2.

(xiii) *Basic Wage Inquiry*, 1959.—On 24th February, 1959, the Conciliation and Arbitration Commission, constituted in Presidential Session by Kirby *C.J.* (President), Foster and Gallagher *JJ.* (Deputy Presidents), commenced hearing an application by respondent unions for the following variations of the existing Metal Trades Award, namely:—

> "By increasing the amounts of basic wage prescribed therein for respective cities, towns and localities to the figure they each would have reached had the quarterly adjustment system based on the "C" Series retail price index numbers been retained, plus an addition of 10s. to each basic wage, and by making provision for future adjustment of each of the new amounts at quarterly intervals by the application thereto of the same index numbers."*

A large number of applications for similar variation of other awards were ordered to be treated as involved in the inquiry and as such to be decided upon the evidence, material and submissions made from the beginning of the hearing.

The application of the unions was opposed by private employers generally, and by the State of South Australia and two of its instrumentalities.

Tasmania was the only other State represented and it appeared in support of the application of the unions in regard to the increase of the basic wage to the amount it would have reached had the adjustment system been retained and the restoration of that system.

Counsel for the Attorney-General of the Commonwealth, who intervened pursuant to his statutory right, submitted on behalf of the Commonwealth that the application for restoration of the automatic adjustment system should be refused. The Commonwealth again supplied for the benefit of the Commission and the parties economic and statistical information and material. In addition the Commonwealth, without making a particular submission as to whether there should be an increase or its amount, made a general submission on the state of the national economy.

The Australian Council of Salaried and Professional Associations was granted leave to intervene, and submissions were also presented on behalf of fixed income earners and pensioners generally.

Counsel for the employers also appeared for The Graziers Association of New South Wales and other organizations of employers in the pastoral industry to reduce the basic wage in the Pastoral Award, 1956, by £1 5s., being the aggregate amount of the increases granted by the Court in 1956 and the Commission in 1957 and 1958. The Commission decided to join these applications in the main hearing on 17th March, 1959, as a matter of procedure only and without deciding affirmatively that the Commission as constituted for that hearing had power to grant them in whole or in part. At the conclusion, on 5th May, 1959, of submissions in support of these applications and without calling upon counsel for the Australian Workers Union in reply, the Commission stated that it would reject the applications for reduction of the basic wage in the Pastoral Award and again indicated that the question of jurisdiction as to whether the Commission had the power to decide a different basic wage remained "undecided and open".

On 5th June, 1959, the three Judges delivered separate judgments. On the question of whether the system of automatic quarterly adjustments should be restored the members of the Commission were divided in opinion and therefore

* Print No. A6618, pp. 4 and 5.

the question was decided in accordance with the decision of the majority. The majority decision, namely, that of Kirby *C.J.* and Gallagher *J.*, was that the claim of the unions for restoration of the said system should be refused. Foster *J.* dissented.

The members of the Commission were unanimous in the opinion that there should be an increase in the basic wage, but as to the amount of the increase they were divided in opinion as follows:—

The President, Kirby *C.J.*, was of opinion that the increase should be one of 15s. a week added to each basic wage for adult males in the awards concerned and that the increased basic wage should become payable as from the beginning of the first pay-period commencing on or after 11th June, 1959.

Foster *J.* was of opinion that the increase should be 20s. a week, payable as to 10s. as from the first pay-period in July, 1959, and as to the balance by increases of 2s. 6d. for four quarters commencing 1st January, 1960.

Gallagher *J.* was of opinion that the increase should be one of 10s. a week and that the increased wage should become payable as from the date chosen by the President.

Foster *J.*, while holding his opinion, decided to concur in the decision proposed by the President.

A summary of the separate reasons for judgment is set out in the following paragraphs.

Kirby C.J.—The President said that apart from the question of the basic wage in the pastoral industry, which had already been decided, there were two issues for the Commission's decision: (i) should the automatic adjustment system be restored? (ii) should the basic wage in the Commission's awards generally be increased and, if so, by what amount?

(i) *Should the Automatic Adjustment System be Restored?*—On this question the President stated that in his view nothing had been put at the inquiry which would justify a restoration of the system, and the decisions against the retention or restoration of the system made by the Court in 1953 and 1956 and by the Commission in 1957 and 1958 were correct. He said: "I have come to this conclusion on the material and submissions before the Commission at this hearing and quite independently of the admitted shortcomings since 1953 of the 'C' Series index. I would emphasize that the annual review of the amount of the basic wage by a presidential session of this Commission is a substitute in every way for arbitrary adjustment by an index which has to do with one factor only of the many making up the economy. Its aim in practice as well as theory is to fix a basic wage at the highest amount the economy can afford to pay. . . . A period of one year—in the absence of exceptional circumstances calling for a different period—remains in my view the ideal period between reviews of the basic wage."* He considered that assessment of the many factors making up national economic capacity proves difficult enough when assessing a money sum, and that the difficulties of assessment of these many factors would be increased immeasurably if the task were to add a fluctuating sum to an already fluctuating wage even if the task were to be undertaken at longer intervals. The President also stated: "I wish to make it clear that my rejection of the adjustment system is based not on the imperfections of the available indexes but on the system's intrinsic demerits when compared with a system based on judgment of all factors of the economy including judgment on the movement in prices".†

* Print No. A6618, p. 6. † Ibid., p. 8.

(ii) *Should the Basic Wage be Increased and, if so, by what Amount?*—The President considered various indicators of the state of the economy and said that they justified a basic wage increase of a not insignificant amount. He agreed that the worker was entitled to an increase in the basic wage because of increased productivity but he could not agree that on the available material the growth of productivity could be accurately measured or that basic wage increases were the only or main means of ensuring the worker his share of the fruits of increased productivity. Nevertheless, he felt that some allowance should be made for the growth of productivity in assessing an increase in the basic wage. After considering all the material before the Commission and the submissions made on behalf of the parties, he was of opinion that the basic wage should be increased by 15s. a week.

Foster J.—Foster *J.*, in considering the powers and functions of the Commission and the form of the inquiry, stated ". . . if, as is my view, these ' inquiries ' no longer have, and should never have had, the character of litigation, then it is proper to consider whether the ' inquiry ' in the form it now has is adequate to achieve its avowed function ".* He referred to some of the powers and duties entrusted to the Commission which revealed and emphasized the extraordinary differences between the Commission and a traditional court of law. He considered that although the Commission " gets two points of view placed before it, elaborately discussed and tested by questioning, . . . the matters for the Commission's determination are far wider than the particular points of view of the interests which assume the roles of contestants before us ".† In his view, the data made available by the Commonwealth Government, as intervener, are in effect the foundations of the opinions and conclusions of all the expert witnesses as well as of all the contentions of the representatives of the various contestants, and it must be upon this material and interpretation that the Commission ultimately bases its decision. He suggested that " experts in consultation with the Commission in the presence of representatives of the economic interests concerned might well bring far more satisfactory results than a proceeding modelled misleadingly upon a civil action at law. "‡

Foster *J.* stated that the purpose of the inquiry was to fix a money sum for a basic wage which, at the time of its pronouncement, would represent a standard of living which the Commission finds to be within the capacity of the economy to sustain throughout the period it determines for the duration of its award. For this reason he considered that the basic wage should be automatically adjustable at quarterly intervals. As to whether such adjustment should be made by the application of a price index, he said that " A price index . . . does enable the standard of living prescribed by the Commission to be maintained, and it does prevent the wage determined upon a capacity basis from falling below or rising above that ascertained capacity. It prevents the defeat of the Commission's award and is, in my opinion, the only satisfactory method of preventing that award from becoming to some extent illusory and potentially mischievous."§ In his view, the decision in 1953 to abandon the quarterly adjustment system was wrong.

Foster *J.* was of opinion that the basic wage should be increased so as to restore, in part at least, the standard of living awarded in 1950 and maintained by quarterly adjustments until 1953 and to secure to the basic wage earner some share of the increased productivity of the community. The amount of the increase would depend on whether or not the quarterly adjustment system were to be restored. If it were restored, the increase in the basic wage should be 16s. a week payable at the first pay-period in July, 1959, adjustable quarterly by the " C " Series index, the first adjustment to be for the quarter ending

* Print No. A6618, p. 25. † Ibid., p. 27. ‡ Ibid., p. 28. § Ibid., p. 30.

30th June, 1959. If quarterly adjustments were not restored, the ultimate increase should be 20s. a week, the amount of the increase to be spread over a period of eighteen months, payable as to 10s. as from the first pay-period in July, 1959, with an increase of 2s. 6d. on each of the first pay-periods in January, April, July and October, 1960.

In giving his reasons for the proposed increase, Foster *J.* reviewed the indicators of the state of the economy and referred to economic and statistical material submitted by counsel for the Commonwealth, which, he said, " confirms my opinion that the economy, seen at this point of time, is sounder than it was last year, and indeed, in some of the years when the Commission did in fact raise the basic wage ".*

Although reluctant to depart from his views as to the amount of the increase, Foster *J.* decided to concur in the proposed decision of the President, in order that the Commission might reach an effective decision.

Gallagher J.—On the question of whether there should be a restoration of the quarterly adjustment system, Gallagher *J.* said that he was in complete agreement with Kirby *C.J.*, and with the reasons which the President had given for his conclusion, and added:—" Between December, 1950, and November, 1952, the operation of quarterly adjustments caused the basic wage for Sydney to move from 165s. to 237s. A system which, without any examination of the capacity of the economy to pay, added a sum of £3 12s. weekly to a basic wage in so short a time was quite unsuitable for modern conditions. . . ."†

Gallagher *J.*, after setting out in general terms the arguments of the unions and the employers and summarizing the essentials of the submissions of the Commonwealth, stated that in his opinion the economy of the country was such as would sustain a higher basic wage, but the amount claimed by the unions was too high. In giving reasons for his opinion, he said ". . . it is almost certainly the position that every male employee in the community who works under an industrial award receives something over and above the basic wage, and in the determination whether he is receiving his proper share of the national wealth . . . this is a relevant and material matter for consideration."‡ In support of this view he quoted pronouncements made in a number of previous basic wage inquiries.

After referring to a number of matters which he considered should be taken into account in the assessment of a basic wage, Gallagher *J.* said " Minded of the general considerations which I have set out, giving due recognition on the one hand to the improved state of the economy and on the other hand to the undoubtedly heavy losses which were suffered by the country because of the combined effect of the 1957 drought and of reduced export prices, and taking into account that amongst the employers who will be called upon to meet basic wage increases are farmers who have recently suffered a big loss of income, I am of the opinion that the sum of ten shillings represents the highest weekly payment which the economy should be called upon to sustain in respect of an increase of each basic wage for adult males covered by relevant awards or agreements."§

He then proceeded to state briefly his reasons for rejecting the application for a lower basic wage in the pastoral industry. He was of the opinion that " it would in the absence of the most exceptional circumstances be wholly undesirable and against the interests of industrial peace that there should be for employees in the rural industries a basic wage lower than that which is prescribed for other employees."§

* Print No. A6618, p. 37. † Ibid., p. 49. ‡ Ibid., p. 53. § Ibid., p. 55.

(xiv) *Basic Wage Inquiry*, 1960.—The judgment was delivered on 12th April, 1960. Particulars of the claims made by employee organizations and the decision given will be found in Section X. of the Appendix.

(xv) *Rates Operative, Principal Towns.*—The "basic" wage rates of the Commonwealth Conciliation and Arbitration Commission for adult males and females, operative in the principal towns of Australia as from the beginning of the first pay-period commencing on or after 11th June, 1959, are shown in the following table:—

COMMONWEALTH BASIC WAGE: WEEKLY RATES (*a*), JUNE, 1959.

City or Town.	Rate of Wage.						City or Town.	Rate of Wage.				
	Males.			Females.				Males.			Females.	
	£	s.	d.	£	s.	d.		£	s.	d.	£	s. d.
New South Wales—							Western Australia—					
Sydney	14	3	0	10	12	0	Perth	13	16	0	10	7 0
Newcastle ..	14	3	0	10	12	0	Kalgoorlie	14	3	0	10	12 0
Port Kembla-Wollongong.. ..	14	3	0	10	12	0	Geraldton	14	9	0	10	16 6
Broken Hill ..	14	7	0	10	15	0	Five Towns ..	13	17	0	10	7 6
Five Towns ..	14	2	0	10	11	6	Tasmania—					
Victoria—							Hobart	14	2	0	10	11 6
Melbourne ..	13	15	0	10	6	0	Launceston.. ..	13	18	0	10	8 6
Geelong	13	15	0	10	6	0	Queenstown ..	13	13	0	10	4 6
Warrnambool ..	13	15	0	10	6	0	Five Towns ..	14	0	0	10	10 0
Mildura	13	15	0	10	6	0	Thirty Towns ..	13	16	0	10	7 0
Yallourn (*b*) ..	14	1	6	10	11	0						
Five Towns ..	13	15	0	10	6	0	Six Capital Cities ..	13	16	0	10	7 0
Queensland—							Northern Territory (*d*)—					
Brisbane	12	18	0	9	13	6	Darwin	14	15	0	11	1 0
Five Towns ..	12	19	0	9	14	0	South of 20th Parallel	14	2	0	10	11 6
South Australia—												
Adelaide	13	11	0	10	3	0	Australian Capital Territory—					
Whyalla and Iron Knob (*c*) ..	13	16	0	10	7	0	Canberra ..	13	18	0	10	8 6
Five Towns ..	13	10	0	10	2	6						

(*a*) Operative from the beginning of the first pay-period commencing on or after 11th June, 1959. (*b*) Melbourne rate plus 6s. 6d. for males; 75 per cent. of male rate for females. (*c*) Adelaide rate plus 5s. for males; 75 per cent. of male rate for females. (*d*) *See* pp. 60 and 62 regarding special loadings.

Prior to 1st January, 1961, the rate for provincial towns, other than those mentioned above, was 3s. less than that for their respective capital cities. From that date the "3s. country differential" was eliminated from Commonwealth awards.

The rate for adult females is 75 per cent. of the male rate.

