

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 work were first compiled for the year 1913 and particulars for later years have appeared in subsequent issues 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 1961 are listed below:—

COMMONWEALTH.

Conciliation and Arbitration Act 1904–1961
Public Service Arbitration Act 1920–1960.
Coal Industry Act 1946–1958.
Stevedoring Industry Act 1956–1961.
Snowy Mountains Hydro-electric Power Act 1949–1958.
Navigation Act 1912–1961.

STATES.

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| New South Wales .. | Industrial Arbitration Act, 1940–1961. Coal Industry Act, 1946–1960. |
| Victoria .. | Labour and Industry Acts 1958–1960. |
| Queensland .. | Industrial Conciliation and Arbitration Act of 1961. |
| South Australia .. | Industrial Code, 1920–1958. Public Service Arbitration Act, 1961. |
| Western Australia .. | Industrial Arbitration Act, 1912–1961. Mining Act, 1904–1957. |
| Tasmania .. | Wages Boards Act 1920–1961. Public Service Tribunal Act, 1958–1961. |

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 48] under section eleven A of the *Public Service Arbitration Act* 1920–1960 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 Act No. 44 of 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. In recent years a number of other amendments have been made to the Act, the latest amending Act being No. 40 of 1961. A summary of the provisions of the Conciliation and Arbitration Act 1904-1961 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 for 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 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 1920-1960, 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, eight 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.

Only the Commission in Presidential Session, that is, the Commission constituted by at least three presidential members nominated by the President, has the power to make awards, or to certify agreements concerning standard hours, basic wages and long service leave.

An industrial dispute being heard by a Commissioner may be referred to the Commission on the ground of public interest. If a party to a dispute makes an application for such a reference, the Commissioner shall consult with the President, who may direct that the Commission constituted by three members, one of whom is a presidential member and one is, where practicable, the Commissioner concerned, shall hear and determine the dispute, or that part referred to it. In this hearing the Commission may have regard to evidence given and arguments adduced previously before the Commissioner, and it may refer a part of the dispute back to the Commissioner for determination. The President may, before the Commission has been constituted for the referred dispute, authorize a presidential member of the Commission or a Commissioner to take evidence on the Commission's behalf.

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 a presidential bench of the Commission, so that it can have this evidence before it when it commences its hearing.

Where matters relating to appeals or references to the Commission under both or either of the Conciliation and Arbitration Act and the Public Service Arbitration Act are being heard, and the Commission is not constituted by the same persons for these matters, the President may, if he is of the opinion that

they involve a question in common, direct that the Commission in joint session (i.e. comprised of those persons who constituted the Commission in the separate matters) may take evidence and hear argument on that question.

Provision is also made in the Act for a presidential member of the Commission to handle industrial matters in connexion with the maritime industries, the Snowy Mountains Area and the 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 1920-1960, 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. 40, 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 1920–1960. 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. In 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 have legal qualifications.

Provision is now made for an organization of employees in the Public Service to 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 ground of triviality, refrained from hearing or determining the claim.

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 Commissioner was assigned to the Australian Capital Territory. Matters outside his jurisdiction are now dealt with by the Commonwealth Industrial Court and the Commonwealth Conciliation and Arbitration Commission.

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*.—Legal control was first instituted in 1907 with the passing of the Wages Board Act. The Industrial Conciliation and Arbitration Act of 1961 established the Industrial Conciliation and Arbitration Commission and preserved and continued in existence the Industrial Court. The Industrial

Court is constituted by the President (a Judge of the Supreme Court of Queensland) sitting alone, and the Full Industrial Court by the President and two Commissioners. The Conciliation and Arbitration Commission is constituted by a Commissioner sitting alone and the Full Bench of the Commission by at least three Commissioners. Not more than five Commissioners shall be appointed. A Commissioner shall not be capable of being a member of the Executive Council or of the Legislative Assembly, and shall not take part in the management of any business. For further details see pages 52-4.

(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; Deputy Presidents may also 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.

The Western Australian Coal Industry Tribunal has power to determine any industrial matter in the coal-mining industry. It 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 Court of Arbitration on the application of a party subject to the decision.

(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. **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 1961 is covered in this issue.

(i) *Commonwealth*.—(a) The Navigation Act 1912-1958 was amended by Act No. 96 of 1961 (assented to on 30th October, 1961). This Act made a number of minor amendments to the principal Act, including repeal of the section relating to the attachment of wages.

(b) The Conciliation and Arbitration Act 1904-1960 was amended by Act No. 40 of 1961, which was assented to on 6th June, 1961 and operated from the same day. It extended the jurisdiction of the Commonwealth Conciliation and Arbitration Commission in regard to the stevedoring industry to include disputes arising out of trade and commerce between a State and a Territory.

Amendments consequent upon changes to the Stevedoring Industry Act, regarding the suspension of payments of attendance money to waterside workers, were also made.

The Commission retained power to determine, by order, the terms and conditions in accordance with which attendance money should be paid to waterside workers but sub-sections dealing with suspension of any such order and its revoking on application by a union were repealed.

(c) The Stevedoring Industry Act 1956-1957 was amended by Act No. 39 of 1961 (assented to on 6th June, 1961). The main provision of the amending Act was to grant to waterside workers a period of thirteen weeks' long service leave after twenty years of qualifying service and a further six and one-half weeks for each subsequent ten years.

Qualifying service, which is the period during which a person has been continuously registered as a waterside worker, is subject to certain conditions, the main ones being:—(a) it has to be undertaken at "continuous ports" on a daily attendance basis ("continuous ports" are those at which regular waterside workers are requested to attend or make themselves available for employment from day to day throughout the year); (b) certain periods may be counted as qualifying service when in seasonal ports, namely, during the season when daily attendance is required; (c) service under Part V. of the war-time National Security (Shipping Co-ordination) Regulations is to count; (d) service after the age of 70 years is not to count; (e) if a worker in a continuous or seasonal port has eight years' qualifying service as a regular waterside worker and becomes irregular by reason of his age or general health, then the days on which he has actually worked as an irregular under such circumstances are to count.

A person shall be deemed not to have ceased to be continuously registered by reason of a break in continuity of his registration:—(a) not exceeding a continuous period of two months, irrespective of the cause of the break; (b) due to illness or injury that rendered him incapable of carrying out the duties of a waterside worker; (c) caused by the suspension of his registration; and (d) caused by the cancellation of his registration through the cancellation of the registration of his employer.

Separate registers of waterside workers in each port shall be kept in two parts, namely A and B. Part B shall contain the names of:—(a) all waterside workers who have attained the age of 70 years; (b) waterside workers who have attained the age of 65 years and who wish to be transferred to the irregular roster; (c) those whose physical or mental condition is such that in their own or the industry's interest they ought not to be required to attend from day to day; and (d) certain other waterside workers considered to be irregular workers.

The name of each other waterside worker shall be entered in Part A of the register.

By being on Part B of the register, waterside workers are permitted to apply for intermittent employment. In addition, they are immediately eligible for long service leave, according to length of qualifying service. If the qualifying

service is twenty years the waterside worker receives thirteen weeks; if it is less than twenty years but more than ten years he becomes eligible for pro rata leave. If he was in the industry prior to 28th March, 1947, he would receive thirteen weeks long service leave even if he did not have twenty years' service, provided, however, that he had ten years' service.

Employees 65 years of age and over may elect to be transferred to Part B of the register and are eligible for the same benefits as those 70 years of age and over.

Various penalty provisions are included in the Act. In the event of a port stoppage involving 250 or one-third of the regular waterside workers registered at the port, unless the union satisfies the Commission that the stoppage was justified, each worker will lose for each day of the stoppage attendance money for the next four occasions on which he would otherwise have become entitled to it. The qualifying period for long service leave will also be reduced by a number of days not exceeding 30, as the Conciliation and Arbitration Commission determines. The Act provides for applications to the Commission against such penalties. If the application is upheld the Commission may rescind the declaration generally or in respect of individual waterside workers.

The Act has also extended the grounds on which the Australian Stevedoring Industry Authority may cancel the registration of either an employer or waterside worker. The Authority may suspend the entitlement of a waterside worker to attendance money if, in its opinion, it would be undesirable to suspend his registration.

Provision is also made for appeal to the Commission by a waterside worker against his suspension, loss of entitlement to attendance money or decisions affecting his registration in either Part A or Part B of the register of waterside workers at a port. If the appeal is upheld the Commission may direct the Authority to pay compensation.

The Act includes a number of minor amendments. It clarifies some of the Authority's powers in regard to a number of matters such as leasing of land, facilitating the transfer of workers between ports, stevedoring of ships trading between a State and a Territory of Australia, arranging for the medical examination of waterside workers, and security for payment of wages.

(ii) *New South Wales*.—During 1961, the Industrial Arbitration Act, 1940–1959, was amended by three separate Acts. A brief summary of the provisions of these Acts is given in the following paragraphs:—

(a) Act No. 2 of 1961, which was assented to on 10th March, 1961, replaced section 95A of the principal Act dealing with particulars of wages to be furnished to employees.

The new provisions oblige the employer to furnish the following information to employees covered by an award or industrial agreement:—date of payment; classification of the employee under the award or agreement; period for which payment is made; times worked or work done by employee; matters for which payment is made; deductions made; amount paid; and how the amount paid is made up.

An exemption may be granted to an employer where the industrial registrar considers that the arrangements made to furnish his employees with particulars of wages are sufficient to meet the reasonable requirements of the employees, or the industrial union or unions representing the majority of those employees.

(b) Act No. 21 of 1961, assented to on 27th March, 1961, amended those provisions, which, with certain specified exceptions, obliged the President of the Industrial Commission to sit on each Court Session Bench. The new sub-section provides that any three or more members of the Commission

chosen by the President constitute the Commission in Court Session. It also provides for two concurrent Court Session Benches to sit if circumstances warrant it.

(c) The Industrial Arbitration (Basic Wage) Amendment Act, 1961 (No. 29) was assented to on 13th October, 1961, and came into force on 31st October, 1961. Its effect was that the "C" Series Retail Price Index was replaced by the Consumer Price Index for purposes of the automatic quarterly adjustment of the basic wage. The basic wage for adult males for existing awards and industrial agreements, together with awards and agreements effected after the Act came into force, is to be ascertained by multiplying the appropriate index number by 2,447 and dividing by 1,000, the result being in shillings; that for adult females is to be 75 per cent. of the male basic wage, calculated to the nearest sixpence, threepence to be regarded as sixpence. The basic wage operative from the beginning of the first pay-period in November, 1961 was the first such wage calculated by the new method.

The Banks and Bank Holidays Act, 1912 was amended by Act No. 41 of 1961, which provided that Saturday should be a bank holiday throughout New South Wales, as from the day of proclamation by the Governor. Proclamation was not to be made until the Governor was satisfied that arrangements had been made, and would continue to be carried out, for keeping all banks open for business until 5 p.m. on every Friday that is not a bank holiday. The Act was proclaimed to operate from 20th January, 1962. Should the Governor consider that arrangements have ceased to operate, he may proclaim that Saturday is no longer to be a bank holiday. Agencies of savings banks are not affected by the amending Act. Another amendment permits the proclaiming of half-holidays as bank holidays.

(iii) *Victoria*.—No major amendments to Acts affecting the regulation of wages or conditions of employment were made during 1961.

(iv) *Queensland*.—(a) The Industrial Conciliation and Arbitration Act of 1961 (operative from 2nd May, 1961) repealed the Industrial Conciliation and Arbitration Acts, 1932 to 1959, the Trade Union Act of 1915, the Trade Unions (Property) Act of 1922, and sub-section one of section thirty of the Wages Act of 1918.

The principal provisions of the new Act are as follows:—

(i) *Tribunals*. The Act provides for the constitution of an Industrial Court and an Industrial Conciliation and Arbitration Commission with retention of the system of industrial magistrates, thereby separating the judicial functions from the conciliation and arbitration functions.

(ii) *The Industrial Court*. The Industrial Court, which operated under the repealed Industrial Conciliation and Arbitration Acts, continued in existence. It consists of a President who, before appointment, was a Judge of the Supreme Court and who continues to hold the position of a Judge of that Court. The President sitting alone exercises all the powers and jurisdiction of the Court, except in relation to proceedings for the cancellation or suspension of the registration of an industrial union and to specified offences and appeals which are to be dealt with by the President and two Commissioners of the Industrial Conciliation and Arbitration Commission. When so constituted the Court is known as the Full Industrial Court.

The President is to allocate the work of the Commission among the Commissioners, and he may assign a Commissioner or Commissioners to a specific dispute.