A table of adult male basic wage rates from 1923 to 1959 will be found in Section XI. of the Appendix.

3. **Basic Wage Rates for Females.**—(i) *General.*—In its judgment of 17th April, 1934, wherein the Commonwealth Court of Conciliation and Arbitration laid down the basis of its "needs" basic wage for adult males, the Court made the following statement in regard to the female rate:—

> "The Court does not think it necessary or desirable, at any rate at the present time, to declare any wage as a basic wage for female employees. Generally speaking they carry no family responsibilities. The minimum wage should, of course, never be too low for the reasonable needs of the

employee, but those needs may vary in different industries. In the variations now to be made the proportion in each award of the minimum wage for females to that of males will be preserved."*

The previous practice of the Court was therefore continued whereby each judge granted such proportion of the male rate as he deemed suited to the nature of the industry and the general circumstances of the case. Generally speaking, this proportion was in the vicinity of 54 per cent. of the male rate, although in some cases the proportion was about 56 per cent.

Until 1942 this continued to be substantially the practice of all Commonwealth and State industrial tribunals and in the main its continuance was then made mandatory by Part V. of the National Security (Economic Organization) Regulations which " pegged ", as at 10th February, 1942, all rates of remuneration previously prevailing in any employment. The only exceptions allowed were variations to rectify anomalies, variations resultant from hearings pending prior to 10th February, 1942 and " cost of living " variations.

In March, 1942, however, special action was taken to constitute a Women's Employment Board in conjunction with measures to encourage women to undertake, in war-time, work which would normally have been performed by men. This Board was given special jurisdiction to determine terms and conditions of such employment. The Commonwealth Court of Conciliation and Arbitration and State Industrial Tribunals continued to determine rates of pay, etc., of women engaged in what may broadly be described as " women's work " in the pre-war sense, while the jurisdiction of the Women's Employment Board was made to cover women engaged during the war in work formerly performed by men or in new work which immediately prior to the outbreak of the war was not performed in Australia by any person.

In July, 1944, National Security (Female Minimum Rates) Regulations authorized the Commonwealth Court of Conciliation and Arbitration to make comprehensive investigations into minimum rates of wage payable to females in industries considered by the Government to be necessary for war purposes. Determinations could be made for any period specified by the Court but not extending beyond six months after the end of the war. In making such determinations the Court was not bound by Part V. of the National Security (Economic Organization) Regulations, although such regulations applied to the new rates after determination. The objective of the National Security (Female Minimum Rates) Regulations was to remove disparities which were creating discontent and impeding the manpower authority in redistributing female labour to vital industries.

In a judgment delivered on 4th May, 1945,† the majority of the Full Court decided that wage rates in twelve " vital " industries referred by the Government for consideration were not unreasonably low.

Following this negative result, the Government, by National Security (Female Minimum Rates) Regulations (S.R., 1945, No. 139) dated 13th August, 1945, provided in respect of " vital " industries specified by the Minister by notice published in the *Gazette* that the remuneration of females employed therein should not be less than 75 per cent. of the corresponding minimum male rate. The validity of this Regulation was challenged in the High Court but, in a judgment dated 3rd December, 1945, the Court (Starke *J.* dissenting) held that the Regulations were a valid exercise of the powers under the National Security Act 1939–1943. The rates under this Regulation commenced to operate from 31st August, 1945.

* *Commonwealth Arbitration Reports*, Vol. 33, p. 156. † 54 *C.A.R.*, p. 613.

As from 12th October, 1944, the Women's Employment Board was abolished. The function of the Board under the Women's Employment Act then devolved upon the Court as constituted by a judge designated by the Chief Judge. (*See* S.R., 1944, No. 149.) The Women's Employment Regulations continued to operate until 1949, when, by a judgment of the High Court, such continuation was declared invalid.

A brief account of the functions allotted to and of the principles followed by the Women's Employment Board and a summary of its activities may be found in Labour Report No. 36, pages 84–6.

(ii) *Judgment by Commonwealth Court of Conciliation and Arbitration*, 1943.—On 24th March, 1943, a case involving determination of general principles as to rates of wage of female employees not within the jurisdiction of the Women's Employment Board was remitted to the Commonwealth Court of Conciliation and Arbitration by the Minister for Labour and National Service under Regulation 9 of the National Security (Industrial Peace) Regulations, particularly as affecting female workers at Government small arms ammunition factories. The rates in these cases were considered by their trade union to be anomalous compared with those awarded by the Women's Employment Board to certain other women employed in those factories. The Court, in its judgment dated 17th June, 1943,* rejected the contentions of the union (The Arms, Explosives and Munition Workers Federation of Australia) and enunciated in full the principles followed by the Court in determining female rates of wage within its jurisdiction.

In order to place the matter in perspective in its relation to the basic wage for males, the Court traced the history of the principles on which the basic wage for males was determined from its original declaration by Mr. Justice Higgins in his " Harvester " judgment of 1907 (*see* page 37).

The Court then pointed out that, since 1930, the adequacy of the wage to meet the normal and reasonable needs of a family of husband, wife and at least one child had not been questioned. The Court stated that, until a proper investigation demonstrated the contrary to be the case, it could not but hold that the amount provided was more than sufficient to meet the normal and reasonable requirements of an unmarried worker with no dependents to support out of his earnings. And the same might be said of the living or basic wages determined by authorities functioning under State legislation as appropriate for male employees within their jurisdiction.

The Court in its judgment then set out decisions arrived at by various Commonwealth and State Courts since 1912, when the Commonwealth Court first dealt directly with the problem of women's wages. Mr. Justice Higgins dealt with the case, and stated " I fixed the minimum in 1907 of 7s. per day by finding the sum which would meet the normal needs of an average employee, one of his normal needs being the need for domestic life. If he has a wife and children, he is under an obligation—even a legal obligation—to maintain them. How is such a minimum applicable to the case of a woman . . . . . ? She is not, unless perhaps in very exceptional circumstance, under any such obligation. The minimum cannot be based on exceptional cases."

In respect of the " minimum rate " enjoined by the Commonwealth Arbitration Act, he held that " Nothing is clearer than that the ' minimum rate ' referred to in section 40 means the minimum rate for a class of workers, those who do work of a certain character. If blacksmiths are the class of workers, the minimum rate must be such as recognizes that blacksmiths are usually men.

* *Commonwealth Arbitration Reports*, Vol. 50, p. 191.

If fruit-pickers are the class of workers, the minimum rate must be such as recognizes that, up to the present at least, most of the pickers are men (although women have been usually paid less), and that men and women are fairly in competition as to that class of work. If milliners are the class of workers, the minimum rate must, I think, be such as recognizes that all or nearly all milliners are women, and that men are not usually in competition with them."*

The Court stated that the general rule adopted and followed by the Australian industrial authorities in the assessment of wages for adult women workers, engaged upon work suitable for women in which they could not fairly be said to be in competition with men for employment, had been and still was to fix a foundational amount, calculated with reference to the needs of a single woman who had to pay for her board and lodging, had to maintain herself out of her earnings, but had no dependants to support; and to add thereto appropriate marginal amounts in recognition of the particular skill or experience of the particular workers in question or as compensation for the particular conditions which they encountered in their occupations.

However, the foundational wage was in principle and justice different from that assessed for male workers. The Court said " the man's basic wage is more than sufficient for his personal needs; it purports to provide him with enough to support some family. The woman's, on the other hand, purports to be enough for her to maintain herself only. No allowance is made for the support of any dependants. The man's wage has been measured by this Court with reference to the dominating factor of the productive capacity of industry to sustain it and with due regard consequently to what its application in industry will mean, to the marginal structure which rises above it, and to the consequent wages which will in accordance with established rules and practice be paid to women and to minors."†

In the course of the hearing the Chief Judge drew attention to the necessity which would occur, if women's rates were to be assessed on the basis that relative efficiency and productivity (as between men and women) were to constitute the dominant factor, for a review of the principles in accordance with which the basic wage has been determined.

" It is desirable that we should indicate as clearly as possible the effect of the conclusions to which the review of the principles of wage assessment we have made has led us. It is that, so long as the foundational or basic wage for women is assessed according to a standard different from that which is the basis of the foundational or basic wage—a family wage—for men, the Court will not, in the exercise of its function of adjudicating between opposing interests, raise the general level of women's minimum wages in occupations suitable for women, and in which they do not encounter considerable competition from men, according to a comparison of their efficiency and productivity with the efficiency and productivity of men doing substantially similar work. To do so would at once depress the relative standard of living of the family as a group, and of its individual members, as compared with that of the typical single woman wage-earner."†

(iii) *Further Judgments.*—In December, 1943,‡ Drake-Brockman *J.*, in dealing with women employees in the Clothing (Dressmaking and Tailoring Sections) and Rubber industries, awarded for the duration of the war and for six months thereafter as a " flat rate " for the industry 75 per cent. of the " needs" basic wage, plus the " prosperity " and " industry " loadings ordinarily applicable. The reason for this action was to overcome the exceptionally heavy

* *Commonwealth Arbitration Reports*, Vol. 6, p. 72. † 50 *C.A.R.*, p. 213. ‡ 51 *C.A.R.*, pp. 632 and 648.

wastage of the employees in the industry which had occurred during the previous three years and to attract women to the industry and thereafter to retain them for some reasonable period of time after they had been trained.

In July, 1944, the National Security (Female Minimum Wage) Regulations extended the discretion of the Commonwealth Court of Conciliation and Arbitration in fixing female minimum wage rates in "vital" industries in war-time as briefly described on page 53.

The Commonwealth Conciliation and Arbitration Act 1947 (*see* Labour Report No. 37, page 50) provided amongst other things that "a Conciliation Commissioner shall not be empowered to make an order or award altering . . . . . (*d*) the minimum rate of remuneration for adult females in an industry." As the result of doubts which arose as to the powers of the Commissioners to "fix" a basic wage, the matter came before the Full Court of the Commonwealth Court of Conciliation and Arbitration for clarification at the instance of several trade unions. Judgment was delivered on 27th July, 1948, and it was held that Conciliation Commissioners had jurisdiction to fix the female rates in question under the provisions of the Act, but it was also held that the provision referred only to the basic element in any prescribed female rates. Where, however, such a prescribed rate did not specifically fix or disclose the basic wage element, the appropriate Conciliation Commissioner had to fix the rate, and when such rate had been fixed its alteration became a matter for the Court. In view of the fact that there were fifteen Commissioners whose views might differ as to the element of the rates of pay of adult females which could be ascribed to an adult female basic wage analogous to the basic wage for adult males, the Government in December, 1948 passed an Act (No. 77 of 1948) further amending the above-mentioned Act to authorize the Court—and the Court alone—to fix the basic rate by providing that "a Conciliation Commissioner shall not be empowered to make an order or award . . . . (*d*) determining or altering the minimum rate of remuneration for adult females in an industry."

A further amending Act (No. 86 of 1949) empowered the Court to determine or alter a "basic wage for adult females" which was defined as "that wage, or that part of a wage, which is just and reasonable for an adult female, without regard to any circumstance pertaining to the work upon which, or the industry in which, she is employed."

At the end of the 1949–50 Basic Wage Inquiry (*see* page 41), the Commonwealth Court of Conciliation and Arbitration by a majority decision fixed a new basic weekly wage for adult females at 75 per cent. of the corresponding male rate, operative from the beginning of the first pay-period commencing in December, 1950.

In the 1952–53 Basic Wage and Standard Hours Inquiry the employers claimed a reduction in the proportion the female basic wage bore to the male basic wage from 75 to 60 per cent., on the grounds that the existing ratio was unjust and unreasonable having regard to the principles of male basic wage fixation and that it constituted an additional burden on employers at a time when the economy was adversely affected by the level of wage costs. The Court decided that there was no basis for a review of the existing ratio and ordered that the female basic wage should remain at 75 per cent. of the male basic wage.

Further particulars regarding female basic wage rates may be found in Labour Report No. 46, pages 75–81, and earlier issues.

4. **Australian Territories.**—(i) *Australian Capital Territory.*—Prior to 1922 the lowest rate payable to an unskilled labourer was not defined as a basic

wage, as all wages were paid under the authority of the Federal Capital Commission as a lump sum for the particular occupation in which the worker was employed, but in 1922 an Industrial Board commenced to operate under a local Ordinance (*see* page 17). A summary of the decisions made by the Industrial Board during its period of operation was given in earlier issues of the Labour Report (*see* No. 40, page 89).

By an amending Ordinance, No. 4 of 1949, the Industrial Board was abolished and its functions were transferred to the Commonwealth Court of Conciliation and Arbitration, which assigned a Conciliation Commissioner to the Australian Capital Territory. It was provided, however, that all orders and agreements in existence should continue to operate subject to later orders, awards and determinations made by the Court.

An amendment to the Commonwealth Conciliation and Arbitration Act, operative from 30th June, 1956, transferred the respective functions of the Commonwealth Conciliation and Arbitration Court to the Commonwealth Conciliation and Arbitration Commission and the Commonwealth Industrial Court. The Conciliation Commissioner mentioned above, under the amended legislation, became the Commissioner for the Australian Capital Territory.

In reviewing the Australian Capital Territory awards following its decision of 12th October, 1950, the Commonwealth Court of Conciliation and Arbitration fixed the Canberra basic wage at £8 5s. a week for adult males, operative from the beginning of the first pay-period commencing in December, 1950.* This amount was the "needs" basic wage as expressed by the Court's Second Series index number for Canberra for the September quarter, 1950, with the prescribed addition of £1 5s. The new rate represented an increase of 13s. 6d. a week over that previously payable.

Until August, 1953, the basic wage for the Australian Capital Territory was varied each quarter in accordance with movements in the "C" Series retail price index numbers. However, following a decision of the Commonwealth Court of Conciliation and Arbitration to delete automatic adjustment clauses from its awards, etc. (*see* page 42), the basic wage for the Australian Capital Territory remained unchanged from August, 1953 until June, 1956, when an increase of 10s. became payable for adult males. Since then, the uniform increases made to the basic wage by the Court and the Conciliation and Arbitration Commission have applied, and the basic wages for the Australian Capital Territory, under awards of the Commonwealth Conciliation and Arbitration Commission, payable as from the first pay-period on or after 11th June, 1959, were £13 18s. for adult males and £10 8s. 6d. for adult females.

(ii) *Northern Territory.*—The determination of the basic wage for this Territory comes within the jurisdiction of the Commonwealth Conciliation and Arbitration Commission.

There are, in fact, two basic wages operating—(*a*) in respect of areas north of the 20th parallel of south latitude, and generally referred to as the "Darwin" rate, and (*b*) in respect of areas south of that parallel. These are calculated on different bases as set out in the following paragraphs.

(*a*) *The Darwin Basic Wage.*—This wage was first determined by the Court in 1915† when the Deputy President (Powers *J.*) awarded a rate of £3 17s. a week, or 1s. 9d. an hour, for an unskilled labourer, which included a weekly allowance of 4s. for lost time.

The basic wage level again came under consideration when the wage for carpenters and joiners was reviewed by Mr. Justice Powers in 1916–17.‡ The Judge referred to an agreement dated 2nd June, 1916, between the Amalgamated Carpenters and Joiners and the Northern Agency (formerly Vestey Brothers),

* *Commonwealth Arbitration Reports*, Vol. 69, p. 486. † 9 *C.A.R.*, p. 1. ‡ 11 *C.A.R.*, p. 51.

which provided for rates based on a budget of the estimated living requirements of a family consisting of a man, wife and two dependent children, amounting to £3 11s. 1d. a week. However, as the amount awarded (2s. 4d. an hour) for carpenters was over £5 a week, the Judge felt that a fair living wage was fully assured. His Honor stated that he did not find anything to cause him to alter the judgment given on 15th March, 1915, when he prescribed a wage of 1s. 9d. an hour.

Until 1924 the practice of the Court was to fix the basic wage in accordance with the principles laid down in 1916, and in connexion with an application in 1924 concerning the rate for employees of the Commonwealth Railways, when the wage for these workers stood at £5 4s. 6d., the Judge (Powers *J.*) refused to alter the wage. He stated that he had in mind the amount of £4 12s., to which he would have felt justified in adding £1 to compensate for the many disadvantages caused by isolation, especially the loss of or extra expense of the proper education of the children. He considered, therefore, that the wage of £5 4s. 6d. then payable contained a special allowance on such account, and that the question of such special allowances was a matter for employers and and employees to settle between themselves.*

In 1927† Judge Beeby also referred to the regimen of 1916, and implied that since then it had formed the foundation of the basic wages fixed by the Court, and that the sufficiency of the regimen, except as to rent and one or two minor omissions, had never been questioned. On this occasion he fixed the basic wage at £5 10s. a week, or 2s. 6d. an hour, including £1 a week district allowance which was suggested by Mr. Justice Powers in his 1924 award as being a reasonable amount.

As there was no adjustment clause in operation in Territory awards, the basic wage of £5 10s. a week remained in operation until 1934 (except for the reduction by the Financial Emergency Act 1931 to £4 16s. 3d.).

In 1934‡ the Full Court for the first time considered the basic wage. The Court brought the regimen of the 1916 agreement up to date, altered the rent figure from 45s. to 65s. a month, and arrived at the amount of £4 10s. 9d. a week. This was £1 4s. 9d. above the Court's " needs " basic wage recently declared for the six capital cities, the Court regarding the difference as representing the extra amount required to purchase the same standard of living as in the six capital cities, with nothing by way of compensation allowance. Automatic adjustment provisions first introduced into the awards by this judgment were effected by inserting an appropriate adjustment scale based on the equation of £4 10s. 9d. to the Food and Groceries retail price index number (Special) 1,184 for Darwin for the month of August, 1934.

In 1938§ the Court granted a " loading " of 3s. a week on the wage because the Commonwealth Government had extended to the Territory its general civil service increase of £8 a year.

In 1939 an additional amount was added to the basic wage as a special loading to offset the increase in the cost of living not reflected by the index numbers. The loading was 16s. 3d. for employees on works and 10s. for railway employees.‖ In February, 1940, before an automatic adjustment increase of 2s. became payable, the Court suspended the adjustment clause pending further inquiry.¶

In 1941** the Full Court again reviewed the basic wage and, after a full investigation of its past history, awarded £5 12s. 9d., made up of (*a*) £4 10s. 9d.

* *Commonwealth Arbitration Reports*, Vol. 20, p. 737. † 25 *C.A.R.*, p. 898. ‡ 33 *C.A.R.*, p. 944. § 39 *C.A.R.*, p. 501. ‖ 40 *C.A.R.*, p. 323 and 41 *C.A.R.*, p. 269. ¶ 42 *C.A.R.*, p. 164. ** 44 *C.A.R.*, p. 253.

awarded in 1934; (*b*) 4s. in respect of accrued adjustments since 1939; (*c*) 5s. additional allowance for rent; and (*d*) two constant (unadjustable) " loadings " of 3s. and 10s. a week. The Court also restored the adjustment clause by equating £4 15s. 9d. of the foregoing amounts (£4 10s. 9d. plus 5s. rent) to the base index 1,184 of the former adjustment scale (based solely on the Food and Groceries price index number). This, however, never became effective, because it was superseded early in 1942 by the Blakeley Orders referred to below. The two " loadings " were not made adjustable. All other " loadings " mentioned above were dropped.

The basis of adjustment was altered by A. Blakeley, *C.C.*, by Orders dated 29th January, 1942,* owing to the urgent necessity to provide, over the period of the war, for adjustments in respect of rent, clothing and other miscellaneous items of domestic expenditure which, with the exception of rent, had already increased considerably in price throughout Australia, and threatened to increase further as the war continued. Adjustment by means of the Food and Groceries Index only was therefore no longer doing justice to the workers of the Territory, since the workers elsewhere in Australia were enjoying the benefit derived from the adjustment of their wages by means of the more comprehensive " C " Series retail price index.

As there was no " C " Series retail price index for the Territory, nor was it possible to compile one on the basis of prices in Darwin, the only alternative was to create a " composite " index with the help of prices for these additional items from some other town of somewhat similar living conditions. The town selected as being most suitable for this purpose was Townsville, and the " composite " index was therefore computed on the basis of food and groceries prices in Darwin, combined with Townsville prices for rent, clothing and other miscellaneous items of domestic expenditure mentioned above, the index being designated " The Darwin Special ' All Items ' Index ".

Taking the December quarter, 1940, as a suitable period upon which adjustments should be based, for which quarter the Special " All Items " index number was 1,036, the Court's basic wage of £4 19s. 9d. (including 4s. for accrued adjustments) declared in its judgment of 7th April, 1941† was related (not " equated ") to the index number division (1031–1043) containing index number 1,036 of the " C " Series adjustment scale formerly used by the Court in its awards (Base: 1923–27 = 1,000 = 81s.), thus giving workers in the Territory the same basis of adjustment as that operating in respect of all workers throughout Australia coming within the jurisdiction of the Court. It should be noted in this connexion that the Court's " needs " equivalent of index number 1,036 was 84s., so that 15s. 9d. of the Darwin wage was left " unadjustable ". The rate payable from 1st February, 1942 (when the new basis first became operative), on the basis of index number 1,099 for the December, quarter, 1941, was therefore £5 17s. 9d., inclusive of 5s. by adjustments under the scale since the December quarter, 1940 (1,036), and the two unadjustable " loadings " of 3s. and 10s. granted by the Court's judgment of 7th April, 1941.

Following the bombing of Darwin on 19th February, 1942, and on subsequent occasions, it was no longer possible to obtain even food and groceries prices in Darwin, and a system was introduced by which food and grocery prices in the Special Index for Darwin were varied in accordance with fluctuations in food and grocery prices in Alice Springs and Tennant Creek.‡

On an application by the unions for the addition to the basic wage in the Territory of the amount of 7s. a week added by the Court elsewhere in

* *Commonwealth Arbitration Reports*, Vol. 46, p. 411. † 44 *C.A.R.*, p. 253. ‡ 48 *C.A.R.*, p. 20.

Australia by its " Interim " Basic Wage Judgment of 13th December, 1946 (*see* page 40), the Full Court, on 13th March, 1947, decided to postpone the matter pending a general review of the basic wage in the Territory, although the Court granted the amount in the case of areas south of the 20th parallel of south latitude (*see* below). This further review was opened in Darwin with preliminary evidence taken by J. H. Portus, *C.C.*, on 16th February, 1948, and ultimately dealt with by the Full Court in Adelaide on 20th May, 1948. The Court made an " interim " judgment, pending the hearing and finalization of the 1949–50 basic wage inquiry (*see* page 41), granting the current equivalent of the 7s. referred to above, namely, 8s. In the judgment the Court adopted as from the March quarter, 1948, the new Darwin Special " All Items " Index (containing the restored prices of food and groceries for Darwin proper, plus Townsville prices for rent, clothing and miscellaneous items), namely, 1,283, and transferred the basis of adjustment from the existing automatic adjustment scale (" C " Series) on 1,000 = 81s. a week to the new scale on 1,000 = 87s. a week—in conformity with the " Court " Index (2nd Series). The new basic wage was to come into operation from the beginning of the first pay-period commencing after 20th May, 1948. The resultant total basic wage payable was therefore £7 0s. 9d., made up of £5 12s. (the " needs " equivalent of index number 1,283 mentioned above), the " unadjustable " amount of 15s. 9d. (*see* page 59) and the loading of 3s. and 10s.

Consequent upon the decision of the Commonwealth Court of Conciliation and Arbitration in the 1949–50 Basic Wage Inquiry, an " interim " increase of £1 2s. a week was authorized pending a special inquiry into the fixation of a new basic wage for the Northern Territory.* As a result of the latter inquiry the Court announced, on 19th November, 1951, that it would make an order based upon the consent and agreement of the parties for a basic wage in the Northern Territory of £10 10s. a week. The new rates were operative from the beginning of the first pay-period commencing in November, 1951. The Darwin Special " All Items " index (*see* above) was retained as the basis for subsequent quarterly adjustments but with the index number of 1824 equated to 200s. a week. Subsequently, by decisions of the Conciliation Commissioner, a special loading of 10s. a week, operative from the same date as the new basic wage, was added to the wage rates in the Commonwealth Railways (Northern Territory) Award and that part of the Commonwealth Works and Services (Northern Territory) Award applicable north of the 20th parallel of south latitude. Similar loadings have since been included in a number of other awards.

Prior to the suspension, in September, 1953, of automatic quarterly adjustments by the Commonwealth Court of Conciliation and Arbitration, the basic wage for this area was varied in accordance with movements in the " C " Series retail price index numbers. Since then, the uniform increases made to the basic wage by the Court and the Conciliation and Arbitration Commission have applied, and the basic wages payable as from the first pay-period commencing on or after 11th June, 1959 were £14 15s. for adult males and £11 1s. for adult females.

(*b*) *Northern Territory* (*South of the 20th parallel of South Latitude*).—There are two main groups of employees in this area of the Northern Territory, namely, employees of the Commonwealth Railways and employees of the Department of Works (formerly the Works and Services Branch of the Department of the Interior).

* *Commonwealth Arbitration Reports*, Vol. 69, p. 836.

Prior to 1937, all employees of Commonwealth Railways, except clerks, were covered by awards of the Commonwealth Court of Conciliation and Arbitration, but since that year rates of pay for certain occupations have been prescribed by determinations of the Commonwealth Public Service Arbitrator. It has been the practice of the Court and the Public Service Arbitrator to fix a common base rate for Commonwealth Railways employees (the main centre being Port Augusta) and to provide, by means of " district allowances ", additional rates to employees in isolated areas.

Prior to 3rd February, 1935, Commonwealth employees (other than Commonwealth Railways employees) engaged in the Northern Territory south of the 20th parallel of south latitude were paid the Darwin basic wage. The Full Court, in a judgment issued on 13th November, 1934,* fixed a rate of £4 a week for Works and Services employees, which included an amount of 7s. a week to cover the cost of freight on goods purchased from the Railway Stores at Port Augusta. This rate compared with £4 10s. 9d. being paid in areas north of the 20th parallel, and with £3 5s. in Adelaide.

Provision was also made for the adjustment of this wage to be made in the manner provided by the Court for railway employees at Alice Springs, namely, on the basis of the Court's "C" Series adjustment scale in accordance with the variations of the " Special " index number for Port Augusta (inclusive of Railway Stores prices for groceries and dairy produce). Although no base index number was mentioned, it can be taken that the base index number division of the scale (809–820 = 66s.) was the starting point of the variations and was related to a total basic wage of £4, as this division contained " C " Series index number 819 (Special) for the September quarter, 1934—from which it will also be observed that only 66s. of the total wage was actually adjustable.

The 3s. a week " loading " granted by the Court in 1938 (*see* page 58) applied to employees located south of the 20th parallel of south latitude as well as to those engaged north thereof.

At a hearing on 12th and 13th March, 1947, the Full Court granted to workers in this area the amount of 7s. a week consequent upon its " Interim " Basic Wage Judgment of 13th December, 1946, as an addition to the " adjustable " part of the basic wage applicable. The questions raised as to a general review of the basic wage in the Territory as a whole were postponed pending the hearing and finalization of the 1949–50 Basic Wage Inquiry (*see* page 41).

By an Order of 11th October, 1949, the Full Court amended the existing award to provide for the adjustment to date and thereafter (by means of the " C " Series Automatic Adjustment Scale) of the 7s. a week " excess " over the contemporaneous " needs " rate granted by the Full Court on 13th November, 1934 (*see* above). The relevant " Special " " C " Series index number for the latter period (as indicated above) was 819, equivalent to a " needs " wage of £3 6s. a week, and the above adjustment was effected by an additional column to the scale, calculated on the basis of raising the weekly " needs " equivalents by the ratio of 73s. to 66s., or by multiplying the successive weekly " needs " rates by the factor 1.10606. Thus, the base rate of the scale 1000 = 87s. became 96s.