The Industrial Court may deal with appeals by the Crown or by aggrieved parties from decisions of the Commission or the Registrar on the ground of a

point of law or excess of jurisdiction, but on no other ground. At the request of the Full Bench of the Commission or a Commissioner, the Court is to give its opinion on a point of law arising in proceedings. It deals with appeals from decisions of industrial magistrates regarding offences, damages or recovery of moneys, and appeals from and references by the registrar on matters of law and procedure. It exercises the powers and jurisdiction of the Supreme Court for the purpose of ensuring that the Commission and all industrial magistrates properly exercise their jurisdiction under the Act.

In giving a decision the Court is not limited to any specific relief claimed. Appeals may be made to the Supreme Court against decisions of the Full Court and in respect of decisions regarding contempt of the Court.

Decisions of the Court are not otherwise subject to action before any other Court.

In proceedings before the Full Industrial Court the decision of the President on a question of the jurisdiction of the Court, or as to the construction of an Act, award or agreement, is the decision of the Court; in other matters questions are decided according to the decision of the majority.

(iii) *The Industrial Conciliation and Arbitration Commission.* The Industrial Conciliation and Arbitration Commission may consist of not more than five persons. A person appointed shall not be capable of being a member of the Executive Council or of the Legislative Assembly, and shall not act as a director or auditor, or otherwise take part in the management of any business.

A Full Bench of the Commission is constituted by not less than three Commissioners, and any question is decided according to the decision of the majority.

The Full Bench of the Commission may declare general rulings relating to any industrial matter and, before doing so, it must give reasonable notice of its intention so that all persons interested will have an opportunity to be heard.

Declarations may be made as to:—(a) the cost of living; (b) the standard of living; (c) the basic wage for males and females; (d) standard hours.

In other matters, except where the Act provides otherwise, the jurisdiction of the Commission is exercised by a Commissioner sitting alone. Certain powers and duties are conferred upon industrial magistrates who are stipendiary magistrates or clerks of petty sessions appointed temporarily as industrial magistrates.

The Act sets out the powers and duties of the Commission in respect of the making of an award which may include such matters as regulation of days and hours of work, annual leave, sick leave and the working of overtime.

An appeal may be made to the Court from any decision of the Commission on the ground of a point of law or excess of jurisdiction but on no other ground. The Full Bench of the Commission, or a Commissioner, may ask the Court for its opinion on a matter of law arising in proceedings.

The Act prescribes the procedures to be followed by a Commissioner or industrial magistrate when an industrial dispute arises or is threatened.

Appeals from decisions of industrial magistrates regarding breaches of awards, offences against the Act and in proceedings for the recovery by a union of fees due are to be made to the Industrial Court. On other matters appeals from decisions of industrial magistrates are to be made to the Full Bench of the Commission.

(iv) *Other Provisions.* The Act includes provisions for the holding of trade union elections on the request of members or investigations into alleged irregularities in the holding of elections.

Part VI. of the Act relates to industrial agreements that are enforceable in the same manner as awards.

Part VIII. contains provisions for the prohibition of strikes or lock-outs. Generally these are prohibited unless authorized (as provided by the Act) by members of the union or employers in the calling concerned. It also refers to penalties for contempt of Court, offences in relation to the Commission, breaches of awards and contraventions of the Act.

In any proceedings before the Court, the Commission or an industrial magistrate, a union may be represented by a member or an officer. A party may be represented by a lawyer in proceedings before the Court with the consent of all parties concerned or with the permission of the Court, but no party may be represented by a lawyer before the Commission or an industrial magistrate without the consent of all parties concerned.

The section of the Act dealing with industrial unions incorporates provisions of the repealed Trade Union Act with amendments and additions. Other sections of the Act relate to annual holidays and to long service leave.

(b) The Holidays Acts 1912 to 1954 were amended by Act No. 15 of 1961 (assented to on 29th March, 1961). The amending Act provided that Saturday should be a holiday for banks and insurance companies in Queensland as from the day of proclamation by the Governor in Council. Proclamation was not to be made until the Governor in Council was satisfied that arrangements had been made, and would continue to be carried out, for keeping all banks open until 5 p.m. on every Friday that is not a bank holiday. The Act was proclaimed to operate from 15th April, 1961. Should the Governor in Council consider that the arrangements have ceased to operate he may proclaim that Saturday shall cease to be a bank holiday. Penalties may be imposed for failure to keep Saturday as a holiday for banks and insurance companies. The amending Act does not apply to agencies of savings banks.

(v) *South Australia.*—The Public Service Arbitration Act (No. 42 of 1961) was assented to on 16th November, 1961. It provides for the appointment of a Public Service Arbitrator who shall determine the salaries applicable to officers other than those of permanent heads of departments, first division officers and officers in the State Bank of South Australia. Any other conditions of employment, including alterations in the South Australian living wage, are outside the jurisdiction of the Arbitrator.

Claims for determination of salaries may be lodged only with the Arbitrator by the Public Service Commissioner, or an organization or group of employees whose duties are substantially identical. The Arbitrator may determine whether a number of officers constitute a "group" under the Act. The Public Service Board may, if it considers it desirable, have the claim of an individual or group of individuals dealt with by the Arbitrator. All claims shall be lodged with the Public Service Board in the first instance; if acceded to by the Board they are to be embodied in a return giving effect to the claim. If the claim is not acceded to the matter is to be referred to the Arbitrator for decision.

Claims not dealt with by the Arbitrator shall be determined by the Public Service Board. The Act is not to abridge any power of the Industrial Court nor the general provisions of the Public Service Act.

(vi) *Western Australia*.—(a) Act No. 17 of 1961 amended the Bank Holidays Act, 1884–1953. It provided that Saturday should be a bank holiday, as from the day of proclamation by the Governor. Proclamation was not to be made until the Governor was satisfied that arrangements had been made, and would continue to be carried out, for keeping all banks open for business until 5 p.m. on every Friday that is not a bank holiday. The Act was proclaimed to operate from 24th November, 1961. Should the Governor consider that the arrangements have ceased to operate, he may proclaim that Saturday is no longer to be a bank holiday. The amending Act does not apply to agencies of savings banks.

(b) The Industrial Arbitration Act 1912–1952 was amended by Act No. 62 of 1961 (assented to on 28th November, 1961). The amending Act enables the Civil Service Association to object when a group of persons applies for registration as a union of employees and such persons are eligible for membership of that Association. It also protects the position of existing trade unions which already include government officers as members.

(vii) *Tasmania*.—(a) The Long Service Leave Act, 1961 (No. 13 of 1961), which was assented to on 4th August, 1961, altered the minimum qualifying period before pro rata long service leave may be given from fifteen to ten years of continuous service for employees who have attained the age of 45 years. Payment in lieu of long service leave can now be given on the death of an employee after ten years of continuous service instead of fifteen years.

(b) The Public Service Tribunal Act, 1958, was amended by Act No. 27 of 1961 (assented to on 31st October, 1961). The amending Act extended the power of the Tribunal to make amendments to the principal award to conform to variations of salaries of officers of the Public Service in other States or Territories of the Commonwealth. Where an award comes into force on a day before the day of making of the award, unless the contrary is provided, the provisions of the award apply to all those employed on the day when the award comes into force, whether or not they cease to be employees before the date of making of the award.

(c) Act No. 33 of 1961 (assented to on 4th December, 1961) amended the Wages Boards Act, 1920. The amending Act repealed section 17 of the principal Act and substituted a new section which provided that representative members of wages boards shall hold office for three years and for such further period as the Minister may declare. The Minister may also declare that representative members may continue in office for a further period of three years after their due date of retirement. Before making such an order the Minister shall publish his intention in the *Government Gazette* and in newspapers published in Hobart, Launceston and Burnie. Objections to the making of such an order may be made by an employer engaged in the trade for which the board has been established or by not less than five employees engaged in that trade. If such an objection is made the Minister shall not make the order. Representative members are to continue in office after their retiring date until either a new board is appointed or an order is made declaring that they are to remain in office for a further period of three years.

Section 21 of the Principal Act relating to the appointment of the chairman of the wages boards was repealed. A new section provides that the chairman shall cease to hold office on attaining the age of 65 years. The section lists a number of grounds on which the Governor may remove the chairman from office.

The Act now permits wages boards to grant up to three weeks' paid recreational leave to employees.

Provision has been made for a wages board in a determination to declare a basic wage, and that basic wage shall be the basic wage of an award of the Commonwealth Conciliation and Arbitration Commission, whether that award is made before or after the making of the determination of the wages board.

An employer shall not dismiss an employee on the ground that the employee has given information with regard to the conditions under which he is employed to an officer of an organization or association of employees to which he belongs.

Where the Minister has convened a meeting of a wages board for purposes of preventing or settling an industrial dispute, the board is not entitled to consider the determination, definition or demarcation of any functions, operations, or work that should or should not be performed or undertaken by any employees or classes of employees.

(viii) *Territories*.—No industrial legislation affecting only the Northern Territory or the Australian Capital Territory was passed in 1961.

§ 2. Rates of Wage and Hours of Work.

1. *General*.—The collection of data for minimum rates of wage in the various occupations in each State was first undertaken by this Bureau in 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 registered 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. In a few cases occupations covered by unregistered agreements have been included, where such agreements are dominant in the industries to which they refer. From the particulars so obtained, indexes of "nominal" (i.e. minimum) weekly wage rates were calculated for a number of industry groups until the end of 1959. The index for each industry group was the unweighted average of wage rates for selected occupations within the group. 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 para. 2 below.

2. *Indexes of Minimum Weekly and Hourly Wage Rates and Standard Hours of Work*.—This section contains indexes (with base: year 1954 = 100) 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 indexes

there are 15 industrial groups for adult males and 8 industrial groups for adult females. For relevant periods these indexes replace cognate indexes (base: year 1911 = 1,000 for males and April, 1914 = 1,000 for females) published in issues prior to No. 47, 1959.

The 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.

The industrial classification used in the current indexes, shown in the table on page 58, does not differ basically from the previous classification, the alterations being largely in the arrangement of classes. A comparison was given in Labour Report No. 47, page 23. The former Pastoral, Agricultural, etc., group is not included in the current indexes and the Domestic part of the group, "Amusement, Hotels, Personal Service, etc.", is excluded because of coverage difficulties.

The minimum wage rates and standard 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 2,307. For adult females the corresponding numbers are 1,103 and 518. 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 Australia. Weighted averages of the components of the total minimum wage rate, i.e. basic wage, margin and loading, were calculated separately for employees covered by Commonwealth awards, etc., and for those covered by State awards, etc. See page 60.

Because the indexes are designed to measure movements in prescribed minimum rates of "wages" as distinct from "salaries", those awards, etc., which relate 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. Neither the amounts nor the corresponding index numbers measure the relative level of wage rates or hours as between States. 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, 1961, will be found in Sections IV. and V. of the Appendix. More detailed particulars of weekly rates and index numbers will be found in the statistical bulletins S.B. 123—*Minimum Weekly Wage Rates, 1939 to 1959* and S.B. 124—*Minimum Weekly Wage Rates, January, 1960 to June, 1962*. Current figures are published in the monthly bulletin *Wage Rates and Earnings*.

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 industrial 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. Weekly Wage Rates.—(i) *Adult Males.*—(a) *Industrial Groups, States.* The following table shows the weighted average minimum weekly rates of wage payable to adult male workers, for a full week's work, at 31st December, 1961, together with corresponding index numbers, in each of the principal industrial groups.