The Order came into operation from the first Sunday in December, 1949, with the index number for the September quarter, 1949 as the starting point. The " needs " rate for this was £6 1s., which by the above formula became

* *Commonwealth Arbitration Reports*, Vol. 33, p. 947.

£6 14s., and to this were added the loadings previously payable of 7s. for "Freight Costs" and 3s. for "Prosperity" loading, making a total basic wage of £7 4s., representing an increase of 6s. a week over the basic wage calculated on the former basis.

Consequent upon the decision of the Commonwealth Court of Conciliation and Arbitration in the 1949-50 Basic Wage Inquiry (*see* page 41), an "interim" increase of £1 2s. a week was authorized, pending a special inquiry into the fixation of a new basic wage for the Northern Territory. As a result of the latter inquiry the Court announced, on 19th November, 1951, that it would make an order based upon the consent and agreement of the parties for a basic wage in the Northern Territory of £10 10s. a week. The new rates were operative from the beginning of the first pay-period commencing in November, 1951. The Port Augusta Special "All Items" Index (*see* p. 61) was retained as the basis for subsequent quarterly adjustments but with the index number of 1757 equated to 194s. a week. Subsequently, by decisions of the Conciliation Commissioner, a special loading of 7s. a week, operative from the same date as the new basic wage, was added to the wage rates in the Commonwealth Works and Services (Northern Territory) Award applicable south of the 20th parallel of south latitude. Similar loadings have since been included in a number of other awards.

Prior to the suspension, in September, 1953, of automatic quarterly adjustments by the Commonwealth Court of Conciliation and Arbitration, the basic wage for this area was varied in accordance with movements in the "C" Series retail price index numbers. Since then, the uniform increases made to the basic wage by the Court and the Conciliation and Arbitration Commission have applied, and the basic wages payable as from the first pay-period commencing on or after 11th June, 1959 were £14 2s. for adult males and £10 11s. 6d. for adult females.

5. **State Basic Wages.**—(i) *New South Wales.*—The first determination under the New South Wales Industrial Arbitration Act of a standard "living" wage for adult male employees was made on 16th February, 1914, when the Court of Industrial Arbitration fixed the "living" wage at £2 8s. a week for adult male employees in the metropolitan area. A Board of Trade established in 1918, with power to determine the living wage for adult male and female employees in the State, made numerous declarations during the period 1918 to 1925, but ceased to function after the Industrial Arbitration (Amendment) Act, 1926 transferred its powers, as from 15th April, 1926, to the Industrial Commission of New South Wales. The Industrial Arbitration (Amendment) Act, 1927 altered the constitution of the Industrial Commission from a single Commissioner to one consisting of three members. Act No. 14 of 1936, however, provided for the appointment of four members and Act No. 36 of 1938 for the appointment of not less than five and not more than six members. The Commission was directed, *inter alia*, "not more frequently than once in every six months to determine a standard of living and to declare . . . the living wage based upon such standard for adult male and female employees in the State." The Industrial Arbitration (Amendment) Act, 1932 directed the Commission within twenty-eight days from the end of the months of March and September to adjust the living wages so declared to accord with the increased or decreased cost of maintaining the determined standard. The first declaration of the Commission was made on 15th December, 1926, when the rate for adult males was fixed at £4 4s. a week, the same rate as that previously declared by the Board of Trade. The adult male rate was determined on the family unit of a man, wife and two children from 1914 to 1925; a man

and wife only in 1927, with family allowances for dependent children; and a man, wife, and one child in 1929, with family allowances for other dependent children. However, with the adoption in 1937 of the Commonwealth basic wage (*see* below), the identification of a specified family unit with the basic wage disappeared.

Employees in rural industries are not covered by the rates shown in the following table; a living wage for rural workers of £3 6s. a week was in force for twelve months from October, 1921 and a rate of £4 4s. operated from June, 1927 to December, 1929, when the power of industrial tribunals to fix a living wage for rural workers was withdrawn. This power was restored by an amendment to the Industrial Arbitration Act made in June, 1951.

The variations in the living wage determined by the industrial tribunals of New South Wales are shown below:—

BASIC WAGE DECLARATIONS IN NEW SOUTH WALES.

(*State Jurisdiction.*)

Male.		Female.	
Date of Declaration.	Basic Wage per Week.	Date of Declaration.	Basic Wage per Week.
	£ s. d.		£ s. d.
16th February, 1914 ..	2 8 0	..	..
17th December, 1915 ..	2 12 6	..	..
18th August, 1916 ..	2 15 6	..	..
5th September, 1918 ..	3 0 0	17th December, 1918 ..	1 10 0
8th October, 1919 ..	3 17 0	23rd December, 1919 ..	1 19 0
8th October, 1920 ..	4 5 0	23rd December, 1920 ..	2 3 0
8th October, 1921 ..	4 2 0	22nd December, 1921 ..	2 1 0
12th May, 1922	3 18 0	9th October, 1922 ..	1 19 6
10th April, 1923	3 19 0		2 0 0
7th September, 1923 ..	4 2 0		2 1 6
24th August, 1925 ..	4 4 0		2 2 6
27th June, 1927	4 5 0		2 6 0
20th December, 1929 ..	4 2 6		2 4 6
26th August, 1932 ..	3 10 0		1 18 0
11th April, 1933	3 8 6	(*a*)	1 17 0
20th October, 1933 ..	3 6 6		1 16 0
26th April, 1934	3 7 6		1 16 6
18th April, 1935	3 8 6		1 17 0
24th April, 1936	3 9 0		(*b*)1 17 6
27th October, 1936 ..	3 10 0		1 18 0
27th April, 1937	3 11 6(*c*)		1 18 6

(*a*) From 1923 dates of declaration were the same as those for male rates. (*b*) Rate declared, £1 15s. 6d., *but law amended to provide a rate for females at 54 per cent. of that for males.* (*c*) From October, 1937 until November, 1955, when automatic quarterly adjustment was reintroduced in New South Wales, the rates followed those declared for that State by the Commonwealth Court of Conciliation and Arbitration.

Following on the judgment of the Commonwealth Court of Conciliation and Arbitration of 23rd June, 1937 (*see* page 39), the Government of New South Wales decided to bring the State basic wage into line with the Commonwealth rates ruling in the State, and secured an amendment of the Industrial Arbitration Act (No. 9 of 1937) to give effect thereto. The Act came into operation from the commencement of the first pay-period in October, 1937. The general principles laid down by the Commonwealth Court were followed as closely as practicable and provision was made for the automatic adjustment of wages in conformity with variations of retail prices as shown by the Commonwealth Court's " All Items " retail price index numbers. The Commonwealth

Court's principle of treating the " Prosperity " loadings as a separate and non-adjustable part of the total basic wage was adopted. The rates for country towns were, with certain exceptions, fixed at 3s. a week below the metropolitan rate; and Crown employees, as defined, received a " Prosperity " loading of 5s. a week, as against the 6s. laid down for employees in outside industry. The basic rate for adult females was fixed at 54 per cent. of the adult male rate, to the nearest sixpence. The provisions of the main Acts for the periodic declaration of the living wage by the Industrial Commission were repealed, but the amending Act placed on the Commission the responsibility of altering all awards and agreements in conformity with the intentions of the new Act; of defining boundaries within which the various rates are to operate;* and of specifying the appropriate " Court " Series retail price index numbers to which they are to be related.

An amendment to the Industrial Arbitration Act, assented to on 23rd November, 1950, empowered the Industrial Commission to vary the terms of awards and industrial agreements affecting male rates of pay, to the extent to which the Commission thought fit, to give effect to the alteration in the basic wage for adult males made by the judgment of the Commonwealth Court of Conciliation and Arbitration of 12th October, 1950. In the case of female rates of pay the Commission was empowered to review the terms of awards and industrial agreements and to vary such terms as in the circumstances the Commission decided proper, but no variation was to fix rates of pay for female employees lower than the Commonwealth basic wage for adult females.

To facilitate the work of the Commission, awards were divided into separate classes, and orders were issued regarding the variations to be made to those in each class. The rates for adult males were increased by the same amounts as for the corresponding Commonwealth rates, with special provision to cover the cases of apprentices, casual workers and employees on piecework. In deciding the variation for female employees the Commission prescribed an increase in the total wage rate (i.e., basic wage plus marginal rate) of £1 4s. 6d. a week, subject to the statutory provision (incorporated in the amendment of 23rd November) that the minimum total rate was to be not less than the basic wage for adult females prescribed in Commonwealth awards, that is, at least 75 per cent. of the corresponding male basic wage rate.

In the judgment delivered on 9th March, 1951, giving reasons for its decision on female rates, the Commission decided that the basic wage for adult females prescribed by the Commonwealth Court in reality included a portion " due to secondary considerations," and could not be considered a " reasonable and proper basic wage for the assessment of rates of female employees under the Industrial Arbitration Act ".

In discussing the composition of the amount of £6 3s. 6d. which the Commonwealth Court, in its judgment of October, 1950, had prescribed as the basic wage for adult females in Sydney, the Commission stated:—

> " After giving the matter fullest consideration, we think in the circumstances it is reasonable to allocate £1 of the said sum of £6 3s. 6d. to secondary considerations and to regard the amount of £1 4s. 6d. as an addition proper to be made to the pre-existing basic wage in New South Wales of £3 19s. The total, £5 3s. 6d., becomes therefore the true female basic wage for Sydney under the State Act ".†

As a consequence of the overriding statutory requirement that no rate for adult females in State awards shall fall below the Commonwealth basic

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* *New South Wales Industrial Gazette*, Vol. 52, pp. 783–4. † *New South Wales Arbitration Reports*, 1951, p. 16.

wage for adult females, the amount of the quarterly adjustments to the female basic wage for changes in the "Court" Series index numbers was the same in Commonwealth and State awards.

By an amendment to the Industrial Arbitration Act in June, 1951, the differentiation in the basic wage rates in different districts and for employees under Crown awards was eliminated as a general rule, making the basic wage throughout most of the State equal to that paid in Sydney, the main exception being the Broken Hill district, where a different basic rate still prevails.

The decision of the Commonwealth Court of Conciliation and Arbitration in September, 1953 to discontinue the system of automatic adjustment of the basic wage consequent on changes in the "Court" Series retail price index numbers was considered by the New South Wales Industrial Commission. On 23rd October, 1953 the Commission certified that there had been an alteration in the principles upon which the Commonwealth basic wage was computed and ordered the deletion of the automatic adjustment clauses from awards and agreements within its jurisdiction.* In October, 1955, however, the New South Wales Government passed the Industrial Arbitration (Basic Wage) Amendment Act, which required the Registrar of the Industrial Commission to restore, to all awards and agreements within its jurisdiction, quarterly adjustments of the basic wage consequent on variations in retail price index numbers. Subsequently the basic wage was adjusted as from the beginning of the first pay-period commencing in November, 1955, when the rates for the State, excluding Broken Hill, became £12 13s. for adult males and £9 9s. 6d. for adult females.

The new rate of £12 13s. a week for adult males was an increase of 10s. on the rate previously payable from August, 1953 and represented the full increase in the basic wage adjusted in accordance with movements in the "C" Series retail price index numbers between the June quarter, 1953 and the September quarter, 1955.

The movement in the "C" Series retail price index numbers in respect of the September quarter, 1956 was materially affected by the abnormal price movements in potatoes and onions brought about by a diminution in supplies of these items in most States of Australia.

In order to assist public understanding of the trends in retail prices within the definition of the respective indexes, the Commonwealth Statistician, in the statistical bulletin *The "C" Series Retail Price Index, September Quarter, 1956* showed two sets of index numbers, namely, "Aggregate All Groups" and "All Groups *excluding* price movements of potatoes and onions".

The Industrial Registrar of the Industrial Commission of New South Wales, in accordance with section 61M(2) of the Industrial Arbitration Act, varied awards, etc., under the jurisdiction of that tribunal to incorporate an adjustment of 11s. a week in the basic wage as from the first pay-period in November, 1956. This basic wage adjustment was based on the "C" Series retail price index number "Aggregate All Groups" in respect of Sydney for the September quarter, 1956.

The Metal Trades Employers' Association and others appealed to the Industrial Commission of New South Wales against the decision of the Registrar and contended that the basic wage adjustment operative from the first pay-period in November, 1956 should be determined by using the Commonwealth Statistician's retail price index number "All Groups *excluding* price movements of potatoes and onions" for the September quarter, 1956.

* *New South Wales Industrial Gazette*, Vol. 111, p. 128.

The Industrial Commission, in its judgment of 5th November, 1956, dismissed the appeal and supported the decision of the Registrar to make quarterly adjustments to the basic wage by the application of the " C " Series Index on its customary basis.

Automatic adjustments based on the " C " Series retail price index numbers for Sydney have been made for each subsequent quarter. The rates payable in Sydney as from the first pay-period in November, 1959 were £13 19s. a week for adult males and £10 9s. for adult females.

The Industrial Arbitration Act was amended by the Industrial Arbitration (Female Rates) Amendment Act (No. 42, 1958) which became operative on 1st January, 1959.

The Act defined the existing basic wage for adult females as being 75 per cent. of the male basic wage, notwithstanding anything contained in the 1950 judgment of the Industrial Commission of New South Wales (*see* page 64), and the Commission shall, upon application, or may, of its own motion, vary existing awards or industrial agreements to give effect to this definition. Such a variation is not to prescribe a wage rate less than the sum of the newly defined basic wage plus the marginal or secondary amounts applicable immediately prior to this variation, or more than the wage payable to adult males performing similar work.

Upon application the Commission or a Conciliation Committee shall include in awards and industrial agreements provision for equal pay between the sexes. Where the Commission or Committee is satisfied that male and female employees are performing work of the same or a like nature and of equal value, they shall prescribe the same marginal or secondary rates of wage. The basic wage for these adult females was prescribed as 80 per cent. of the appropriate basic wage for adult males as from 1st January, 1959. Thereafter, the basic wage was to be increased annually by 5 per cent., so that on 1st January, 1963 it will be the same as that for adult males. The provisions for equal pay do not apply to persons engaged on work essentially or usually performed by females, but upon which males may also be employed.