**WEEKLY RATES OF WAGE: ADULT MALES, INDUSTRIAL GROUPS,
31st DECEMBER, 1961.(a)**

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.

| Industrial Group. | N.S.W. | Vic. | Qld. | S.A. | W.A. | Tas. | Aust. |
|---|--------|--------|--------|--------|--------|--------|--------|
| RATES OF WAGE (b) | | | | | | | |
| Mining and Quarrying(c) | 445 4 | 362 2 | 437 3 | 347 4 | 394 2 | 369 8 | 424 0 |
| Manufacturing— | | | | | | | |
| Engineering, Metals, Vehicles, etc. | 363 8 | 359 2 | 358 3 | 357 10 | 367 0 | 370 3 | 361 6 |
| Textiles, Clothing and Footwear | 355 10 | 350 9 | 351 0 | 340 3 | 353 2 | 345 6 | 352 0 |
| Food, Drink and Tobacco | 364 11 | 372 8 | 352 7 | 348 8 | 365 3 | 357 10 | 363 0 |
| Sawmilling, Furniture, etc. | 367 10 | 351 1 | 344 6 | 353 10 | 355 9 | 354 9 | 356 5 |
| Paper, Printing, etc. | 387 5 | 396 8 | 394 0 | 381 2 | 413 10 | 366 7 | 390 3 |
| Other Manufacturing | 366 0 | 355 9 | 346 2 | 350 5 | 355 1 | 352 10 | 358 9 |
| All Manufacturing Groups | 365 5 | 360 11 | 354 10 | 355 7 | 364 0 | 361 8 | 361 9 |
| Building and Construction | 378 6 | 368 8 | 348 2 | 353 9 | 360 6 | 361 2 | 366 3 |
| Railway Services | 373 6 | 338 1 | 363 8 | 342 0 | 348 6 | 360 8 | 357 8 |
| Road and Air Transport | 377 8 | 358 5 | 338 4 | 347 11 | 366 8 | 358 9 | 363 4 |
| Shipping and Stevedoring(d) | 359 0 | 357 2 | 352 7 | 355 3 | 352 7 | 353 4 | 356 3 |
| Communication | 400 7 | 395 10 | 394 1 | 393 6 | 394 8 | 392 0 | 397 1 |
| Wholesale and Retail Trade | 372 1 | 368 5 | 362 8 | 355 3 | 363 5 | 366 6 | 367 4 |
| Public Authority (n.e.i.) and Community and Business Services | 368 11 | 354 6 | 352 5 | 339 3 | 347 3 | 374 10 | 357 10 |
| Amusement, Hotels, Personal Service, etc. | 357 8 | 339 10 | 342 8 | 339 0 | 349 4 | 348 7 | 348 2 |
| All Industrial Groups(a) | 373 4 | 362 1 | 359 10 | 354 7 | 363 9 | 362 10 | 365 8 |

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

| | | | | | | | |
|---|-------|-------|-------|-------|-------|-------|-------|
| Mining and Quarrying(c) | 157.7 | 128.2 | 154.8 | 123.0 | 139.6 | 130.9 | 150.1 |
| Manufacturing— | | | | | | | |
| Engineering, Metals, Vehicles, etc. | 128.8 | 127.2 | 126.9 | 126.7 | 129.9 | 131.1 | 128.0 |
| Textiles, Clothing and Footwear | 126.0 | 124.2 | 124.3 | 120.5 | 125.1 | 122.3 | 124.6 |
| Food, Drink and Tobacco | 129.2 | 132.0 | 124.8 | 123.5 | 129.3 | 126.2 | 128.5 |
| Sawmilling, Furniture, etc. | 130.2 | 124.3 | 122.0 | 125.3 | 126.0 | 125.6 | 126.2 |
| Paper, Printing, etc. | 137.2 | 140.5 | 139.5 | 135.0 | 146.5 | 129.8 | 138.2 |
| Other Manufacturing | 129.6 | 126.0 | 122.6 | 124.1 | 125.7 | 124.9 | 127.0 |
| All Manufacturing Groups | 129.4 | 127.8 | 125.6 | 125.9 | 128.9 | 128.1 | 128.1 |
| Building and Construction | 134.0 | 130.5 | 123.3 | 125.3 | 127.6 | 127.9 | 129.7 |
| Railway Services | 132.2 | 119.7 | 128.8 | 121.1 | 123.4 | 127.7 | 126.6 |
| Road and Air Transport | 133.7 | 126.9 | 119.8 | 123.2 | 129.8 | 127.0 | 128.6 |
| Shipping and Stevedoring(d) | 127.1 | 126.5 | 124.8 | 125.8 | 124.8 | 125.1 | 126.1 |
| Communication | 141.8 | 140.2 | 139.5 | 139.3 | 139.7 | 138.8 | 140.6 |
| Wholesale and Retail Trade | 131.7 | 130.5 | 128.4 | 125.8 | 128.7 | 129.8 | 130.1 |
| Public Authority (n.e.i.) and Community and Business Services | 130.6 | 125.5 | 124.8 | 120.1 | 123.0 | 132.7 | 126.7 |
| Amusement, Hotels, Personal Service, etc. | 126.6 | 120.3 | 121.3 | 120.0 | 123.7 | 123.4 | 123.3 |
| All Industrial Groups(a) | 132.2 | 128.2 | 127.4 | 125.6 | 128.8 | 128.5 | 129.5 |

(a) Excludes rural industry. (b) The amounts shown should not be regarded as actual current averages, but as indexes expressed in money terms, indicative of trends. (c) For mining, the average rates of wage are those prevailing at the principal mining centres in each State. They include lead bonuses, etc. (d) 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.

(b) *Summary, 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)

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.

| Date. | N.S.W. | Vic. | Qld. | S.A. | W.A. | Tas. | Aust. |
|-------|--------|------|------|------|------|------|-------|
|-------|--------|------|------|------|------|------|-------|

RATES OF WAGE.(b)

| | 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 |
| " " 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 |
| " " 1959 | 350 | 3 | 344 | 2 | 334 | 4 | 339 | 11 | 340 | 9 | 347 | 1 | 344 | 8 |
| " " 1960 | 362 | 10 | 349 | 11 | 350 | 8 | 342 | 2 | 358 | 1 | 351 | 6 | 355 | 0 |
| 31st March, 1961 | 365 | 4 | 350 | 2 | 354 | 1 | 342 | 4 | 360 | 1 | 352 | 3 | 356 | 8 |
| 30th June, 1961 | 366 | 10 | 350 | 6 | 357 | 4 | 342 | 4 | 362 | 5 | 352 | 4 | 357 | 11 |
| 30th September, 1961 | 373 | 9 | 362 | 2 | 359 | 8 | 354 | 5 | 365 | 0 | 362 | 9 | 365 | 11 |
| 31st December, 1961 | 373 | 4 | 362 | 1 | 359 | 10 | 354 | 7 | 363 | 9 | 362 | 10 | 365 | 8 |

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

| | 35.4 | 34.4 | 35.2 | 33.3 | 35.6 | 32.6 | 34.8 |
|----------------------------|-------|-------|-------|-------|-------|-------|-------|
| 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 |
| " " 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 |
| " " 1959 | 124.0 | 121.9 | 118.4 | 120.4 | 120.7 | 122.9 | 122.0 |
| " " 1960 | 128.5 | 123.9 | 124.2 | 121.2 | 126.8 | 124.5 | 125.7 |
| 31st March, 1961 | 129.4 | 124.0 | 125.4 | 121.2 | 127.5 | 124.7 | 126.3 |
| 30th June, 1961 | 129.9 | 124.1 | 126.5 | 121.2 | 128.3 | 124.8 | 126.7 |
| 30th September, 1961 | 132.3 | 128.2 | 127.4 | 125.5 | 129.2 | 128.4 | 129.6 |
| 31st December, 1961 | 132.2 | 128.2 | 127.4 | 125.6 | 128.8 | 128.5 | 129.5 |

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

(c) *Industrial Groups, Australia.*—The following table shows for Australia the 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, (a) AUSTRALIA.

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.

| Industrial Group. | At 31st December— | | | | | | |
|---|-------------------|-------------|-------------|--------------|-------------|-------------|-------------|
| | 1939. | 1945. | 1950. | 1955. | 1959. | 1960. | 1961. |
| RATES OF WAGE (b) | | | | | | | |
| Mining and Quarrying(c) .. | s. d. 109 11 | s. d. 138 8 | s. d. 259 7 | s. d. 366 10 | s. d. 407 1 | s. d. 414 8 | s. d. 424 0 |
| Manufacturing— | | | | | | | |
| Engineering, Metals, Vehicles, etc. | 99 10 | 122 2 | 201 8 | 294 9 | 344 9 | 350 2 | 361 6 |
| Textiles, Clothing and Footwear | 93 1 | 115 10 | 197 5 | 285 0 | 331 10 | 340 5 | 352 0 |
| Food, Drink and Tobacco | 99 1 | 119 11 | 201 5 | 295 9 | 339 8 | 352 3 | 363 0 |
| Sawmilling, Furniture, etc. | 97 6 | 117 11 | 196 0 | 288 10 | 335 1 | 346 2 | 356 5 |
| Paper, Printing, etc. | 104 7 | 127 8 | 214 3 | 312 6 | 365 0 | 379 2 | 390 3 |
| Other Manufacturing | 96 5 | 118 7 | 197 7 | 291 4 | 335 10 | 347 2 | 358 9 |
| All Manufacturing Groups | 98 8 | 120 8 | 200 10 | 294 1 | 341 9 | 350 6 | 361 9 |
| Building and Construction | 99 3 | 119 8 | 198 7 | 295 6 | 343 9 | 357 6 | 366 3 |
| Railway Services | 94 6 | 117 9 | 195 10 | 290 11 | 336 10 | 346 6 | 357 8 |
| Road and Air Transport | 99 1 | 121 7 | 197 11 | 294 3 | 340 11 | 352 6 | 363 4 |
| Shipping and Stevedoring(d) | 91 0 | 117 7 | 196 7 | 276 11 | 338 5 | 344 7 | 356 3 |
| Communication | 97 10 | 123 9 | 213 4 | 316 6 | 383 7 | 384 11 | 397 1 |
| Wholesale and Retail Trade | 98 6 | 119 5 | 200 10 | 297 9 | 341 2 | 357 1 | 367 4 |
| Public Authority (n.e.i.) and Community and Business Services | 91 11 | 113 9 | 192 1 | 289 10 | 334 5 | 348 1 | 357 10 |
| Amusement, Hotels, Personal Service, etc. | 94 1 | 115 3 | 192 4 | 283 7 | 328 0 | 337 4 | 348 2 |
| All Industrial Groups(a) | 98 4 | 120 7 | 202 0 | 297 0 | 344 8 | 355 0 | 365 8 |

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

| | | | | | | | |
|---|------|------|------|-------|-------|-------|-------|
| Mining and Quarrying(c) .. | 38.9 | 49.1 | 91.9 | 129.9 | 144.1 | 146.8 | 150.1 |
| Manufacturing— | | | | | | | |
| Engineering, Metals, Vehicles, etc. | 35.3 | 43.3 | 71.4 | 104.4 | 122.1 | 124.0 | 128.0 |
| Textiles, Clothing and Footwear | 33.0 | 41.0 | 69.9 | 100.9 | 117.5 | 120.5 | 124.6 |
| Food, Drink and Tobacco | 35.1 | 42.5 | 71.3 | 104.7 | 120.3 | 124.7 | 128.5 |
| Sawmilling, Furniture, etc. | 34.5 | 41.8 | 69.4 | 102.3 | 118.6 | 122.6 | 126.2 |
| Paper, Printing, etc. | 37.0 | 45.2 | 75.9 | 110.7 | 129.2 | 134.3 | 138.2 |
| Other Manufacturing | 34.1 | 42.0 | 70.0 | 103.2 | 118.9 | 122.9 | 127.0 |
| All Manufacturing Groups | 34.9 | 42.7 | 71.1 | 104.1 | 121.0 | 124.1 | 128.1 |
| Building and Construction | 35.1 | 42.4 | 70.3 | 104.6 | 121.7 | 126.6 | 129.7 |
| Railway Services | 33.5 | 41.7 | 69.3 | 103.0 | 119.3 | 122.7 | 126.6 |
| Road and Air Transport | 35.1 | 43.0 | 70.1 | 104.2 | 120.7 | 124.8 | 128.6 |
| Shipping and Stevedoring(d) | 32.2 | 41.6 | 69.6 | 98.1 | 119.8 | 122.0 | 126.1 |
| Communication | 34.6 | 43.8 | 75.5 | 112.1 | 135.8 | 136.3 | 140.6 |
| Wholesale and Retail Trade | 34.9 | 42.3 | 71.1 | 105.4 | 120.8 | 126.4 | 130.1 |
| Public Authority (n.e.i.) and Community and Business Services | 32.5 | 40.3 | 68.0 | 102.6 | 118.4 | 123.2 | 126.7 |
| Amusement, Hotels, Personal Service, etc. | 33.3 | 40.8 | 68.1 | 100.4 | 116.1 | 119.4 | 123.3 |
| All Industrial Groups(a) | 34.8 | 42.7 | 71.5 | 105.2 | 122.0 | 125.7 | 129.5 |

(a) Excludes rural industry. (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. They include lead bonuses, etc. (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.

(d) *Components of Total Wage Rate.*—A dissection of weighted average minimum weekly wage rates for adult males into the three components of the total minimum wage, i.e. basic wage, margin and loading, is given in the following two tables, separate particulars being shown for employees covered by awards, etc., within Commonwealth and State jurisdictions. For the purposes of the index the Commonwealth jurisdiction embraces awards of, or agreements registered with, the Commonwealth Conciliation and Arbitration Commission, and determinations of the Commonwealth Public Service Arbitrator. State jurisdictions embrace awards or determinations of, or agreements registered with, State industrial tribunals, together with certain unregistered agreements, where these are dominant in the particular industries to which they refer.

The basic wage rates shown in this section are weighted averages of the rates prescribed in awards, etc., for the occupations included in the index for each State. For industries other than mining, metropolitan basic wage rates have

generally been used. However, there are a number of occupations for which basic wage rates other than the metropolitan rate are prescribed. Also, in some States at various times State Government employees under Commonwealth awards have been paid State basic wage rates, and the basic wage rates of some employees have been subject to automatic quarterly adjustments while those of other employees within the same jurisdiction have remained unchanged. In all such cases the basic wage rate actually paid is used in tables below. For these and other reasons, the weighted average basic wage rates differ, in the majority of cases, from the metropolitan basic wage rates shown in other sections of this chapter.