(ii) *Victoria.*—There is no provision in Victorian industrial legislation for the declaration of a State basic wage. Wages Boards constituted from representatives of employers and employees and an independent chairman, for each industry group or calling, determine the minimum rate of wage to be paid in that industry or calling. In general, these Boards have adopted a basic wage in determining the rate of wage to be paid.

By an amendment to the Factories and Shops Act in 1934, Wages Boards were given discretionary power to include in their determinations appropriate provisions of relevant Commonwealth awards. A further amendment to this Act in 1937 made it compulsory for Wages Boards to adopt such provisions of Commonwealth awards. This amending Act also gave Wages Boards power to adjust wage rates " with the variation from time to time of the cost of living as indicated by such retail price index numbers published by the Commonwealth Statistician as the Wages Board considers appropriate ". The Wages Boards thus adopted the basic wages declared by the Commonwealth Court of Conciliation and Arbitration and followed that Court's system of adjusting the basic wage in accordance with variations in retail price index numbers.

After the Commonwealth Court of Conciliation and Arbitration discontinued the system of automatic adjustment of the Commonwealth basic wage (*see* page 42), a number of Wages Boards met in September, 1953 and deleted references to these adjustments. However, an amendment to the Factories and Shops Act in November, 1953 required Wages Boards to provide for the automatic adjustment of wage rates in accordance with variations in retail price index numbers.

From 1st July, 1954 the Factories and Shops Acts 1928–1953 were replaced by the Labour and Industry Act 1953, which was, in general, a consolidation of the previous Acts and retained the requirement providing for the automatic adjustment of wages in accordance with variations in retail price index numbers.

An amendment to the Labour and Industry Act proclaimed on 17th October, 1956 deleted the automatic adjustment provision and directed Wages Boards in determining wage rates to take into consideration relevant awards of, or agreements certified by, the Commonwealth Conciliation and Arbitration Commission. The last automatic quarterly adjustment of the basic wage, based on the variation in retail price index numbers for the June quarter, 1956, became payable from the beginning of the first pay-period in August, 1956. Following the judgment of the Commonwealth Conciliation and Arbitration Commission in the 1959 Basic Wage Inquiry (*see* page 48), Wages Boards met in June and July, 1959 and varied their determinations by incorporating the new Commonwealth rates. The rates for Melbourne, which were still payable in December, 1959, were £13 15s. a week for adult males and £10 6s. for adult females.

(iii) *Queensland.*—The Industrial Conciliation and Arbitration Act of 1929 repealed the Industrial Arbitration Act of 1916 and amendments thereof, and the Basic Wage Act of 1925. The Board of Trade and Arbitration was abolished, and a Court, called the Industrial Court, was established. The Act provides that it shall be the duty of the Court to make declarations as to—(*a*) the " basic " wage, and (*b*) the maximum weekly hours to be worked in industry (called the " standard " hours). For the purposes of making any such declarations the Court shall be constituted by the Judge and two members, one of whom shall be also a member of the Queensland Prices Board.

The main provisions to be observed by the Court when determining the " basic " wage are—(*a*) the minimum wage of an adult male employee shall be not less than is sufficient to maintain a well-conducted employee of average health, strength and competence, and his wife and a family of three children in a fair and average standard of comfort, having regard to the conditions of living prevailing among employees in the calling in respect of which such minimum wage is fixed, and provided that the earnings of the children or wife of such employee shall not be taken into account; (*b*) the minimum wage of an adult female employee shall be not less than is sufficient to enable her to support herself in a fair and average standard of comfort, having regard to the nature of her duties and to the conditions of living prevailing among female employees in the calling in respect of which such minimum wage is fixed. The Court shall, in the matter of making declarations in regard to the basic wage or standard hours, take into consideration the probable economic effect of such declaration in relation to the community in general, and the probable economic effect thereof upon industry or any industry or industries concerned.

The first formal declaration of a basic wage by the Queensland Court of Industrial Arbitration was gazetted on 24th February, 1921, when the basic wage was declared at £4 5s. a week for adult males and £2 3s. for adult females. Prior to this declaration the rate of £3 17s. a week for adult males had been generally recognized by the Court in its awards as the "basic" or "living" wage. The declarations of the Industrial Court are published in the *Queensland Industrial Gazette* and the rates declared at various dates are as follows:—

BASIC WAGE DECLARATIONS IN QUEENSLAND.

(*State Jurisdiction.*)

Date of Operation.	Adult Basic Wage.						Date of Operation.	Adult Basic Wage.					
	Male.			Female.				Male.			Female.		
	£	s.	d.	£	s.	d.		£	s.	d.	£	s.	d.
1st March, 1921 ..	4	5	0	2	3	0	1st April, 1938 ..	4	1	0	2	3	0
1st March, 1922 ..	4	0	0	2	1	0	7th August, 1939 ..	4	4	0	2	5	0
28th September, 1925(*a*)	4	5	0	2	3	0	31st March, 1941 ..	4	9	0	2	8	0
1st August, 1930 ..	4	0	0	2	1	0	4th May, 1942(*b*) ..	4	11	0	2	9	6
1st December, 1930 ..	3	17	0	1	19	6	23rd December, 1946(*c*)	5	5	0	3	0	6
1st July, 1931 ..	3	14	0	1	19	0	7th December, 1950(*c*)	7	14	0	5	2	6
1st April, 1937 ..	3	18	0	2	1	0	1st February, 1954(*d*)	11	5	0	7	11	0

(*a*) Fixed by Basic Wage Act. (*b*) Quarterly adjustments provided by judgment of 21st April, 1942—*see below*. (*c*) Consequent upon basic wage increases granted by the Commonwealth Court of Conciliation and Arbitration. (*d*) Rates declared in 1954 Basic Wage Inquiry (*see* p. 69).

On 15th April, 1942 the Court declared the rates operative from 31st March, 1941 as adequately meeting the requirements of section 9 of the Industrial Conciliation and Arbitration Act of 1932, having regard to the level of the "C" Series retail price index for Brisbane for the December quarter, 1941, and decided to make a quarterly declaration of the basic wage on the basis of the variations in the "cost of living" as disclosed by the "C" Series index for Brisbane, commencing with the figures for the March quarter, 1942. This declaration was duly made by the Court on 21st April, 1942 at the rates of £4 11s. for adult males and £2 9s. 6d. for adult females. Following this judgment regular quarterly adjustments were made to the basic wage until January, 1953 (*see* below).

The Queensland Industrial Court granted increases of 7s. and 5s. to the basic wages for adult males and adult females respectively, payable from 23rd December, 1946, following the "interim" basic wage judgment of the Commonwealth Court of Conciliation and Arbitration announced earlier in December, 1946 (*see* page 40).

Following the decision of the Commonwealth Court of Conciliation and Arbitration to increase the male and female basic wages from December, 1950 (*see* page 41), the Queensland Industrial Court conducted an inquiry as to what change should be made to the State basic wage for Queensland. The Industrial Court granted an increase of 15s. a week to both adult males and adult females, thus increasing the metropolitan rates to £7 14s. a week and £5 2s. 6d. a week respectively. The increase became operative from 7th December, 1950. The basic wage payable to adult females was approximately 66 per cent. of the male rate.*

In January, 1953 the Queensland Industrial Court departed from the practice (established in 1942) of varying the basic wage in accordance with quarterly

* *Queensland Industrial Gazette*, Vol. 35, p. 1253.

variations in the "C" Series retail price index numbers for Brisbane. If the practice had been continued, a reduction of 1s. would have been made in the basic wage for adult males from January, 1953. The Court was not satisfied, however, that the movement in the "C" Series index for Brisbane for the December quarter, 1952 was a true representation or reflex of the economic position for Queensland as a whole and so declined to make any alteration to the then existing basic wage.*

Quarterly adjustments were made for the next four quarters and the basic wage became £11 5s. for adult males from 1st February, 1954.

Commencing in March, 1954 a Basic Wage Inquiry was conducted by the Court and in its judgment of 11th June, 1954 the Court stated that there would be no change in the basic wage rates declared for February, 1954.†

At subsequent hearings consequent on the movement in the "C" Series retail price index numbers for Brisbane in respect of the quarters ended 30th June, 30th September and 31st December, 1954 and 31st March, 1955 the Court again decided not to vary the existing basic wage rates. However, after considering the "C" Series index number for the quarter ended 30th June, 1955 and its relation to the index number for the March quarter, 1955 the Court announced that as these figures showed a continued upward trend of cost of living in 1955 the basic wage for adult males should be increased from £11 5s. to £11 7s. from 1st August, 1955. In this judgment the Court emphasized that it holds itself free whether or not to adjust the basic wage upwards or downwards in accordance with movement in the "C" Series retail price index number.

Subsequently, the basic wage rates were again increased by the Court, following the movement in the "C" Series retail price index number for the quarter ended 30th September, 1955 and the rates payable from 24th October, 1955 became £11 9s. for adult males and £7 14s. for adult females in the Southern Division (Eastern District).

After considering the movement in the "C" Series retail price index numbers for Brisbane, the Queensland Industrial Court in February, 1956 declined to vary the basic wage, and in April and July, 1956 granted separate increases of 4s., payable from 23rd April and 23rd July.

In announcing an increase of 4s. in the adult male basic wage for Brisbane payable from 29th October, 1956, the Court stated that due weight had always been given to variations in the "C" Series retail price index numbers in determining the basic wage. However, the Court felt that the considerable increases in the "C" Series index numbers for the September quarter, 1956, due substantially to the abnormal increases in the prices of potatoes and onions, made the index unreal as to the movement in retail prices generally. Under the circumstances, the Court decided not to increase the basic wage by the amount which would have applied if the wage had been automatically adjusted on the basis of the "C" Series retail price index numbers including potatoes and onions.

Consequent on the issue of the "C" Series retail price index numbers for the December quarter, 1956, the Court announced that there would be no change in the basic wage, as the movement in the "C" Series index numbers for Brisbane was such that if the system of automatic adjustments had applied the basic wage would have been equal to the wage declared by the Court in the previous quarter. This fact prompted the following comment by the Court in

* *Queensland Industrial Gazette*, Vol. 38, p. 137. † *Qld. I.G.*, Vol. 39, p. 355.

the basic wage declaration of January, 1957: "The existing basic wage of £12 1s. for adult males truly reflects the increase in the 'C' Series index as shown between the June quarter and the end of the December quarter".*

The Queensland Industrial Court, after examining the movement in the "C" Series retail price index numbers for the March, June and September quarters of 1957, increased the basic wage in April and July but made no change in October, 1957. On 22nd and 23rd April, 1958, the Court heard an application by combined unions for an immediate increase of £1 in the basic wage, on the grounds that a state of emergency existed with regard to the cost of living. In its judgment of 30th May, 1958, the Court stated that no emergency had been proved to exist and that there was no justification for discarding the "C" Series retail price index numbers. The application was therefore dismissed. Further increases in the basic wage were made each quarter to April, 1959, whilst no change was made in August, 1959. A further increase was made from 26th October, 1959, when, in respect of Brisbane, the rates declared were £13 7s. for adult males and £9 2s. for adult females.

In addition to the basic wage for the Southern Division (Eastern District—including Brisbane) adult males in other areas receive district allowances. As from 2nd February, 1959, the allowances have been:—Southern Division (Western District), 10s. 6d., Mackay Division, 9s., Northern Division (Eastern District), 10s. 6d.; and Northern Division (Western District), £1 12s. 6d. The allowances for adult females are half of those for adult males.†

(iv) *South Australia.*—The Industrial Code, 1920–1958 provides that the Board of Industry shall, after public inquiry as to the increase or decrease in the average cost of living, declare the "living wage" to be paid to adult male employees and to adult female employees. The Board has power also to fix different rates to be paid in different defined areas.

It is provided that the Board of Industry shall hold an inquiry for the purpose of declaring the living wage whenever a substantial change in the cost of living or any other circumstance has, in the opinion of the Board, rendered it just and expedient to review the question of the living wage, but a new determination cannot be made by the Board until the expiration of at least six months from the date of its previous determination.

The Board of Industry consists of five members, one nominated by the Minister for Industry, two nominated by the South Australian Employers' Federation as representatives of employers, and two nominated by the United Trades and Labour Council of South Australia as representatives of employees. The member nominated by the Minister is President and presides at all meetings of the Board.

According to the Industrial Code, 1920–1955, living wage means "a sum sufficient for the normal and reasonable needs of the average employee living in the locality where the work under consideration is done or is to be done."

The family unit is not specifically defined in the Code, but the South Australian Industrial Court in 1920 decided that the "average employee" in respect of whom the living wage is to be declared is a man with a wife and three children.

The first declaration by the Board of Industry was made on 15th July, 1921, when the living wage for adult male employees in the metropolitan area was determined at £3 19s. 6d. a week. The living wage for adult female employees in the same area was declared on 11th August, 1921 at £1 15s. a week.

* *Queensland Industrial Gazette*, Vol. 42, p. 167. † From 1st May, 1961, 75 per cent.

The living wage declarations by the Board of Industry are set out below. The rates apply to the whole State.

LIVING WAGE DECLARATIONS IN SOUTH AUSTRALIA.

(*State Jurisdiction.*)

Male.		Female.	
Date of Operation.	Living Wage per Week.	Date of Operation.	Living Wage per Week.
	£ s. d.		£ s. d.
4th August, 1921	3 19 6	1st September, 1921 ..	1 15 0
27th April, 1922	3 17 6	..	..
8th November, 1923 ..	3 18 6	..	..
15th May, 1924	4 2 0	13th November, 1924 ..	1 18 0
13th August, 1925 ..	4 5 6	3rd September, 1925 ..	1 19 6
30th October, 1930 ..	3 15 0	15th January, 1931 ..	1 15 0
10th September, 1931 ..	3 3 0	24th December, 1931 ..	1 11 6
7th November, 1935 ..	3 6 0	16th January, 1936 ..	1 13 0
7th January, 1937.. ..	3 9 6	29th April, 1937 ..	1 14 9
25th November, 1937 ..	3 14 0		1 16 6
5th January, 1939.. ..	3 18 0		1 18 0
28th November, 1940 ..	4 4 0		2 1 0
27th November, 1941 ..	4 7 0		2 3 6
15th October, 1942 ..	4 14 0	(*a*)	2 6 2
26th September, 1946 ..	4 18 6		2 15 0
7th January, 1947(*b*) ..	5 2 0		2 17 0
8th July, 1948	5 17 0		3 6 6
19th May, 1949(*c*) . ..	6 5 0		3 8 6

(*a*) From 1937 dates of operation were the same as those for male rates. (*b*) Commonwealth rate for metropolitan area adopted. (*c*) Since 4th December, 1950, the living wage has been varied by proclamation and rates have been the same as those declared for Adelaide by the Commonwealth Court of Conciliation and Arbitration and the Conciliation and Arbitration Commission.

Following the declaration of an " interim " increase in its " needs " basic wage by the Commonwealth Court of Conciliation and Arbitration on 13th December, 1946 (*see* page 40) the South Australian Government made provision through the Economic Stability Act, 1946 for the declaration by the Governor of a living wage based on the Commonwealth basic wage for Adelaide. This action was taken because the Board of Industry had made a determination on 5th September, 1946 and under the Industrial Code was not able to make a further determination for six months. On 24th December, 1946 the Governor issued a proclamation, declaring a rate of £5 2s. a week, including the 4s. " Prosperity " loading, to operate from 7th January, 1947. The Economic Stability Act also provided for similar proclamations in respect of adjustments to the living wage; however, the powers of the Board of Industry to declare a living wage which would supersede any wage declared by proclamation were retained.

On 24th May, 1947 the Board of Industry recommended, after an inquiry, that a cost of living loading of 5s. a week, over and above the metropolitan living wage, should apply to adult males located at Whyalla. This amount was subsequently adopted and continues to operate.

The Industrial Code Amendment Act, 1949 made provision for the quarterly adjustment of the living wage in accordance with the variations in the Commonwealth basic wage for Adelaide. In effect this made the State living wage and the Commonwealth basic wage equal from the beginning of the first pay-period commencing in February 1950. The prescribed adjustment to the female living wage was seven-twelfths of that made to the Commonwealth male basic wage. The Board of Industry retained power to amend the living wage but any new living wage was to be adjusted quarterly as above.

Following the decision of the Commonwealth Court of Conciliation and Arbitration in the 1949-50 Basic Wage Inquiry (*see* page 41), the South Australian Industrial Code was amended to provide for declarations of the living wage by proclamation, to prevent unjustifiable differences between the Commonwealth and State basic wages. By proclamation dated 30th November, 1950, the South Australian living wage in the metropolitan area was increased from £6 17s. to £7 18s. for adult males and from £3 14s. 11d. to £5 18s. 6d. for adult females, operative from 4th December, 1950. These new rates were identical with the December rates fixed by the Commonwealth Court of Conciliation and Arbitration for the metropolitan area of South Australia. The female rate, which had previously been approximately 54 per cent. of the male basic wage, was, by the proclamation, increased to 75 per cent. of the corresponding male rate.

The living wage for Adelaide was adjusted each quarter, as required under the State Industrial Code, in accordance with variations in the Commonwealth basic wage for Adelaide. This procedure continued until the August, 1953 adjustment, at which date the basic wages payable were £11 11s. a week for adult males and £8 13s. for adult females.

The Commonwealth Court of Conciliation and Arbitration announced on 12th September, 1953 the discontinuance of quarterly adjustments, and the Commonwealth basic wages for Adelaide remained unchanged from the beginning of the first pay-period commencing in August, 1953 until the first pay-period in June, 1956, when an increase of 10s. a week was granted to adult males and an increase of 7s. 6d. to adult females. Subsequently, increases were made in the Commonwealth basic wage for adult males, with proportionate increases for adult females, in May, 1957, May, 1958 and June, 1959, and similar variations were made to the South Australian living wage. From 15th June, 1959, the living wage in the metropolitan area of South Australia was £13 11s. for adult males and £10 3s. for adult females.

(v) *Western Australia.*—The Court of Arbitration, appointed under the provisions of the Industrial Arbitration Act, 1912–1952, determines and declares the "basic wage" in this State. The Court consists of three members appointed by the Governor, one on the recommendation of the industrial unions of employers and one on the recommendation of the industrial unions of employees, while the third member is a Judge of the Supreme Court. The last-mentioned member is the President of the Court.

The Industrial Arbitration Act, 1912–1952 provides that the Court of Arbitration may determine and declare a basic wage at any time on its own motion, and must do so when requested by a majority of industrial unions or by the Western Australian Employers' Federation, with the limitation that no new determination shall be made within twelve months of the preceding inquiry.

The term "basic wage" is defined in the Act as "a wage which the Court considers to be just and reasonable for the average worker to whom it applies". In determining what is just and reasonable the Court must take into account not only the needs of an average worker but also the economic capacity of industry and any other matters the Court deems relevant.

The family unit is not specifically defined in the Act, but it has been the practice of the Court to take as a basis of its calculations a man, his wife and two dependent children.

The Act provides that the Court of Arbitration may make adjustments to the basic wage each quarter if the official statement supplied to the Court by the State Government Statistician relating to the cost of living shows that a variation of 1s. or more a week has occurred, compared with the preceding quarter. These adjustments apply from the dates of declaration by the Court. The Act does not define the term "cost of living", but it has been held to mean "the basic wage as declared from time to time by the Court and as existing at the time that we [the Court] have taken into consideration the Statistician's figures." (Mr. Justice Dwyer, in the Court of Arbitration, Western Australia, in the matter of the Quarterly Adjustment of the Basic Wage, 18th August, 1931.*)

The annual and special declarations of the Court of Arbitration under the provisions of the Industrial Arbitration Act are shown for the various areas of the State in the following table. It must be noted that prior to 1950 the legislation differed from that outlined above. Particulars of the previous legislation will be found in issues of the Labour Report prior to No. 39, 1950.

BASIC WAGE DECLARATIONS IN WESTERN AUSTRALIA.

(State Jurisdiction.)

Date of Operation.	Metropolitan Area.				South-West Land Division.				Goldfields Areas and Other Parts of State.			
	Male.		Female.		Male.		Female.		Male.		Female.	
	£ s. d.		£ s. d.		£ s. d.		£ s. d.		£ s. d.		£ s. d.	
1st July, 1926 ..	4 5 0		2 5 11		4 5 0		2 5 11		4 5 0		2 5 11	
" " 1929 ..	4 7 0		2 7 0		4 7 0		2 7 0		*a*4 7 0		*a*2 7 0	
" " 1930 ..	4 6 0		2 6 5		4 5 0		2 5 11		4 5 0		2 5 11	
" " 1931 ..	3 18 0		2 2 2		3 17 0		2 1 8		3 17 0		2 1 8	
" " 1932 ..	3 12 0		1 18 11		3 13 6		1 19 8		3 18 0		2 2 2	
" " 1933 ..	3 8 0		1 16 9		3 9 6		1 17 6		3 17 6		2 1 10	
" " 1934 ..	3 9 6		1 17 6		3 10 0		1 17 10		3 19 6		2 2 11	
" " 1935 ..	3 10 6		1 18 1		3 11 2		1 18 5		4 4 4		2 5 6	
" " 1936 ..	3 10 6		1 18 1		3 11 9		1 18 9		4 6 0		2 6 5	
" " 1937 ..	3 13 9		1 19 10		3 14 8		2 0 4		4 7 0		2 7 0	
" " 1938 ..	4 0 0		2 3 2		4 1 0		2 3 9		4 13 3		2 10 4	
" " 1939 ..	*b*4 2 2		*b*2 4 4		4 3 1		2 4 10		*b*4 16 4		*b*2 12 0	
" " 1940 ..	4 2 8		2 4 8		4 3 3		2 4 11		4 16 3		2 12 0	
" " 1941(*c*) ..	4 8 0		2 7 6		4 9 3		2 8 2		5 3 6		2 15 11	
" " 1943 ..	4 19 1		2 13 6		4 18 1		2 13 0		5 5 9		2 17 1	
" " 1944 ..	4 19 11		2 13 11		4 19 8		2 13 10		5 7 1		2 17 10	
" " 1945 ..	5 0 1		2 14 1		4 19 7		2 13 9		5 7 5		2 18 0	
" " 1946 ..	5 1 1		2 14 7		5 0 6		2 14 3		5 9 0		2 18 10	
26th Feb., 1947(*d*) ..	5 7 1		2 17 10		5 6 6		2 17 6		5 15 4		3 2 3	
1st July, 1947 ..	5 7 10		2 18 3		5 7 3		2 17 11		5 16 0		3 2 8	
" " 1948 ..	5 15 9		3 2 6		5 15 2		3 2 2		6 4 9		3 7 4	
" " 1949 ..	6 7 1		3 8 8		6 6 9		3 8 5		6 15 1		3 12 11	
" " 1950 ..	7 0 0		3 15 7		6 19 9		3 15 6		7 7 3		3 19 6	
18th Dec., 1950(*d*) ..	8 6 6		4 14 1		8 6 7		4 14 2		8 14 8		4 18 6	
1st " 1951(*e*) ..	..		6 13 8		..		6 13 0		..		6 17 1	

(*a*) Excludes Goldfields areas, where rates were the same as those operating from 1st July, 1926. (*b*) Applicable from 24th April, 1939. (*c*) Applicable from 28th April, 1941. (*d*) Special declarations following basic wage increases granted by the Commonwealth Court of Conciliation and Arbitration. (*e*) Inquiry into female rates only.

The first declaration of the "basic wage" by the Court of Arbitration since the authority to fix one was vested in the Court by the Industrial Arbitration Act, 1925 was made on 11th June, 1926, when the rate for adult

* *Western Australian Industrial Gazette*, Vol. 9., p. 166.

male employees was determined at £4 5s. a week, and for adult female employees at £2 5s. 11d. a week. Since that date the principal inquiries have been those of 1938, 1947, 1950 and 1951.

The declaration of 13th June, 1938 (operative from 1st July) was based on the findings of the Royal Commission on the Basic Wage, 1920 (*see* page 38). For this purpose the Court reduced the amount recommended by the Commission for a five-unit family to the equivalent for a four-unit family and brought the resulting amounts up to their purchasing equivalents at the March quarter, 1938, by means of the separate "group" retail price index numbers in respect of the sections for food, clothing and miscellaneous expenditure, and for rent added an amount which was considered fair under ruling conditions.*

The increased basic wage of 26th February, 1947, was granted after an inquiry† by the Western Australian Court of Arbitration consequent upon the "Interim" Basic Wage Judgment of the Commonwealth Court of Conciliation and Arbitration in December, 1946 (*see* page 40).

Following the judgment of the Commonwealth Court of Conciliation and Arbitration in the 1949–50 Basic Wage Inquiry (*see* page 41), the Western Australian Court of Arbitration resumed an inquiry which had been adjourned, to ascertain what change should be made in the State basic wage rates. In its judgment of 7th December, 1950‡ the Court decided that the basic wage should be increased by £1 a week for adult males and by 15s. a week for adult females. The rates in the metropolitan area then became £8 6s. 6d. for adult males and £4 14s. 1d. for adult females, operative from 18th December, 1950. In relation to the female rate the unions' claim had been for a basic wage equal to 75 per cent. of the male rate instead of the existing 54 per cent. Although this claim was not granted it was intimated that the increase of 15s. should not necessarily be regarded as the Court's final word on the subject.

As the result of a subsequent inquiry§ the basic wage for adult females was increased from 1st December, 1951 to 65 per cent. of the corresponding male rate. This was subject to the condition that the increase in the basic wage should be offset by the reduction in or deletion of existing margins between the basic wage and the total wage as specified by the appropriate award or determination.‖

On 12th September, 1953 the Commonwealth Court of Conciliation and Arbitration announced the discontinuance of quarterly adjustments. Following this decision the Western Australian Court of Arbitration exercised its discretionary power and, after reviewing the quarterly statements prepared by the Government Statistician for each quarter from the September quarter, 1953 to the March quarter, 1955, declined to make, where applicable, any adjustment to the basic wage. However, after reviewing the statement submitted by the Government Statistician for the quarter ended 30th June, 1955, the Court decided to increase the basic wage for Perth by 5s. 11d. a week for adult males and to make corresponding increases for the other areas in the State. Subsequently, adjustments were made to the basic wage each quarter, except in February, 1959, when no change was made.

As from 26th October, 1959, the metropolitan basic wage for adult males was £14 1s. 6d. a week and for adult females £9 3s. a week.

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* *Western Australian Industrial Gazette*, Vol. 18, p. 151. † *W.A.I.G.*, Vol. 27, p. 39.
‡ *W.A.I.G.*, Vol. 30, p. 336. § *W.A.I.G.*, Vol. 36, p. 497. ‖ The proportion was increased to 75 per cent. from 30th January, 1960.

(vi) *Tasmania.*—A State basic wage is not declared in Tasmania. Wages Boards constituted for a number of industries, from representatives of employers and employees and an independent chairman (who is common to all Wages Boards), determine the minimum rate of wage payable in each industry. Until February, 1956 these Boards generally adopted the basic wages of the Commonwealth Court of Conciliation and Arbitration in determining the rate of wage to be paid.

The Wages Boards Act 1920–1951 gives Wages Boards power to adjust wage rates in accordance with variations in the cost of living as indicated by retail price index numbers published by the Commonwealth Statistician and, until November, 1953, Wages Board determinations provided for automatic adjustments of the basic wage.

Following the decision of the Commonwealth Court in September, 1953, to discontinue the system of automatic quarterly adjustments of the basic wage, the Chairman of Wages Boards stated: "I consider that the basic wage should remain stationary for a reasonable trial period . . . . . but if a serious attempt is not made to stabilize prices and in some cases to reduce them, applications can be made for meetings of Wages Boards to reconsider the position." Before Wages Boards met to consider this matter, the wage rates for all determinations were automatically adjusted upwards from the beginning of the first pay-period in November. However, after meeting, all Wages Boards decided as from 9th December, 1953 to delete the automatic adjustment clause from determinations and cancel the adjustments made in November.