Margins are minimum amounts, in addition to the basic wage, awarded to particular classifications of employees for features attaching to their work, such as skill, experience, arduousness and other like factors.

Loadings are minimum amounts, in addition to the basic wage and margin (if any), awarded for various kinds of disabilities associated with the performance of work, or to meet particular circumstances. They include payments such as industry loadings and other general loadings prescribed in awards, etc., for the occupations included in the index.

For a more detailed description of this dissection of weekly wage rates into components and for tables for each State and Australia, according to jurisdiction, extending back to 1939, see the statistical bulletins S.B. 123—*Minimum Weekly Wage Rates, 1939 to 1959* and S.B. 124—*Minimum Weekly Wage Rates, January, 1960 to June, 1962*.

The following table shows the components of the total minimum weekly wage rate for each State and Australia as at 31st December, 1961, according to jurisdiction.

WEEKLY WAGE RATES: ADULT MALES, COMPONENTS OF TOTAL WAGE RATE(a), 31st DECEMBER, 1961.

Weighted Averages of Minimum Weekly Rates Payable for a Full Week's Work (excluding overtime), as prescribed in Awards, Determinations and Agreements.

| Jurisdiction and Components of Total Wage Rate.(b) | N.S.W. | Vic. | Qld. | S.A. | W.A. | Tas. | Aust. |
|--|---------------|---------------|---------------|--------------|--------------|---------------|---------------|
| <i>Commonwealth Awards, etc.—</i> | <i>s. d.</i> | <i>s. d.</i> | <i>s. d.</i> | <i>s. d.</i> | <i>s. d.</i> | <i>s. d.</i> | <i>s. d.</i> |
| Basic Wage .. | 294 10 | 287 4 | 278 7 | 283 6 | 288 4 | 293 8 | 289 9 |
| Margin .. | 72 3 | 67 2 | 80 5 | 72 9 | 86 7 | 62 3 | 70 7 |
| Loading .. | 4 11 | 2 10 | 5 2 | 1 5 | 2 10 | 2 0 | 3 6 |
| Total Wage Rate | 372 0 | 357 4 | 364 2 | 357 8 | 377 9 | 357 11 | 363 10 |
| <i>State Awards, etc.—</i> | | | | | | | |
| Basic Wage .. | 300 10 | 287 10 | 284 11 | 283 1 | 298 2 | 294 2 | 293 5 |
| Margin .. | 67 11 | 80 5 | 69 6 | 56 9 | 60 7 | 68 2 | 68 11 |
| Loading .. | 6 1 | 4 8 | 4 5 | 7 10 | 3 3 | 8 3 | 5 3 |
| Total Wage Rate | 374 10 | 372 11 | 358 10 | 347 8 | 362 0 | 370 7 | 367 7 |
| <i>All Awards, etc.—</i> | | | | | | | |
| Basic Wage .. | 297 8 | 287 6 | 283 9 | 283 5 | 297 1 | 293 10 | 291 6 |
| Margin .. | 70 2 | 71 2 | 71 6 | 67 10 | 63 6 | 64 7 | 69 9 |
| Loading .. | 5 6 | 3 5 | 4 7 | 3 4 | 3 2 | 4 5 | 4 5 |
| Total Wage Rate | 373 4 | 362 1 | 359 10 | 354 7 | 363 9 | 362 10 | 365 8 |

(a) Excludes rural industry. The amounts shown should not be regarded as actual current averages, but as an index expressed in money terms, indicative of trends. (b) For definitions see text above.

The components of the total minimum weekly wage rate for Australia, according to jurisdiction, are shown in the following table.

WEEKLY WAGE RATES: ADULT MALES, COMPONENTS OF TOTAL WAGE RATE(a), AUSTRALIA.

Weighted Averages of Minimum Weekly Rates(b) payable for a Full Week's Work (excluding overtime).

| Jurisdiction and Components of Total Wage Rate.(c) | At 31st December— | | | | | |
|--|-------------------|--------------|--------------|--------------|---------------|---------------|
| | 1939. | 1945. | 1950. | 1955. | 1960. | 1961. |
| | <i>s. d.</i> | <i>s. d.</i> | <i>s. d.</i> | <i>s. d.</i> | <i>s. d.</i> | <i>s. d.</i> |
| Commonwealth Awards, etc.— | | | | | | |
| Basic Wage | 79 5 | 97 3 | 162 2 | 239 0 | 278 2 | 289 9 |
| Margin | 17 3 | 19 4 | 35 8 | 52 8 | 70 1 | 70 7 |
| Loading | 0 4 | 4 1 | 3 11 | 2 4 | 3 2 | 3 6 |
| Total Wage Rate .. | 97 0 | 120 8 | 201 9 | 294 0 | 351 5 | 363 10 |
| State Awards, etc.— | | | | | | |
| Basic Wage | 81 11 | 98 1 | 161 8 | 244 8 | 285 2 | 293 5 |
| Margin | 17 4 | 20 0 | 35 3 | 50 6 | 68 5 | 68 11 |
| Loading | 0 6 | 2 5 | 5 5 | 5 0 | 5 3 | 5 3 |
| Total Wage Rate .. | 99 9 | 120 6 | 202 4 | 300 2 | 358 10 | 367 7 |
| All Awards, etc.— | | | | | | |
| Basic Wage | 80 8 | 97 8 | 161 11 | 241 10 | 281 7 | 291 6 |
| Margin | 17 3 | 19 8 | 35 6 | 51 7 | 69 3 | 69 9 |
| Loading | 0 5 | 3 3 | 4 7 | 3 7 | 4 2 | 4 5 |
| Total Wage Rate .. | 98 4 | 120 7 | 202 0 | 297 0 | 355 0 | 365 8 |

For footnotes see table on page 61.

(ii) *Adult Females.*—(a) *Industrial Groups, States.* The following table shows the weighted average minimum weekly rates of wage payable to adult female workers, for a full week's work, at 31st December, 1961, in each of the principal industrial groups.

WEEKLY RATES OF WAGE: ADULT FEMALES, INDUSTRIAL GROUPS, 31ST DECEMBER, 1961.(a)

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.

| Industrial Group. | N.S.W. | Vic. | Qld. | S.A. | W.A. | Tas. | Aust. |
|--|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| RATES OF WAGE. | | | | | | | |
| | <i>s. d.</i> | <i>s. d.</i> | <i>s. d.</i> | <i>s. d.</i> | <i>s. d.</i> | <i>s. d.</i> | <i>s. d.</i> |
| Manufacturing— | | | | | | | |
| Engineering, Metals, Vehicles, etc. | 264 7 | 254 11 | 249 5 | 247 5 | 254 7 | 250 0 | 258 5 |
| Textiles, Clothing and Footwear | 251 4 | 248 1 | 249 4 | 250 2 | 252 11 | 242 3 | 249 6 |
| Food, Drink and Tobacco .. | 268 1 | 250 6 | 251 10 | 246 3 | 240 10 | 243 10 | 256 0 |
| Other Manufacturing | 262 5 | 253 3 | 255 11 | 246 4 | 251 7 | 244 11 | 257 3 |
| All Manufacturing Groups .. | 258 9 | 250 4 | 251 4 | 247 8 | 250 1 | 243 11 | 253 8 |
| Transport and Communication .. | 276 2 | 265 7 | 267 6 | 263 6 | 265 5 | 268 1 | 269 10 |
| Wholesale and Retail Trade .. | 288 11 | 270 10 | 260 11 | 258 8 | 255 5 | 247 2 | 273 10 |
| Public Authority (n.e.i.) and Community and Business Services .. | 275 11 | 265 2 | 254 2 | 253 11 | 251 8 | 273 8 | 266 6 |
| Amusement, Hotels, Personal Service, etc. | 260 7 | 247 9 | 247 4 | 238 11 | 271 5 | 244 9 | 254 7 |
| All Industrial Groups | 269 2 | 256 7 | 255 7 | 252 0 | 256 7 | 248 3 | 261 2 |

WEEKLY RATES OF WAGE: ADULT FEMALES—continued.

| Industrial Group. | N.S.W. | Vic. | Qld. | S.A. | W.A. | Tas. | Aust. |
|---|--------|-------|-------|-------|-------|-------|-------|
| INDEX NUMBERS. | | | | | | | |
| (Base: Weighted Average Weekly Wage Rate, Australia, 1954 = 100.) | | | | | | | |
| Manufacturing— | | | | | | | |
| Engineering, Metals, Vehicles, etc. | 132.9 | 128.0 | 125.3 | 124.3 | 127.9 | 125.6 | 129.8 |
| Textiles, Clothing and Footwear | 126.2 | 124.6 | 125.2 | 125.7 | 127.0 | 121.7 | 125.3 |
| Food, Drink and Tobacco .. | 134.7 | 125.8 | 126.5 | 123.7 | 121.0 | 122.5 | 128.6 |
| Other Manufacturing .. | 131.8 | 127.2 | 128.6 | 123.7 | 126.4 | 123.0 | 129.2 |
| All Manufacturing Groups .. | 130.0 | 125.7 | 126.2 | 124.4 | 125.6 | 122.5 | 127.4 |
| Transport and Communication .. | 138.7 | 133.4 | 134.4 | 132.4 | 133.3 | 134.7 | 135.5 |
| Wholesale and Retail Trade .. | 145.1 | 136.0 | 131.1 | 129.9 | 128.3 | 124.2 | 137.5 |
| Public Authority (n.e.i.) and Community and Business Services .. | 138.6 | 133.2 | 127.7 | 127.5 | 126.4 | 137.5 | 133.9 |
| Amusement, Hotels, Personal Service, etc. .. | 130.9 | 124.4 | 124.2 | 120.0 | 136.3 | 122.9 | 127.9 |
| All Industrial Groups .. | 135.2 | 128.9 | 128.4 | 126.6 | 128.9 | 124.7 | 131.2 |

(a) See note (b) to table on page 59.

(b) *Summary, 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. This series has not been compiled for the years prior to 1951.

WEEKLY WAGE RATES: ADULT FEMALES.

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.

| Date. | N.S.W. | Vic. | Qld. | S.A. | W.A. | Tas. | Aust. |
|-------------------------|--------|--------|--------|--------|-------|--------|--------|
| RATES OF WAGE.(a) | | | | | | | |
| 31st December, 1951 .. | 172 4 | 172 2 | 161 2 | 170 3 | 162 6 | 165 7 | 170 4 |
| " " 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 |
| " " 1959 .. | 249 3 | 241 3 | 229 8 | 239 2 | 224 1 | 234 3 | 242 2 |
| " " 1960 .. | 261 3 | 246 7 | 239 4 | 242 11 | 251 2 | 238 10 | 251 8 |
| 31st March, 1961 .. | 262 10 | 246 8 | 241 6 | 242 11 | 252 4 | 239 3 | 252 7 |
| 30th June, 1961 .. | 263 9 | 246 8 | 253 0 | 242 11 | 254 8 | 239 3 | 254 5 |
| 30th September, 1961 .. | 269 2 | 255 10 | 255 7 | 252 0 | 257 8 | 248 3 | 261 0 |
| 31st December, 1961 .. | 269 2 | 256 7 | 255 7 | 252 0 | 256 7 | 248 3 | 261 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 |
| " " 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 | 101.3 | 106.7 | 110.0 | 111.1 |
| " " 1958 .. | 115.0 | 114.3 | 108.1 | 112.4 | 107.5 | 111.1 | 113.4 |
| " " 1959 .. | 125.2 | 121.2 | 115.4 | 120.1 | 112.6 | 117.7 | 121.6 |
| " " 1960 .. | 131.2 | 123.9 | 120.2 | 122.0 | 126.2 | 120.0 | 126.4 |
| 31st March, 1961 .. | 132.0 | 123.9 | 121.3 | 122.0 | 126.7 | 120.2 | 126.9 |
| 30th June, 1961 .. | 132.5 | 123.9 | 127.1 | 122.0 | 127.9 | 120.2 | 127.8 |
| 30th September, 1961 .. | 135.2 | 128.5 | 128.4 | 126.6 | 129.4 | 124.7 | 131.1 |
| 31st December, 1961 .. | 135.2 | 128.9 | 128.4 | 126.6 | 128.9 | 124.7 | 131.2 |

(a) See note (b) to table on page 59.

(c) *Industrial Groups, Australia.* The following table shows for Australia the 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.