During 1955, representations were made for the restoration of automatic quarterly adjustments and, on 1st November, 1955, at the conclusion of a compulsory conference of employer and employee representatives, the Chairman of Wages Boards announced that, in his opinion, automatic quarterly adjustments should be restored in Wages Boards determinations. He suggested, however, that the adjustments should be delayed until February, 1956, so that a serious attempt could be made during November, December and January to reduce prices. In accordance with this decision, Wages Boards met and re-inserted in determinations the provision for automatic quarterly adjustments. The wage rate payable under Wages Boards determinations from the first pay-period in February, 1956 became that which would have been payable if quarterly adjustments had continued in the period under review.

The decision of the Commonwealth Court of Conciliation and Arbitration in the 1956 Basic Wage Inquiry delivered in May, 1956 (*see* page 43), caused representations to be made for a review of the problem of automatic quarterly adjustments. Following requests by the Employers' Federation that Wages Boards accept the Commonwealth basic wage and delete automatic adjustment provisions from Wages Boards determinations, a compulsory conference of employer and employee representatives was held on 22nd and 25th June, 1956. On 3rd July, 1956 the Chairman issued a statement that he favoured the suspension of automatic adjustments in order to achieve some measure of stability. He added, however, that if prices continued to rise it would be necessary to review the position.

The majority of Wages Boards suspended quarterly basic wage adjustments after the August, 1956 adjustment, and to July, 1959, wage rates remained unchanged. The basic wage for Hobart generally incorporated in determinations for that period was £13 12s. for adult males and £10 4s. for adult females.

Following the decision of the Commonwealth Conciliation and Arbitration Commission in June, 1959 to increase the basic wage (*see* page 48), Wages Boards met in July, 1959 and incorporated the new rates in their determinations. The rates for Hobart then became £14 2s. for adult males and £10 11s. 6d. for adult females.

(vii) *Rates Prescribed.*—The " basic wage " rates of State industrial tribunals operative in November, 1958 and 1959 are summarized in the following table:—

STATE BASIC WAGES : WEEKLY RATES.

State.	November, 1958.			November, 1959.		
	Date of Operation. (*a*)	Males.	Females	Date of Operation. (*a*)	Males.	Females.
		s. d.	s. d.		s. d.	s. d.
New South Wales—(*b*)						
Metropolitan and Country, excluding Broken Hill	Nov., 1958	273 0	204 6	Nov., 1959	279 0	209 0
Broken Hill	Nov., 1958	271 0	203 0	Nov., 1959	276 0	207 0
Victoria(*c*)	Aug., 1956	263 0	197 0	(*d*)	275 0	206 0
Queensland—						
Southern Division (Eastern District), including Brisbane ..	27.10.58	256 0	173 6	26.10.59	267 0	182 0
Southern Division (Western District)	27.10.58	263 4	177 2	26.10.59	277 6	187 3
Mackay Division	27.10.58	261 6	176 3	26.10.59	276 0	186 6
Northern Division (Eastern District)	27.10.58	266 0	178 6	26.10.59	277 6	187 3
Northern Division (Western District)	27.10.58	273 4	182 2	26.10.59	299 6	198 3
South Australia(*e*)	26.5.58	256 0	192 0	15.6.59	271 0	203 0
Western Australia—						
Metropolitan Area	27.10.58	273 5	177 9	26.10.59	281 6	183 0
South-West Land Division ..	27.10.58	273 4	177 8	26.10.59	281 3	182 10
Goldfields and other areas ..	27.10.58	271 6	176 6	26.10.59	277 4	180 3
Tasmania(*c*)	Aug., 1956	272 0	204 0	July, 1959(*f*)	282 0	211 6

(*a*) Where dates are not quoted wage rates operate from the beginning of the first pay-period commencing in the month shown. (*b*) For November, 1958, the rates shown for females represent the basic wage together with so much of any margin and any further amount necessary to make the minimum wage payable equivalent to 75 per cent. of the basic wage for males. *See* page 66 for the effect on female basic wage rates of the Industrial Arbitration (Female Rates) Amendment Act. (*c*) No basic wage declared. Rates shown are those adopted by most Wages Boards. (*d*) During June and July, 1959, Wages Boards varied determinations by adopting the Commonwealth basic wage rate. (*e*) The living wage declared for the metropolitan area is also adopted for country areas, except at Whyalla, where a loading of 5s. a week is generally payable. (*f*) Most Wages Boards adopted the Commonwealth basic wage rate from July, 1959.

§ 6. Wage Margins.

1. General.—Wage margins have been defined as " Minimum amounts awarded above the basic wage to particular classifications of employees for the features attaching to their work which justify payments above the basic wage, whether those features are the skill or experience required for the performance of that work, its particularly laborious nature, or the disabilities attached to its performance ". *

Prior to 1954, the Commonwealth Court of Conciliation and Arbitration had not made any general determination in respect of wage margins, but general principles of marginal rate fixation had been enunciated by the Court in the Engineers' Case of 1924, the Merchant Service Guild Case of 1942 and the Printing Trades Case of 1947.

* *Commonwealth Arbitration Reports*, Vol. 80, p. 24.

2. **Metal Trades Case, 1954.**—The Amalgamated Engineering Union, the Electrical Trades Union and other employee organizations parties to the Metal Trades Award, 1952, filed applications during 1953 for increased margins for all workers covered by this award.

The applications came on for hearing before J. M. Galvin, *C.C.*, who decided that they raised matters of such importance that, in the public interest, they should be dealt with by the Commonwealth Court of Conciliation and Arbitration. On 16th September and 6th October, 1953 the Conciliation Commissioner, pursuant to section 14A of the Conciliation and Arbitration Act, referred these applications to the Court.

The actual claims of the trade unions were that the marginal rate of 52s. a week payable to a fitter in the metal trades should be increased to 80s. a week (86s. for certain electrical trades) with proportionate increases for other award occupations. The margins then current, with a few exceptions, had been in existence since 1947. The employees' claims were in the nature of a test case to determine the attitude of the Court to applications for increased margins.

The Metal Trades Employers' Association and other respondents to the Metal Trades Award had counter-claimed that existing margins for skilled tradesmen should remain unaltered, while those paid to partly skilled or unskilled workers should be reduced.

The Court decided to take the Commissioner's two references together and the matter came on for hearing before the Full Arbitration Court (Kelly *C.J.*, Kirby, Dunphy and Morgan *JJ.*) in Melbourne on 13th October, 1953.

In a judgment delivered on 25th February, 1954, the Court held that a prima facie case had been made for a re-assessment of margins but that the economic situation at that time, particularly in regard to the level of costs, did not permit of such a comprehensive review. The Court decided that to avoid the creation of new disputes, to save expense and to obviate procedural difficulties, it would not reject the claims but adjourn them until 9th November, 1954.

On 25th and 26th August, 1954, summonses were filed by the employees' organizations for orders that proceedings in this case be brought forward and the hearing was resumed on 5th October, 1954.

In a judgment delivered on 5th November, 1954* the Court made an order re-assessing the marginal structure in the Metal Trades Award by, in general, raising the current amount of the margin to two and a half times the amount of the margin that had been current in 1937. However, in cases in which the result of that calculation produced an amount less than the existing margin the existing margin was to remain unaltered. In effect, this decision increased the margin of a fitter from 52s. a week to 75s. a week, increased similarly margins of other skilled occupations, and made no increase in margins of what may generally be described as the unskilled or only slightly skilled occupations under the Metal Trades Award.

At the end of its judgment the Court stated that while its decision in this case related immediately to one particular industry, it was expected to afford general guidance to all authorities operating under the Conciliation and

* *Commonwealth Arbitration Reports*, Vol. 80, p. 3.

Arbitration Act, or under other legislation which provided for tribunals having power to make references, or being subject to appeal, to the Court, where the wage or salary may properly be regarded as containing a margin. The Court added observations for the guidance of these and of other tribunals " which may regard decisions of this Court as of persuasive authority ". Further details were published in Labour Report No. 46, 1958, pages 101–8.

3. **Margins Cases, 1959.**—On 25th August, 1959, the Commonwealth Conciliation and Arbitration Commission began considering a number of applications for increases in marginal rates. The Amalgamated Engineering Union and other employee organizations applied for increases in margins in Part I. of the Metal Trades Award. There were also applications by the Association of Architects, Engineers, Surveyors and Draughtsmen of Australia and the Federation of Scientific and Technical Workers for variation of the Metal Trades Award, Part II, and of the Aircraft Industry Award, Part II., by the Australian Bank Officials' Association regarding the Bank Officials' Award and by the Australian Workers Union regarding the Gold and Metalliferous Mining Award. Finally there was an application by the Metal Trades Employers' Association and others to reduce rates in the Metal Trades Award. All of these matters were references under section 34 of the Conciliation and Arbitration Act from the appropriate Commissioner.

During a debate as to whether these matters should be heard together, it became apparent that the applicants in respect of Part II. of the Metal Trades and Aircraft Industry Awards and the Bank Officials' Award desired to ask only for an interim increase in margins at that stage. The employers submitted that the applicants should be required to submit their whole case. The Commission decided to hear all the matters together, permitting the applicants in these three cases to ask first for an interim decision, it being understood that those applicants would have to satisfy the Commission that a case had been made out for an interim increase.

On 27th November, 1959, judgments were delivered in connexion with two of the five cases before the Commission, namely, those concerning margins in the Metal Trades Award, Part I. and the Gold and Metalliferous Mining Award.* This was done to avoid delay and to give parties to the other three cases the opportunity of making further submissions in the light of the decisions (and reasons for the decisions) in these two cases.

A summary of the Metal Trades Case, Part I., is given in the following paragraphs.

The employee organizations claimed an increase in the margin for the fitter, as set out in the Metal Trades Award, 1952 (i.e., the Award as it existed prior to the Metal Trades Case, 1954—*see* para. 2,) from 52s. to 134s. a week and an increase of 157 per cent. in the margins for other classifications. The employers counter-claimed for a reduction in margins of 15s. a week.

Counsel for the unions put broadly a case that in the proper fixation of margins the basic criteria were the market value at the time of the fixation of the wage and the economic capacity of the economy to pay the wages claimed and he alleged that the 1954 Metal Trades decision had departed from these principles. He produced to the Commission material to demonstrate the economic situation which would justify the increases asked for. He also

* Print No. A7072, p.4.

submitted that the true relativities in the Metal Trades Award should be those created by a combination of the 1947 Full Court decision and the second variation order made in 1947 by G. A. Mooney, *C.C.**

The employers adopted the view that no case had been made out for any increase and that there should be wage reductions. They also supplied the Commission with economic material in support of their case that there was no capacity in the community to sustain increased margins and alternatively that any increased economic capacity which may have occurred since 1954 had been exhausted by basic wage fixations.

As to relativities the employers submitted that the 1954 decision should be adhered to and should be carried to its logical conclusion so far as the lower paid classifications were concerned.

The Attorney-General of the Commonwealth intervened and not only submitted statistical material and an analysis of the economic situation but also assisted the Commission with an exposition of various factors proper to be taken into account in the fixation of margins. In particular, counsel for the Attorney-General emphasized the desirability of flexibility in the workings of the arbitration system.

In the judgment, delivered on 27th November, 1959, the Commission rejected the employers' application to reduce wages under the Metal Trades Award and made an order re-assessing the marginal structure in the award by increasing the existing margins by 28 per cent., the amount of the increase being taken to the nearest 6d. The new margins applied from the beginning of the first full pay-period commencing in December, 1959. The effect of this decision was to increase the margin of the fitter from 75s. to 96s. a week.

The Commission stated that, not having before it the question of work values, and having decided not to alter the 1954 relativities, the increases had been expressed as a percentage of current margins, but this was not to be taken as an endorsement of that method of fixing margins.

In view of the widespread effects of this judgment some extensive extracts from it are given below:—

> *Functions of the Commission* :—" We find it necessary to make a few general remarks about the functions of the Commission in view of some of the submissions which have been made to us . . . . . The true function of the Commission is to settle industrial disputes. In the settlement of disputes involving payment of wages, such as this one in which such issues have been raised, the Commission will bear in mind the various economic submissions made to it, including those about price rises and inflation; it will also bear in mind the fiscal and economic policies of the Government. It will not ignore the consequences to be expected from its actions but it will not deliberately create situations which would need rectification by Governmental action. It will not use its powers for the purposes of causing any particular economic result apart from altered wages although in the event the decision it makes may have other economic consequences.†"
>
> *Principles of Marginal Fixation.*—" In the discharge of our function of settling the particular disputes before us and as this is the first occasion on which this Commission constituted as a full bench has been called upon

* *Commonwealth Arbitration Reports*, Vol. 59, p. 1272. † Print No. A7072, p. 9.

to deal with a major case concerning general marginal principles we propose to deal with some of the submissions which have been put to us as to general principles. We would, however, emphasize that we do not regard what we have to say as exhausting the subject of marginal fixations."*

" In our view there is no real reason why a margin should be expressed as a percentage of the basic wage, and it would be unwise to express any margin in that way.

" A closely related question is whether margins should be increased merely because of the decreased purchasing power of money since last fixed. We were referred to the 1954 Margins Judgment and other judgments on that point (*see* 80 C.A.R. 1 at pp. 30 and 31 and the judgments there cited). If those judgments do no more than reject the automatic or mathematical approach, that is, reject the proposition that a margin should be fixed merely by multiplying an existing margin by whatever is necessary to make up the decrease in purchasing power of money, we agree with them. If those judgments suggest that the decrease in purchasing power is not a factor to be taken into account at all, we find ourselves unable to agree with them. Whenever a margin is fixed, it is fixed in current money terms and if no account at all is taken of the decreased purchasing power of money since the margin was last assessed, then the fixation would not be a real one. Whenever a margin is under review, some account must be taken of the amount at which the margin was originally fixed and of the decrease in purchasing power of money since then, if in fact it has decreased. Although this concept is capable of being expressed shortly, its application in practice is complicated by the lack of any adequate measure of the decreased purchasing power of money. In arriving at the rates we award we have taken into account the fact that there has been a significant fall in real value of the current margins since they were fixed.