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.

| Industrial Group. | At 31st December— | | | | | |
|-------------------|-------------------|-------|-------|-------|-------|-------|
| | 1951. | 1955. | 1958. | 1959. | 1960. | 1961. |

RATES OF WAGE.(a)

| | s. | d. | s. | d. | s. | d. | s. | d. | s. | d. | s. | d. |
|---|-----|----|-----|----|-----|----|-----|----|-----|----|-----|----|
| Manufacturing— | | | | | | | | | | | | |
| Engineering, Metals, Vehicles, etc. | 170 | 11 | 206 | 6 | 225 | 4 | 241 | 4 | 249 | 9 | 258 | 5 |
| Textiles, Clothing and Footwear | 171 | 2 | 200 | 11 | 221 | 0 | 237 | 3 | 240 | 8 | 249 | 6 |
| Food, Drink and Tobacco | 165 | 9 | 206 | 10 | 220 | 2 | 236 | 0 | 246 | 4 | 256 | 0 |
| Other Manufacturing | 168 | 9 | 203 | 7 | 222 | 5 | 238 | 5 | 248 | 0 | 257 | 3 |
| All Manufacturing Groups | 169 | 11 | 203 | 4 | 222 | 0 | 238 | 1 | 244 | 7 | 253 | 8 |
| Transport and Communication | 177 | 6 | 213 | 10 | 232 | 3 | 255 | 3 | 260 | 2 | 269 | 10 |
| Wholesale and Retail Trade | 171 | 1 | 213 | 0 | 232 | 2 | 248 | 0 | 263 | 7 | 273 | 10 |
| Public Authority (n.e.i.) and Community and Business Services | 170 | 1 | 209 | 8 | 228 | 0 | 245 | 4 | 257 | 9 | 266 | 6 |
| Amusement, Hotels, Personal Service, etc. | 166 | 9 | 201 | 8 | 220 | 11 | 236 | 8 | 245 | 0 | 254 | 7 |
| All Industrial Groups | 170 | 4 | 206 | 11 | 225 | 8 | 242 | 2 | 251 | 8 | 261 | 2 |

INDEX NUMBERS.

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

| Manufacturing— | | | | | | |
|---|------|-------|-------|-------|-------|-------|
| Engineering, Metals, Vehicles, etc. | 85.9 | 103.7 | 113.2 | 121.2 | 125.5 | 129.8 |
| Textiles, Clothing and Footwear | 86.0 | 100.9 | 111.0 | 119.2 | 120.9 | 125.3 |
| Food, Drink and Tobacco | 83.3 | 103.9 | 110.6 | 118.5 | 123.7 | 128.6 |
| Other Manufacturing | 84.8 | 102.3 | 111.7 | 119.8 | 124.6 | 129.2 |
| All Manufacturing Groups | 85.4 | 102.1 | 111.5 | 119.6 | 122.9 | 127.4 |
| Transport and Communication | 89.2 | 107.4 | 116.7 | 128.2 | 130.7 | 135.5 |
| Wholesale and Retail Trade | 85.9 | 107.0 | 116.6 | 124.6 | 132.4 | 137.5 |
| Public Authority (n.e.i.) and Community and Business Services | 85.4 | 105.3 | 114.5 | 123.2 | 129.5 | 133.9 |
| Amusement, Hotels, Personal Service, etc. | 83.8 | 101.3 | 111.0 | 118.9 | 123.1 | 127.9 |
| All Industrial Groups | 85.6 | 103.9 | 113.4 | 121.6 | 126.4 | 131.2 |

(a) See note (b) to table on page 59.

4. *Hourly Wage Rates.*—(i) *Adult Males.*—(a) *Industrial Groups, States.* The following table shows the weighted average minimum hourly rates of wage payable to adult male workers at 31st December, 1961.

HOURLY RATES OF WAGE: ADULT MALES, INDUSTRIAL GROUPS, 31ST DECEMBER, 1961.(a)

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

| Industrial Group. | N.S.W. | Vic. | Qld. | S.A. | W.A. | Tas. | Aust. |
|-------------------|--------|------|------|------|------|------|-------|
|-------------------|--------|------|------|------|------|------|-------|

RATES OF WAGE,(b)

(Pence.)

| | | | | | | | |
|--|--------|--------|--------|--------|--------|--------|--------|
| Mining and Quarrying(c) .. | 135.56 | 108.65 | 131.18 | 104.20 | 121.97 | 110.90 | 128.74 |
| Manufacturing— | | | | | | | |
| Engineering, Metals, Vehicles, etc. | 109.10 | 107.75 | 107.48 | 107.35 | 110.10 | 111.08 | 108.45 |
| Textiles, Clothing and Footwear | 106.75 | 105.23 | 105.30 | 102.08 | 105.95 | 103.65 | 105.60 |
| Food, Drink and Tobacco | 109.64 | 111.80 | 105.77 | 104.60 | 109.58 | 107.35 | 108.95 |
| Sawmilling, Furniture, etc. | 110.35 | 105.32 | 103.35 | 106.15 | 106.73 | 106.43 | 106.93 |
| Paper, Printing, etc. | 116.23 | 119.18 | 118.20 | 114.35 | 126.65 | 109.97 | 117.22 |
| Other Manufacturing | 109.80 | 106.83 | 103.85 | 103.39 | 106.28 | 105.93 | 107.68 |
| All Manufacturing Groups | 109.65 | 108.30 | 106.45 | 106.73 | 109.25 | 108.50 | 108.55 |
| Building and Construction .. | 113.55 | 110.60 | 104.45 | 106.13 | 108.15 | 108.35 | 109.88 |
| Railway Services .. | 112.05 | 101.53 | 109.10 | 102.60 | 104.55 | 108.20 | 107.33 |
| Road and Air Transport .. | 113.30 | 107.53 | 101.50 | 104.38 | 110.00 | 107.63 | 109.00 |
| Communication .. | 120.17 | 118.75 | 118.22 | 119.27 | 118.40 | 118.82 | 119.27 |
| Wholesale and Retail Trade | 111.62 | 110.53 | 108.80 | 106.58 | 109.03 | 109.95 | 110.20 |
| Public Authority (n.e.s.) and Community and Business Services .. | 112.85 | 109.27 | 107.01 | 103.77 | 105.28 | 114.19 | 109.40 |
| Amusement, Hotels, Personal Service, etc. .. | 107.30 | 101.95 | 102.80 | 101.70 | 104.80 | 104.86 | 104.45 |
| All Industrial Groups .. | 112.27 | 108.73 | 108.05 | 106.46 | 109.53 | 109.11 | 109.89 |

INDEX NUMBERS.

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

| | | | | | | | |
|--|-------|-------|-------|-------|-------|-------|-------|
| Mining and Quarrying(c) .. | 159.7 | 128.0 | 154.5 | 122.7 | 143.7 | 130.6 | 151.6 |
| Manufacturing— | | | | | | | |
| Engineering, Metals, Vehicles, etc. | 128.5 | 126.9 | 126.6 | 126.4 | 129.7 | 130.8 | 127.7 |
| Textiles, Clothing and Footwear | 125.7 | 123.9 | 124.0 | 120.2 | 124.8 | 122.1 | 124.4 |
| Food, Drink and Tobacco | 129.1 | 131.7 | 124.6 | 123.2 | 129.1 | 126.4 | 128.3 |
| Sawmilling, Furniture, etc. | 130.0 | 124.1 | 121.7 | 125.0 | 125.7 | 125.4 | 125.9 |
| Paper, Printing, etc. | 136.9 | 140.4 | 139.2 | 134.7 | 149.2 | 129.5 | 138.1 |
| Other Manufacturing | 129.3 | 125.8 | 122.3 | 124.1 | 125.2 | 124.8 | 126.8 |
| All Manufacturing Groups | 129.2 | 127.6 | 125.4 | 125.7 | 128.7 | 127.8 | 127.9 |
| Building and Construction .. | 133.7 | 130.3 | 123.0 | 125.0 | 127.4 | 127.6 | 129.4 |
| Railway Services .. | 132.0 | 119.6 | 128.5 | 120.8 | 123.1 | 127.4 | 126.4 |
| Road and Air Transport .. | 133.5 | 126.7 | 119.6 | 122.9 | 129.6 | 126.8 | 128.4 |
| Communication .. | 141.5 | 139.9 | 139.2 | 140.5 | 139.5 | 140.0 | 140.5 |
| Wholesale and Retail Trade | 131.5 | 130.2 | 128.2 | 125.5 | 128.4 | 129.5 | 129.8 |
| Public Authority (n.e.s.) and Community and Business Services .. | 132.9 | 128.7 | 126.0 | 122.2 | 124.0 | 134.5 | 128.9 |
| Amusement, Hotels, Personal Service, etc. .. | 126.4 | 120.1 | 121.1 | 119.8 | 123.4 | 123.5 | 123.0 |
| All Industrial Groups .. | 132.2 | 128.1 | 127.3 | 125.4 | 129.0 | 128.5 | 129.4 |

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

(c) For mining, the average rates of wage are those prevailing at the principal mining centres in each State. They include lead bonuses, etc.

(b) *Summary, States.* The following table shows the weighted average minimum hourly rates of wage payable to adult males 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: ADULT MALES, ALL GROUPS.(a)*Weighted Average Minimum Hourly Rates payable and Index Numbers of Hourly Rates.*

| At 31st December— | N.S.W. | Vic. | Qld. | S.A. | W.A. | Tas. | Aust. |
|--------------------------|--------|--------|--------|--------|--------|--------|--------|
| 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 |
| 1958 | 99.00 | 96.02 | 95.45 | 93.79 | 97.57 | 97.25 | 97.05 |
| 1959 | 105.28 | 103.35 | 100.35 | 102.08 | 102.56 | 104.38 | 103.55 |
| 1960 | 109.09 | 105.08 | 105.35 | 102.73 | 107.87 | 105.70 | 106.71 |
| 1961 | 112.27 | 108.73 | 108.05 | 106.46 | 109.53 | 109.11 | 109.89 |

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 |
| 1958 | 116.6 | 113.1 | 112.4 | 110.5 | 114.9 | 114.5 | 114.3 |
| 1959 | 124.0 | 121.7 | 118.2 | 120.2 | 120.8 | 122.9 | 122.0 |
| 1960 | 128.5 | 123.8 | 124.1 | 121.0 | 127.1 | 124.5 | 125.7 |
| 1961 | 132.2 | 128.1 | 127.3 | 125.4 | 129.0 | 128.5 | 129.4 |

(a) All industrial groups except rural industry, 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 65.

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

HOURLY WAGE RATES: ADULT MALES, INDUSTRIAL GROUPS, AUSTRALIA.(a)
Weighted Average Minimum Hourly Rates payable and Index Numbers of Hourly Rates.

| Industrial Group. | At 31st December— | | | | | | |
|---|-------------------|-------|-------|--------|--------|--------|--------|
| | 1939. | 1945. | 1950. | 1955. | 1959. | 1960. | 1961. |
| RATES OF WAGE.(b) | | | | | | | |
| (Pence.) | | | | | | | |
| Mining and Quarrying(c) .. | 31.85 | 40.69 | 78.70 | 111.41 | 123.64 | 125.91 | 128.74 |
| Manufacturing— | | | | | | | |
| Engineering, Metals, Vehicles, etc. | 27.24 | 33.35 | 60.50 | 88.43 | 103.43 | 105.05 | 108.45 |
| Textiles, Clothing and Footwear | 25.37 | 31.60 | 59.22 | 85.50 | 99.55 | 102.13 | 105.60 |
| Food, Drink and Tobacco | 27.06 | 32.88 | 60.40 | 88.77 | 101.95 | 105.73 | 108.95 |
| Sawmilling, Furniture, etc. | 26.59 | 32.17 | 58.80 | 86.65 | 100.52 | 103.85 | 106.93 |
| Paper, Printing, etc. | 28.64 | 35.16 | 64.36 | 93.87 | 109.64 | 113.90 | 117.22 |
| Other Manufacturing | 26.30 | 32.41 | 59.29 | 87.44 | 100.80 | 104.20 | 107.68 |
| All Manufacturing Groups | 27.93 | 32.99 | 60.25 | 88.25 | 102.55 | 105.18 | 108.55 |
| Building and Construction | 27.07 | 32.66 | 59.57 | 88.65 | 103.13 | 107.25 | 109.88 |
| Railway Services | 25.78 | 32.12 | 58.76 | 87.30 | 101.07 | 103.98 | 107.33 |
| Road and Air Transport | 26.90 | 33.20 | 59.38 | 88.28 | 102.28 | 105.75 | 109.00 |
| Communication | 26.73 | 33.81 | 64.05 | 95.02 | 115.22 | 115.62 | 119.27 |
| Wholesale and Retail Trade | 26.55 | 32.55 | 60.25 | 89.33 | 102.35 | 107.12 | 110.20 |
| Public Authority (n.e.i.) and Community and Business Services | 25.88 | 32.09 | 58.72 | 88.61 | 102.24 | 106.42 | 109.40 |
| Amusement, Hotels, Personal Service, etc. | 25.26 | 31.21 | 57.50 | 85.07 | 98.40 | 101.20 | 104.45 |
| All Industrial Groups(a) .. | 26.91 | 33.05 | 60.70 | 89.36 | 103.55 | 106.71 | 109.89 |

HOURLY WAGE RATES: ADULT MALES, ETC.—continued.

| Industrial Group. | At 31st December— | | | | | | |
|-------------------|-------------------|-------|-------|-------|-------|-------|-------|
| | 1939. | 1945. | 1950. | 1955. | 1959. | 1960. | 1961. |

INDEX NUMBERS.