" The proceedings before us were largely taken up with submissions regarding economic capacity and a question arose whether in these proceedings we should look at the capacity of the economy generally, the capacity of the particular industry or industries covered by the awards in question, or both. Historically it would appear that prior to 1947 it had been the practice, in the Metal Trades industry at least, to look at the economic situation of the industry itself."†

" This seemed to be the approach until 1947 when the Court looked at both the economic capacity of industry generally and the capacity of the particular industry (58 C.A.R. 1088 at p. 1090). It was not until 1954 that the Court considered only the capacity of industry generally and did not concern itself with the capacity of the Metal Trades industry as such. It must be borne in mind that in the 1954 Metal Trades case the Court proceeded to lay down a formula intended, speaking generally, for all industry. In such a context, consideration of the economic position of a particular industry would not be relevant. We do not think it could be said that the economic capacity of a particular industry could not be relevant in a particular case . . . . . Economic capacity, either generally or in a particular industry, may not be an issue at all in the fixation of margins. In many cases in the past margins have been fixed without consideration of capacity and we see no reason why in appropriate circumstances that practice should not continue."†

* Print No. A7072, p. 10. † Ibid., p. 11.

" Although this may not be a principle of marginal fixation, we find it convenient here to deal with the submission made by the employers, that even if there had been capacity to pay increased wages, that capacity had been exhausted by basic wage decisions in recent years. In making this submission they relied both on economic material and on statements in the judgments, particularly in the 1958 Basic Wage Judgment (Print A6079).

" We would think it clear that neither the Court not the Commission has ever talked in terms of ' exhausting ' the capacity of the economy as far as wages generally are concerned when fixing a basic wage. The reference on p. 8 of the 1958 Basic Wage Judgment to marginal claims refutes any suggestion that in that case the Commission believed it was exhausting the capacity of the economy with its basic wage decision."*

Relativities.—" The Unions sought in these proceedings to have restored the relativities within the marginal structure of the Metal Trades Award which existed prior to the 1954 decision, that is, a combination of the Full Court's 1947 decision and the second Mooney formula."*

" The employers not only relied on the relativities created in 1937 and confirmed in 1954, except as to the lower paid classifications, but also asked us to take the 1954 relativities to their logical conclusion in our decision in this matter as far as those classifications are concerned.

" The difference between margins in an award occurs because the award maker has decided that there is a difference in the amounts to be awarded for skill, arduousness and other like factors proper to be taken into account in fixing a secondary wage. In origin, at least, relativities in margins are merely an expression of relative work values and there is before us no evidence of such present values.

" We are therefore in this position. We have the 1954 award, which for the past five years has regulated the relativities of margins in this industry. In these proceedings, the real criterion for relativities, namely, work value, does not fall for decision. We have been asked on the one hand to go behind the 1954 decision and to restore the relativities which that decision changed and on the other hand to extend the reasoning of the 1954 Judgment to margins which the Court was not then prepared to reduce.

" In all the circumstances we are not prepared to accede either to the Unions' submissions or to the employers' submission in this regard, and we have accepted the relativities established by the 1954 decision except to the extent necessary to round some of the figures off.

" The question of relativities in margins in the Metal Trades Award, based on work value, is thus still open."†

Over-Award Payments.—" The question of over-award payments is a complex one. The material before us is fragmentary and incomplete and it contains difficulties because many of the descriptions used were not defined in advance and may mean different things in different places. From the very nature of things it may not be possible to obtain precise and complete information from Union sources. Nevertheless, we feel that the material

* Print No. A7072, p. 12. † Ibid., p. 13.

put before us by the Unions on this occasion, unanswered by evidence from the employers, is helpful to the extent indicated hereafter. The question of what is in fact being paid in an industry has been regarded as a relevant consideration in wage fixation by the Commonwealth Court of Conciliation and Arbitration. It has been regarded as relevant even when the amounts paid were obtained under pressure. *See* Metal Trades case (37 C.A.R. 176 at p. 182) and Bank Officials' case (34 C.A.R. 843 at p. 849)."*

"We have given earnest consideration to the question whether this Commission should pay regard to payments which have been obtained by duress. From the economic point of view it seems hardly open to question that the means by which over-award payments of sufficient duration were obtained is irrelevant when one is concerned with discovering economic capacity. The mere fact that such amounts are being paid and have been paid over an appreciable period is sufficient to demonstrate capacity. We would point out, however, that the over-award payments with which we are dealing are, in the main, over-award payments which have been built up over the past five years since the 1954 Metal Trades Award was made. If, in that time, the Unions concerned in the applications before us had applied their energies to seeking relief in this tribunal instead of seeking to obtain relief by direct action it may well be that instead of an incomplete and fragmentary picture of over-award payments, identifiable and general increased payments might have been obtained through the processes of arbitration.

"We have been unable on the material before us to arrive at any figure which could be said to be a reliable average over-award payment for any classification. The most we are able to say in the context of our general industrial knowledge is that in the Metal Trades industry there are over-award payments of varying amounts in quite a number of establishments. We have taken this factor, indefinite though it is, into account in arriving at our decision."*

Economic Considerations.—Counsel for the unions took as the starting point for his economic submissions the year in which, he said, rates had last been properly fixed in the Award, namely, 1947. He submitted that there had been a remarkable improvement in the economy since that date, and that over the period since then the economy had shown itself able to sustain the increases in margins claimed.

The employers took as their starting point 1954, the year in which margins were last fixed in this industry, and submitted that capacity had not improved since that time.

In reviewing the economic situation, the Commission considered the current position in the light of information which had become available since the 1959 Basic Wage Judgment. After considering various indicators of the state of the economy the Commission discussed the problems of inflation and the maintenance of economic stability. The Commission stated its views as follows :—

"We are conscious of the desirability of attempting to maintain the economic stability which this country has achieved. We are also conscious of the desirability of ensuring that wage justice should be done to employees

* Print No. A7072, p. 14.

under this Award. We have looked at the increases which we propose to grant in this case in the light of the submissions about economic stability and we do not consider that such increases are so likely to affect that stability that the economy will be adversely affected. If marginal increases cannot be granted in time of economic prosperity such as the present, it is difficult to imagine when they can be granted."*

"We have considered, with the qualifications already mentioned in this Judgment, the decrease in the purchasing power of money which has occurred since the 1954 marginal fixation, we have assessed as well as we are able to the increased capacity which has occurred in the Australian economy since that time and the fact that productivity has played its part in that increase of strength, and we have considered the Basic Wage decisions and appraisals of the economy by the Court and the Commission since 1954. In the result we have thought it proper to increase margins in the Metal Trades industry in the particular circumstances which confront us by an amount which exceeds the loss in purchasing power of the 1954 margins which excess we consider has been earned by the contribution of the employees to productivity increases and made possible by the additional strength of the national economy."*

Conclusion.—"In view of all the foregoing we have come to the conclusion that the employers' application to reduce wages under this award should be rejected and that increases in margins may properly be granted. We have tested the amount of increase to be awarded by taking certain representative classifications for which we award the following increases:—

—	Present Margin.	Increase.	New Margin.
	s. d.	*s. d.*	*s. d.*
Duster	125 0	35 0	160 0
Forger	105 0	29 6	134 6
Fitter	75 0	21 0	96 0
Machinist—2nd class	50 0	14 0	64 0
Process worker	22 0	6 0	28 0

"It will be seen that these new margins represent an increase of 28 per cent. and we award for all other classifications adjustments of 28 per cent. on current margins, the amount of the increase to be taken to the nearest 6d."†

"The order giving effect to this decision will be settled by the Registrar with recourse if necessary to a member of this bench and will be expressed as a variation of the existing Award, the period of operation being until 30th November, 1961."‡

Judgment was also delivered on 27th November, 1959 in connexion with the application for variation of margins in the Gold and Metalliferous Mining Award.‡ The margin for the miner was increased from 32s. to 42s. 6d. a week from the beginning of the first full pay-period commencing in December, 1959. Marginal claims for other classifications were referred back to the appropriate Commissioner for consideration.

* Print No. A7072, p. 20. † Ibid., p. 21. ‡ Ibid., p. 22.

The Commission delivered a judgment on the application for interim increases with regard to the Metal Trades Award, Part II., The Aircraft Industry Award, Part II. and the Bank Officials' Award on 11th December, 1959. After considering the principles to be applied in determining whether interim increases should be made and, if so, how they should be assessed, the Commission concluded that interim increases should be granted, as follows:—

Metal Trades Award, Part II. and Aircraft Industry Award, Part II.—A 20 per cent. increase in margins to graduates and diplomates, payable as from the beginning of the first full pay-period commencing in December, 1959.

Bank Officials' Award.—A 20 per cent. increase in margins to officers in the 10th to 18th year of service inclusive and to accountants and managers, payable retrospectively as from 11th June, 1959. Increases were not awarded to more junior officers, nor to females.

§ 7. Child Endowment in Australia.

In June, 1927, the Commonwealth Government called a conference at Melbourne of the Premiers of the several States to consider the question of child endowment from a national standpoint. The Prime Minister submitted various estimates of the cost of endowing dependent children under fourteen years of age in Australia at 5s. a week. After discussion, it was decided to refer the matter to a Royal Commission to be appointed by the Commonwealth Government.

The Commission submitted its report on 15th December, 1928. It was not unanimous in its findings, and the opinions and recommendations of the members were embodied in two separate reports, which dealt exhaustively with the constitutional aspects, existing systems, industrial legislation, the basic wage, standard of living, regulation of wages, working conditions and cognate matters.

The findings and recommendations in the *majority* and *minority* reports were given in Labour Report No. 19.

At the conference of Commonwealth and State Ministers held at Canberra in May, 1929, the Prime Minister stated that the Commonwealth Government was not prepared to adopt a scheme financed entirely from the proceeds of taxation, as had been recommended in the minority report. The Commonwealth Government agreed with the majority of the Commission that child endowment could not be separated from the control of the basic wage—a power which the Commonwealth did not possess and which the States were not prepared to relinquish. The Government, therefore, did not propose to establish any system of child endowment.

It was generally agreed that any scheme which would increase the charges upon industry would be unwise at that particular time. The matter of child endowment was accordingly left to be dealt with as the State Governments should think proper.

Early in 1941, the Commonwealth Government announced its intention to introduce a scheme of child endowment throughout Australia. The necessary legislation* was passed and the scheme came into operation from 1st July, 1941. Appropriate steps were then taken for the termination of existing schemes operating in New South Wales and the Commonwealth Public Service. The New South Wales system of child endowment was in operation from July, 1927 to July, 1941, and the Commonwealth Public Service system operated from November, 1920 until July, 1941. Details of these schemes appeared in earlier issues of the Labour Report (*see* No. 36, page 103). From 1st July, 1941, when the Commonwealth Child Endowment scheme was introduced, the rate of endowment for children under 16 years of age was 5s. a week for each child in excess of one in a family and for each child in an approved institution, the rate being increased to 7s. 6d. a week from 26th June, 1945, and to 10s. a week from 9th November, 1948. Endowment in respect of the first child under 16 years in a family was first provided for by an amendment of the legislation in June, 1950. At present the main features of the scheme are as follows:—

Any person who is a resident of Australia and has the custody, care and control of one or more children under the age of 16 years, or an approved institution of which children are inmates, shall be qualified to receive an endowment in respect of each child.

From 20th June, 1950, the rates of endowment have been—

(*a*) where the endowee has one child only, 5s. a week;

(*b*) where the endowee has two or more children—in respect of the elder or eldest child, 5s. a week and in respect of each other child, 10s. a week;

(*c*) where the endowee is an approved institution, 10s. a week for each child inmate.

There are provisions to cover cases of families divided by reason of divorce, separation, death of a parent or other circumstances. In such cases payment may be made to the father, mother or other person.

A child born during the mother's temporary absence from Australia is deemed to have been born here.

There is a twelve months residential requirement for claimants and children who were not born in Australia, but this is waived if the claimant and the child are likely to remain permanently in Australia.

There is no means test.

Endowment will be paid for the children of members of the naval, military or air forces of the United Kingdom who are serving with the Australian Forces from the time of arrival of the children in Australia.

* Act No. 8, 1941 (Child Endowment Act) as amended by No. 5, 1942 and Nos. 10 and 41, 1945 (now Part VI. of the Social Services Act 1947-1959).

A summary of the operations of this scheme during each of the years 1954–55 to 1958–59 is given below:—

CHILD ENDOWMENT: AUSTRALIA.

At 30th June—	Endowed Families.		Approved Institutions.		Total Number of Endowed Children.
	Number of Claims in Force.	Number of Endowed Children.	Number of Institutions.	Number of Endowed Children.	
1955	1,304,227	2,764,167	392	24,394	2,788,561
1956	1,339,807	2,854,524	392	21,140	2,875,664
1957	1,378,169	2,957,046	397	21,145	2,978,191
1958	1,415,378	3,051,699	415	22,246	3,073,945
1959	1,451,516	3,149,516	421	22,307	3,171,823

Year.	Amount Paid to Endowees and Approved Institutions.	Annual Liability for Endowment at 30th June.	Average Annual Rate of Endowment per Endowed Family at 30th June.	Average Number of Endowed Children per Endowed Family at 30th June.	Number of Endowed Children in each 10,000 of Population.
	£	£	£		
1954–55.. ..	52,529,902	55,547,635	42.104	2.119	3,031
1955–56.. ..	60,380,685	57,349,773	42.394	2.131	3,050
1956–57.. ..	57,036,962	59,516,769	42.786	2.146	3,088
1957–58.. ..	58,733,561	61,522,656	43.059	2.156	3,122
1958–59.. ..	67,539,615	63,597,690	43.415	2.170	3,172