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

| | | | | | | | |
|---|------|------|------|-------|-------|-------|-------|
| Mining and Quarrying(c) .. | 37.5 | 47.9 | 92.7 | 131.2 | 145.6 | 148.3 | 151.6 |
| Manufacturing— | | | | | | | |
| Engineering, Metals, Vehicles, etc. | 32.1 | 39.3 | 71.3 | 104.2 | 121.8 | 123.7 | 127.7 |
| Textiles, Clothing and Footwear | 29.9 | 37.2 | 69.8 | 100.7 | 117.3 | 120.3 | 124.4 |
| Food, Drink and Tobacco | 31.9 | 38.7 | 71.1 | 104.6 | 120.1 | 124.5 | 128.3 |
| Sawmilling, Furniture, etc. | 31.3 | 37.9 | 69.3 | 102.1 | 118.4 | 122.3 | 125.9 |
| Paper, Printing, etc. | 33.7 | 41.4 | 75.8 | 110.6 | 129.1 | 134.2 | 138.1 |
| Other Manufacturing | 31.0 | 38.2 | 69.8 | 103.0 | 118.7 | 122.7 | 126.8 |
| All Manufacturing Groups | 31.7 | 38.9 | 71.0 | 103.9 | 120.8 | 123.9 | 127.9 |
| Building and Construction | 31.9 | 38.5 | 70.2 | 104.4 | 121.5 | 126.3 | 129.4 |
| Railway Services | 30.4 | 37.8 | 69.2 | 102.8 | 119.0 | 122.5 | 126.4 |
| Road and Air Transport | 31.7 | 39.1 | 69.9 | 104.0 | 120.5 | 124.6 | 128.4 |
| Communication | 31.5 | 39.8 | 73.4 | 111.9 | 135.7 | 136.2 | 140.5 |
| Wholesale and Retail Trade | 31.3 | 38.3 | 71.0 | 105.3 | 120.6 | 126.2 | 129.8 |
| Public Authority (n.e.i.) and Community and Business Services | 30.5 | 37.8 | 69.2 | 104.4 | 120.4 | 125.3 | 128.9 |
| Amusement, Hotels, Personal Service, etc. | 29.8 | 36.8 | 67.7 | 100.2 | 115.9 | 119.2 | 123.0 |
| All Industrial Groups(a) | 31.7 | 38.9 | 71.5 | 105.3 | 122.0 | 125.7 | 129.4 |

(a) Excludes rural industry, 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 rates of wage are not available. (b) See note (b) to table on page 65. (c) For mining, the average rates of wage are those prevailing at the principal mining centres in each State. They include lead bonuses, etc.

(ii) *Adult Females.*—(a) *Industrial Groups, States.* The following table shows the weighted average minimum hourly rates of wage payable to adult female workers at 31st December, 1961, in the principal industrial groups, and corresponding index numbers.

HOURLY RATES OF WAGE: ADULT FEMALES, INDUSTRIAL GROUPS,
31ST DECEMBER, 1961.(a)

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

| Industrial Group. | N.S.W. | Vic. | Qld. | S.A. | W.A. | Tas. | Aust. |
|-------------------|--------|------|------|------|------|------|-------|
|-------------------|--------|------|------|------|------|------|-------|

RATES OF WAGE.

(Pence.)

| | | | | | | | |
|---|-------|-------|-------|-------|-------|-------|-------|
| Manufacturing— | | | | | | | |
| Engineering, Metals, Vehicles, etc. | 79.43 | 76.73 | 74.83 | 74.23 | 76.37 | 75.00 | 77.64 |
| Textiles, Clothing and Footwear | 75.49 | 74.42 | 74.80 | 75.05 | 75.88 | 72.68 | 74.89 |
| Food, Drink and Tobacco | 80.42 | 75.15 | 75.55 | 73.88 | 72.25 | 73.15 | 76.80 |
| Other Manufacturing | 79.14 | 76.09 | 76.78 | 74.16 | 75.47 | 73.48 | 77.43 |
| All Manufacturing Groups | 77.78 | 75.16 | 75.40 | 74.36 | 75.02 | 73.18 | 76.20 |
| Transport and Communication | 87.12 | 84.00 | 84.90 | 83.56 | 84.08 | 88.62 | 85.41 |
| Wholesale and Retail Trade | 87.66 | 81.25 | 78.28 | 77.60 | 76.63 | 74.15 | 82.52 |
| Public Authority (n.e.i.) and Community and Business Services | 86.02 | 81.07 | 77.73 | 77.75 | 76.57 | 87.11 | 82.15 |
| Amusement, Hotels, Personal Service, etc. | 79.36 | 74.44 | 74.37 | 71.95 | 81.59 | 74.47 | 77.03 |
| All Industrial Groups | 81.71 | 77.34 | 77.25 | 76.04 | 77.40 | 75.30 | 79.00 |

INDEX NUMBERS.

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

| | | | | | | | |
|---|-------|-------|-------|-------|-------|-------|-------|
| Manufacturing— | | | | | | | |
| Engineering, Metals, Vehicles, etc. | 131.9 | 127.4 | 124.3 | 123.3 | 126.8 | 124.6 | 128.9 |
| Textiles, Clothing and Footwear | 125.4 | 123.6 | 124.2 | 124.6 | 126.0 | 120.7 | 124.4 |
| Food, Drink and Tobacco | 133.6 | 124.8 | 125.5 | 122.7 | 120.0 | 121.5 | 127.6 |
| Other Manufacturing | 131.4 | 126.4 | 127.5 | 123.2 | 125.3 | 122.0 | 128.6 |
| All Manufacturing Groups | 129.2 | 124.8 | 125.2 | 123.5 | 124.6 | 121.5 | 126.6 |
| Transport and Communication | 144.7 | 139.5 | 141.0 | 138.8 | 139.6 | 147.2 | 141.9 |
| Wholesale and Retail Trade | 145.6 | 134.9 | 130.0 | 128.9 | 127.3 | 123.2 | 137.1 |
| Public Authority (n.e.i.) and Community and Business Services | 142.9 | 134.6 | 129.1 | 129.1 | 127.2 | 144.7 | 136.4 |
| Amusement, Hotels, Personal Service, etc. | 131.8 | 123.6 | 123.5 | 119.5 | 135.5 | 123.7 | 127.9 |
| All Industrial Groups | 135.7 | 128.5 | 128.3 | 126.3 | 128.5 | 125.1 | 131.2 |

(a) See note (b) to table on page 65.

(b) *Summary, States.* The following table shows the weighted average minimum hourly rates of wage payable to 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: ADULT FEMALES, ALL GROUPS.

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

| At 31st December— | N.S.W. | Vic. | Qld. | S.A. | W.A. | Tas. | Aust. |
|-------------------|--------|-------|-------|-------|-------|-------|-------|
| RATES OF WAGE.(a) | | | | | | | |
| (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 |
| 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 | 72.17 | 67.57 | 71.06 | 73.26 |
| 1960 | 79.31 | 74.33 | 72.34 | 73.30 | 75.77 | 72.45 | 76.13 |
| 1961 | 81.71 | 77.34 | 77.25 | 76.04 | 77.40 | 75.30 | 79.00 |

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 |
| 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 | 119.9 | 112.2 | 118.0 | 121.7 |
| 1960 | 131.7 | 123.5 | 120.1 | 121.7 | 125.8 | 120.3 | 126.4 |
| 1961 | 135.7 | 128.5 | 128.3 | 126.3 | 128.5 | 125.1 | 131.2 |

(a) See note (b) to table on page 65.

(c) *Industrial Groups, Australia.* The following table shows for Australia weighted average minimum hourly 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).

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

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

| Industrial Group. | At 31st December— | | | | | |
|---|-------------------|-------|-------|-------|-------|-------|
| | 1951. | 1955. | 1958. | 1959. | 1960. | 1961. |
| RATES OF WAGE.(a) | | | | | | |
| (Pence.) | | | | | | |
| Manufacturing— | s. d. | s. d. | s. d. | s. d. | s. d. | s. d. |
| Engineering, Metals, Vehicles, etc. | 51.35 | 62.04 | 67.70 | 72.51 | 75.04 | 77.64 |
| Textiles, Clothing and Footwear | 51.38 | 60.31 | 66.33 | 71.21 | 72.24 | 74.89 |
| Food, Drink and Tobacco | 49.73 | 62.05 | 66.05 | 70.80 | 73.90 | 76.80 |
| Other Manufacturing | 50.79 | 61.27 | 66.94 | 71.76 | 74.64 | 77.43 |
| All Manufacturing Groups | 51.04 | 61.08 | 66.68 | 71.51 | 73.47 | 76.20 |
| Transport and Communication | 56.19 | 67.69 | 73.52 | 80.80 | 82.35 | 85.41 |
| Wholesale and Retail Trade | 51.56 | 64.19 | 69.97 | 74.74 | 79.43 | 82.52 |
| Public Authority (n.e.t.) and Community and Business Services | 52.43 | 64.63 | 70.28 | 75.62 | 79.45 | 82.15 |
| Amusement, Hotels, Personal Service, etc. | 50.37 | 61.02 | 66.84 | 71.61 | 74.13 | 77.03 |
| All Industrial Groups | 51.51 | 62.59 | 68.26 | 73.26 | 76.13 | 79.00 |

HOURLY WAGE RATES: ADULT FEMALES, ETC.—*continued.*

| Industrial Group. | At 31st December— | | | | | |
|-------------------|-------------------|-------|-------|-------|-------|-------|
| | 1951. | 1955. | 1958. | 1959. | 1960. | 1961. |

INDEX NUMBERS

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

| | | | | | | |
|---|------|-------|-------|-------|-------|-------|
| Manufacturing— | | | | | | |
| Engineering, Metals, Vehicles, etc. | 85.3 | 103.0 | 112.4 | 120.4 | 124.6 | 128.9 |
| Textiles, Clothing and Footwear | 85.3 | 100.2 | 110.2 | 118.3 | 120.0 | 124.4 |
| Food, Drink and Tobacco | 82.6 | 103.1 | 109.7 | 117.6 | 122.7 | 127.6 |
| Other Manufacturing | 84.4 | 101.8 | 111.2 | 119.2 | 124.0 | 128.6 |
| All Manufacturing Groups | 84.8 | 101.4 | 110.7 | 118.8 | 122.0 | 126.6 |
| Transport and Communication | 93.3 | 112.4 | 122.1 | 134.2 | 136.8 | 141.9 |
| Wholesale and Retail Trade | 85.6 | 106.6 | 116.2 | 124.1 | 131.9 | 137.1 |
| Public Authority (n.e.l.) and Community and Business Services | 87.1 | 107.3 | 116.7 | 125.6 | 132.0 | 136.4 |
| Amusement, Hotels, Personal Service, etc. | 83.7 | 101.3 | 111.0 | 118.9 | 123.1 | 127.9 |
| All Industrial Groups | 85.6 | 104.0 | 113.4 | 121.7 | 126.4 | 131.2 |

(a) See note (b) to table on page 65.

5. *Standard Hours of Work.*—(i) *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 65 to 73.

The main features of the reduction of hours to 44 and later 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.

(ii) *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.

(iii) *The 40-hour Week.*—(a) *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.

(b) *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 had 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 88.)

(c) *Basic Wage and Standard Hours Inquiry, 1961.* In this Inquiry the Commonwealth Conciliation and Arbitration Commission was asked by the employers to increase the number of ordinary working hours per week from 40 to 42, with a concomitant increase in weekly wages by an amount equal to two hours' pay at ordinary rates, and to effect certain other consequential variations. This was to have been a temporary measure, effective for four years, after which time weekly hours would have reverted to 40, but the increased wage would have remained. The application was rejected by the Commission. (See also page 104.)

(iv) *Weighted Average Standard Weekly Hours of Work.*—(a) *Industrial Groups, States.*—The 40-hour week has operated in Australia generally from 1st January, 1948 and in New South Wales from 1st July, 1947 (see para. 5 (iii), page 70). However, the number of hours constituting a full week's work (excluding overtime) differs between occupations and/or between States. The following table shows, for each State and Australia, the weighted average standard hours (excluding overtime) prescribed in awards, determinations and agreements for a full working week in respect of adult males and adult females at 31st December, 1961.

**WEEKLY HOURS OF WORK (EXCLUDING OVERTIME): INDUSTRIAL GROUPS,
31ST DECEMBER, 1961.(a)**

Weighted Average Standard Hours of Work (excluding overtime) for a Full Working Week.

| Industrial Group. | N.S.W. | Vic. | Qld. | S.A. | W.A. | Tas. | Aust. |
|--|--------|-------|-------|-------|-------|-------|-------|
| ADULT MALES. | | | | | | | |
| Mining and Quarrying(b) .. | 39.42 | 40.00 | 40.00 | 40.00 | 38.78 | 40.00 | 39.52 |
| Manufacturing— | | | | | | | |
| 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 | 40.09 | 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 | 39.59 | 39.95 |
| Public Authority (n.e.i.) and Community and Business Services .. | 39.23 | 38.93 | 39.52 | 39.23 | 39.58 | 39.39 | 39.25 |
| Amusement, Hotels, Personal Service, etc. .. | 40.00 | 40.00 | 40.00 | 40.00 | 40.00 | 39.89 | 40.00 |
| All Other Groups(c) .. | 40.00 | 40.00 | 40.00 | 40.00 | 40.00 | 40.00 | 40.00 |
| All Industrial Groups(d) .. | 39.95 | 39.97 | 39.98 | 39.96 | 39.89 | 39.97 | 39.96 |

ADULT FEMALES.

| | | | | | | | |
|--|-------|-------|-------|-------|-------|-------|-------|
| Manufacturing— | | | | | | | |
| Engineering, Metals, Vehicles, 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 Authority (n.e.i.) and Community and Business Services .. | 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) The hours of work shown should not be regarded as actual current averages, but as indexes, indicative of trends. (b) For mining, the average hours are those prevailing at the principal mining centres in each State.

(c) Engineering, Metals, Vehicles, etc.; Textiles, Clothing and Footwear; Sawmilling Furniture, etc.; Building and Construction; Road and Air Transport; and Wholesale and Retail Trade. (d) Excludes Rural and Shipping and Sievedoring. 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 are not available.

(b) *Summary, States.*—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, 1961, and for adult females during the period 31st March, 1951 to 31st December, 1961. 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 indicate when the more important change occurred.

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.

| Date. | N.S.W. | Vic. | Qld. | S.A. | W.A. | Tas. | Aust. |
|--------------------------------------|--------|-------|-------|-------|-------|-------|-------|
| 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, 1961 | 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, 1961 | 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, 1961 | 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, 1961 | 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 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.

(c) *Industrial Groups, Australia.*—The following tables show for Australia, for adult males and adult females, the weighted average standard weekly hours of work in the principal industrial groups, 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 HOURS OF WORK (EXCLUDING OVERTIME): ADULT MALES,
INDUSTRIAL GROUPS(a), AUSTRALIA.**

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

| Industrial Group. | 31st March, 1939. | 30th Sept., 1941. | 30th Sept., 1947. | 31st March, 1948. | 30th Sept., 1953. | 31st Dec., 1961. |
|---|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|------------------------|
| HOURS OF WORK.(b) | | | | | | |
| Mining and Quarrying(c) | 41.49 | 41.11 | 40.80 | 39.62 | 39.52 | 39.52 |
| Manufacturing— | | | | | | |
| Engineering, Metals, Vehicles, etc. .. | 44.03 | 43.96 | 43.43 | 40.01 | 40.00 | 40.00 |
| Textiles, Clothing and Footwear .. | 44.25 | 43.99 | 43.69 | 40.02 | 40.00 | 40.00 |
| Food, Drink and Tobacco .. | 44.21 | 43.84 | 42.70 | 40.04 | 39.98 | 39.98 |
| Sawmilling, Furniture, etc. .. | 44.10 | 44.00 | 43.53 | 40.00 | 40.00 | 40.00 |
| Paper, Printing, etc. .. | 43.90 | 43.79 | 42.94 | 40.06 | 39.95 | 39.95 |
| Other Manufacturing .. | 44.05 | 43.91 | 42.80 | 40.08 | 39.98 | 39.98 |
| All Manufacturing Groups .. | 44.08 | 43.93 | 43.21 | 40.03 | 39.99 | 39.99 |
| Building and Construction .. | 44.07 | 43.97 | 42.71 | 40.00 | 40.00 | 40.00 |
| Railway Services .. | 43.99 | 43.99 | 43.96 | 40.06 | 39.99 | 39.99 |
| Road and Air Transport .. | 43.09 | 43.95 | 43.11 | 40.62 | 40.00 | 40.00 |
| Communication .. | 43.92 | 43.92 | 43.92 | 39.97 | 39.97 | 39.95 |
| Wholesale and Retail Trade .. | 44.76 | 44.12 | 42.64 | 40.13 | 40.00 | 40.00 |
| Public Authority (n.e.l.) and Community and Business Services .. | 42.62 | 42.61 | 41.17 | 39.39 | 39.25 | 39.25 |
| Amusement, Hotels, Personal Service, etc. .. | 45.13 | 44.37 | 43.55 | 40.29 | 40.00 | 40.00 |
| All Industrial Groups(a) .. | 44.10 | 43.85 | 43.00 | 40.04 | 39.96 | 39.96 |

INDEX NUMBERS.

(Base: Weighted Average Hours of Work, Australia, 1954 = 100.)

| | | | | | | |
|---|-------|-------|-------|-------|-------|-------|
| Mining and Quarrying(c) | 103.8 | 102.9 | 102.1 | 99.1 | 98.9 | 98.9 |
| Manufacturing— | | | | | | |
| Engineering, Metals, Vehicles, etc. .. | 110.2 | 110.0 | 108.7 | 100.1 | 100.1 | 100.1 |
| Textiles, Clothing and Footwear .. | 110.7 | 110.1 | 109.3 | 100.2 | 100.1 | 100.1 |
| Food, Drink and Tobacco .. | 110.6 | 109.7 | 106.9 | 100.2 | 100.0 | 100.0 |
| Sawmilling, Furniture, etc. .. | 110.4 | 110.1 | 108.9 | 100.1 | 100.1 | 100.1 |
| Paper, Printing, etc. .. | 109.9 | 109.6 | 107.5 | 100.3 | 100.0 | 100.0 |
| Other Manufacturing .. | 110.2 | 109.9 | 107.1 | 100.3 | 100.0 | 100.0 |
| All Manufacturing Groups .. | 110.3 | 109.9 | 108.1 | 100.2 | 100.1 | 100.1 |
| Building and Construction .. | 110.3 | 110.0 | 106.9 | 100.1 | 100.1 | 100.1 |
| Railway Services .. | 110.1 | 110.1 | 110.0 | 100.3 | 100.1 | 100.1 |
| Road and Air Transport .. | 112.8 | 110.1 | 107.9 | 101.7 | 100.1 | 100.1 |
| Communication .. | 109.9 | 109.9 | 109.9 | 100.0 | 100.0 | 100.0 |
| Wholesale and Retail Trade .. | 112.0 | 110.4 | 106.7 | 100.4 | 100.1 | 100.1 |
| Public Authority (n.e.l.) and Community and Business Services .. | 106.7 | 106.6 | 103.0 | 98.6 | 98.1 | 98.2 |
| Amusement, Hotels, Personal Service, etc. .. | 112.9 | 111.0 | 109.0 | 100.8 | 100.1 | 100.1 |
| All Industrial Groups(a) .. | 110.4 | 109.7 | 107.6 | 100.2 | 100.0 | 100.0 |

(a) Excludes rural industry, and shipping and stevedoring. (b) See note (b) to table on page 72.
(c) For mining, the average hours of work are those prevailing at the principal mining centres in each State.

**WEEKLY HOURS OF WORK (EXCLUDING OVERTIME): ADULT FEMALES,
INDUSTRIAL GROUPS, AUSTRALIA.**

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

| Industrial Group. | Hours of Work.(a) | | | Index Numbers.(b) | | |
|---|------------------------|------------------------|------------------------|-------------------------|------------------------|------------------------|
| | 31st March 1951. | 30th June, 1953. | 31st Dec., 1961. | 31st March, 1951. | 30th June, 1953. | 31st Dec., 1961. |
| Manufacturing— | | | | | | |
| Engineering, Metals, Vehicles, etc. .. | 39.94 | 39.94 | 39.94 | 100.7 | 100.7 | 100.7 |
| Textiles, Clothing and Footwear .. | 39.98 | 39.98 | 39.98 | 100.8 | 100.8 | 100.8 |
| Food, Drink and Tobacco .. | 40.00 | 40.00 | 40.00 | 100.8 | 100.8 | 100.8 |
| Other Manufacturing .. | 39.87 | 39.87 | 39.87 | 100.5 | 100.5 | 100.5 |
| All Manufacturing Groups .. | 39.95 | 39.95 | 39.95 | 100.7 | 100.7 | 100.7 |
| Transport and Communication .. | 37.91 | 37.91 | 37.91 | 95.6 | 95.6 | 95.6 |
| Wholesale and Retail Trade .. | 39.82 | 39.82 | 39.82 | 100.4 | 100.4 | 100.4 |
| Public Authority (n.e.l.) and Community and Business Services .. | 38.97 | 38.93 | 38.93 | 98.2 | 98.1 | 98.1 |
| Amusement, Hotels, Personal Service, etc. .. | 39.73 | 39.66 | 39.66 | 100.2 | 100.0 | 100.0 |
| All Industrial Groups .. | 39.68 | 39.67 | 39.67 | 100.0 | 100.0 | 100.0 |

(a) See note (a) to table on page 71. (b) Base: Weighted Average Hours of Work, Australia, 1954 = 100.

§ 3. Average Weekly Earnings.

1. **Average Weekly Total Wages and Salaries Paid and Average Earnings, All Industries.**—The following figures are derived from employment and wages and salaries recorded on Pay-roll Tax returns, 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 earnings is shown in para. 2 below. Current figures are published in the *Monthly Review of Business Statistics* and the monthly bulletin *Wage Rates and Earnings*. A table showing quarterly and annual figures from September quarter, 1947, will be found in Section VI. of the Appendix.

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

| Period. | N.S.W. (b) | Vic. | Qld. | S.A. (c) | W.A. | Tas. | Aust. |
|---|---------------|--------|-------|-------------|-------|-------|--------|
| AVERAGE WEEKLY TOTAL WAGES AND SALARIES PAID. (£'000.) | | | | | | | |
| 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 |
| 1959-60 | 24,816 | 18,123 | 7,441 | 5,392 | 3,618 | 1,878 | 61,268 |
| 1960-61 | 26,823 | 19,204 | 7,819 | 5,661 | 3,886 | 1,969 | 65,362 |
| 1961— | | | | | | | |
| March Quarter | 25,649 | 18,518 | 7,271 | 5,497 | 3,691 | 1,945 | 62,571 |
| June " " | 27,073 | 19,065 | 7,840 | 5,639 | 3,972 | 2,040 | 65,629 |
| September " " | 26,276 | 18,924 | 7,966 | 5,643 | 3,964 | 1,937 | 64,710 |
| December " " | 28,407 | 20,130 | 8,130 | 5,945 | 4,110 | 2,069 | 68,791 |

AVERAGE WEEKLY EARNINGS PER EMPLOYED MALE UNIT.(d)
(£.)

| | | | | | | | |
|--------------------|-------|-------|-------|-------|-------|-------|-------|
| 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 |
| 1959-60 | 22.77 | 22.28 | 19.89 | 20.61 | 19.46 | 20.71 | 21.76 |
| 1960-61 | 24.03 | 23.32 | 21.00 | 21.33 | 20.57 | 21.42 | 22.86 |
| 1961— | | | | | | | |
| March Quarter | 22.86 | 22.29 | 19.76 | 20.64 | 19.56 | 21.00 | 21.81 |
| June " " | 24.48 | 23.34 | 21.33 | 21.32 | 21.10 | 22.18 | 23.15 |
| September " " | 23.92 | 23.54 | 21.66 | 21.60 | 21.07 | 21.40 | 23.03 |
| December " " | 25.58 | 24.80 | 22.52 | 22.48 | 21.73 | 22.78 | 24.33 |

(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. As it is not possible to estimate the ratio of female to male earnings in the several States, the same ratio has been used in each State. Because the actual 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 Earnings Index Numbers.—The following table shows, for "All Industries" and for "Manufacturing", the movement in average weekly earnings from 1951-52 to the December Quarter, 1961. The "All Industries" index is based on Pay-roll Tax returns and other data. The index for manufacturing industries is based on the average earnings of male wage and salary earners employed in factories as disclosed by annual Factory Censuses.

The index numbers for "All Industries" and "Manufacturing" show 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.

A table showing annual and quarterly index numbers from September Quarter, 1947, will be found in Section VI. of the Appendix.

AVERAGE WEEKLY EARNINGS(a) INDEX NUMBERS: AUSTRALIA.

SEASONALLY ADJUSTED.

(Base: 1953-54 = 100.)

| Year. | All Industries.(b) | Manufacturing. | Quarter. | All Industries.(b) | Manufacturing. |
|---------------|--------------------|----------------|--------------------|--------------------|----------------|
| 1951-52 | 87.1 | 88.4 | 1960—March Quarter | 135.5 | 137.5 |
| 1952-53 | 95.2 | 95.4 | June .. | 138.5 | 139.5 |
| 1953-54 | 100.0 | 100.0 | September .. | 138.2 | 140.2 |
| 1954-55 | 105.4 | 106.9 | December .. | 141.3 | 141.7 |
| 1955-56 | 112.2 | 113.8 | 1961—March .. | 141.3 | 142.4 |
| 1956-57 | 118.2 | 118.3 | June .. | 141.1 | 140.2 |
| 1957-58 | 121.3 | 122.0 | September .. | 141.8 | (c)142.2 |
| 1958-59 | 124.5 | 125.6 | December .. | 144.6 | (c)144.1 |
| 1959-60 | 133.6 | 135.4 | | | |
| 1960-61 | 140.5 | 141.1 | | | |

(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. (c) Interim estimates based on Pay-roll Tax returns.

§ 4. Surveys of Wage Rates and Earnings.

1. General.—Towards the end of 1960 a statistical survey of the wage structure of Australia was undertaken by this Bureau. The object of the survey was to obtain information as to marginal rates of wage and actual weekly earnings of adult male employees (excluding part-time and casual employees) for the last pay-period in September, 1960. The results of this survey are summarized in para. 2 below.

A survey as at the last pay-period in October, 1961, provided similar information as to actual weekly earnings. Because marginal rates of wage had changed very little since the Margins Cases of 1959 (see page 131), this survey was confined to weekly earnings. A summary of the results is given in para. 3.

Both surveys were based on returns from stratified random samples of private employers subject to Pay-roll Tax. They did not include government or semi-government employment. Because of insufficient data, employees in rural industry and private domestic service were excluded, as also were employees of religious, benevolent and other similar bodies exempt from Pay-roll Tax. In addition, the 1960 survey excluded: the shipping and stevedoring industry; the motion picture industry; certain businesses such as those of accountants, consultant engineers, etc.; trade associations, etc.

2. **Survey of Wage Rates and Earnings, September, 1960.**—The results of this survey were based on returns received from more than 3,000 employers, representing a response rate of about 90 per cent. of those approached. The sample was designed to provide accurate particulars only for Australia as a whole; hence no State details are shown in the tables below.

Definitions relevant to the survey are as follows:—

- (a) *Number of employees* refers to adult male employees on the pay-roll on the last pay-day in September, 1960, and includes employees who, although under 21 years of age, were paid at the adult rate prescribed in the appropriate award. Part-time and casual employees and those absent in the defence forces were excluded.
- (b) The term *awards*, as used herein, denotes awards or determinations of, or agreements registered with, Commonwealth or State industrial tribunals. Employees whose rates of pay and working conditions were not regulated by awards, and employees covered by formal, though unregistered, agreements between employee organizations and employers are shown as "not covered by awards".
- (c) *Margins* are minimum amounts, in addition to the basic wage, awarded to particular classifications of employees for features attaching to their work, such as skill, experience, arduousness or other like factors. For the purposes of this survey the following were not included in margins:—special allowances prescribed in awards, such as shift, dirt and height money, leading hand allowances, etc.; and other payments such as commission, payments above the minimum rate for contract and piece work, etc. (see paragraphs (e) and (g) below) and also § 6. Wage Margin.) In the case of contract work, etc., the margin was determined by the minimum amount prescribed in the award for the class of work performed. Where the marginal rate of wage for an occupation was not specified in an award, the margin was assumed to be the difference between the total minimum prescribed rate of wage for the occupation and the appropriate Commonwealth or State basic wage. For employees not covered by awards, and whose margins were not specified in unregistered agreements, the margin was assumed to be the difference between the appropriate basic wage in the State jurisdiction and the agreed rate of pay for a standard working week (or the weekly equivalent of the agreed rate).
- (d) *Total Weekly Earnings* include ordinary time earnings at award rates (and, for employees not covered by awards, payments at agreed rates for a standard working week), overtime earnings and all other payments. Annual or other periodical bonuses were included only at the appropriate proportion for one week. For employees paid other than weekly, only the proportion of earnings equivalent to one week was included.
- (e) *Ordinary Time Earnings at Award Rates* represent the total weekly payment to adult male employees (excluding part-time and casual employees) for hours of work paid for up to the standard or award hours, calculated at award rates of pay or, for employees not covered by awards, at agreed rates. It includes payments for sick leave, proportion of annual leave, special allowances prescribed in awards, etc. (see paragraph (c) above).

(f) *Overtime Earnings* represent the total weekly payment to adult male employees (excluding part-time and casual employees) for time worked in excess of award or agreed hours.

(g) *Other Earnings* include all payments other than those in paragraphs (e) and (f) above, such as commission, payments above the minimum rate for contract work, incentive scheme, piece-work and profit-sharing scheme payments, proportion of annual or other periodical bonuses, points system payments, attendance or good time-keeping bonuses, etc. (see paragraph (c) above).

(i) *Marginal Rates of Wage.*—(a) *Industrial Groups.* In the following table adult male employees in each of the main industrial groups are classified according to weekly margin above the basic wage.

ADULT MALE EMPLOYEES (EXCLUDING PART-TIME AND CASUAL EMPLOYEES) CLASSIFIED ACCORDING TO MARGINAL RATES OF WAGE AND INDUSTRIAL GROUP, AUSTRALIA, SEPTEMBER, 1960.(a)

| Weekly Margin (b) | Manufacturing. | | | Building and Construction. (c) | Wholesale and Retail Trade. | Other Industries. | Total |
|-------------------|--------------------------------|----------------------|----------------------|-----------------------------------|-----------------------------|-------------------|-------|
| | Engineering, Metal Works, etc. | Other Manufacturing. | Total Manufacturing. | | | | |

NUMBER OF EMPLOYEES ('000).(b)

| Amount above Basic Wage— | | | | | | | |
|----------------------------|-------|-------|-------|------|-------|-------|---------|
| Less than 20s. (incl. nil) | 6.1 | 9.0 | 15.1 | 0.9 | 3.3 | 6.1 | 25.4 |
| 20s. and less than 30s. | 32.6 | 21.0 | 53.6 | 4.6 | 4.6 | 9.9 | 72.7 |
| 30s. " " " 40s. | 26.2 | 25.7 | 51.9 | 2.9 | 5.5 | 6.5 | 66.8 |
| 40s. " " " 60s. | 41.3 | 68.3 | 109.6 | 7.0 | 31.4 | 19.5 | 167.5 |
| 60s. " " " 80s. | 37.5 | 54.0 | 91.5 | 12.1 | 48.0 | 21.5 | 173.1 |
| 80s. " " " 100s. | 65.7 | 51.2 | 116.9 | 11.6 | 30.4 | 28.3 | 187.2 |
| 100s. " " " 120s. | 26.9 | 29.5 | 56.4 | 10.5 | 22.9 | 17.8 | 107.6 |
| 120s. and over | 52.5 | 87.8 | 140.3 | 31.3 | 68.5 | 64.2 | 304.3 |
| Total | 288.8 | 346.5 | 635.3 | 80.9 | 214.6 | 173.8 | 1,104.6 |

PROPORTION OF TOTAL (PER CENT.).

| Amount above Basic Wage— | | | | | | | |
|----------------------------|-------|-------|-------|-------|-------|-------|-------|
| Less than 20s. (incl. nil) | 2.1 | 2.5 | 2.4 | 1.2 | 1.6 | 3.5 | 2.3 |
| 20s. and less than 30s. | 11.3 | 6.1 | 8.4 | 5.6 | 2.1 | 5.7 | 6.6 |
| 30s. " " " 40s. | 9.1 | 7.4 | 8.2 | 3.5 | 2.6 | 3.7 | 6.0 |
| 40s. " " " 60s. | 14.3 | 19.7 | 17.2 | 8.6 | 14.6 | 11.2 | 15.2 |
| 60s. " " " 80s. | 13.0 | 15.6 | 14.4 | 15.0 | 22.4 | 12.4 | 15.7 |
| 80s. " " " 100s. | 22.7 | 14.8 | 18.4 | 14.4 | 14.2 | 16.3 | 17.0 |
| 100s. " " " 120s. | 9.3 | 8.5 | 8.9 | 13.0 | 10.6 | 10.3 | 9.7 |
| 120s. and over | 18.2 | 25.4 | 22.1 | 38.7 | 31.9 | 36.9 | 27.5 |
| Total | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 |

(a) See page 75 for particulars of the coverage of the survey. (b) For definitions, see page 76.
(c) For some employees, allowances for sick leave, public holidays, etc., have been included in the marginal rates shown.

(b) *Jurisdiction.* In the following table adult male employees are classified according to weekly margin above the basic wage, separate particulars being shown for employees under Commonwealth or State jurisdiction and for those not covered by awards.

ADULT MALE EMPLOYEES (EXCLUDING PART-TIME AND CASUAL EMPLOYEES) CLASSIFIED ACCORDING TO MARGINAL RATES OF WAGE AND JURISDICTION, AUSTRALIA, SEPTEMBER, 1960.(a)

| Weekly Margin.(b) | Number of Employees ('000).(b) | | | | Proportion of Total (Per Cent.). | | | |
|----------------------------|--------------------------------|---------------------|------------------------|---------|----------------------------------|---------------------|------------------------|--------|
| | Under Common-wealth Awards. | Under State Awards. | Not Covered by Awards. | Total. | Under Common-wealth Awards. | Under State Awards. | Not Covered by Awards. | Total. |
| Amount above Basic Wage— | | | | | | | | |
| Less than 20s. (incl. nil) | 12.2 | 11.4 | 1.8 | 25.4 | 2.7 | 2.4 | 1.0 | 2.3 |
| 20s. and less than 30s. | 42.3 | 29.5 | 0.9 | 72.7 | 9.3 | 6.2 | 0.5 | 6.6 |
| 30s. " " " 40s. | 32.6 | 32.7 | 1.5 | 66.8 | 9.3 | 6.2 | 0.5 | 6.6 |
| 40s. " " " 60s. | 73.5 | 91.2 | 2.8 | 167.5 | 16.2 | 19.2 | 1.6 | 15.2 |
| 60s. " " " 80s. | 72.1 | 96.7 | 4.3 | 173.1 | 15.9 | 20.4 | 2.5 | 15.7 |
| 80s. " " " 100s. | 110.8 | 71.8 | 4.6 | 187.2 | 24.4 | 15.1 | 2.6 | 17.0 |
| 100s. " " " 120s. | 48.0 | 54.0 | 5.6 | 107.6 | 10.6 | 11.4 | 3.2 | 9.7 |
| 120s. and over | 61.9 | 87.3 | 155.1 | 304.3 | 13.7 | 18.4 | 87.8 | 27.5 |
| Total | 453.4 | 474.6 | 176.6 | 1,104.6 | 100.0 | 100.0 | 100.0 | 100.0 |

(a) See page 75 for particulars of the coverage of the survey.

(b) For definitions, see page 76.

(ii) **Total Weekly Earnings.**—(a) *Ordinary Time, Overtime and Other Earnings.* In the following table the total wages and salaries paid to adult male employees during the last pay-week in September, 1960, are shown for the main industrial groups, separate particulars being given for ordinary time earnings at award rates, overtime earnings and all other earnings.

TOTAL WAGES AND SALARIES PAID TO ADULT MALE EMPLOYEES (EXCLUDING PART-TIME AND CASUAL EMPLOYEES) DURING LAST PAY-WEEK IN SEPTEMBER, 1960: INDUSTRIAL GROUPS, AUSTRALIA.(a)

| Industrial Group. | Ordinary Time Earnings at Award Rates. (b) | Overtime Earnings.(b) | Other Earnings.(b) | Total. |
|--------------------------------|--|-----------------------|--------------------|--------|
| (£'000.) | | | | |
| Manufacturing— | | | | |
| Engineering, Metal Works, etc. | 5,469 | 1,012 | 724 | 7,205 |
| Other Manufacturing .. | 6,961 | 849 | 700 | 8,510 |
| Total Manufacturing .. | 12,430 | 1,861 | 1,424 | 15,715 |
| Building and Construction .. | 1,672 | 263 | 169 | 2,104 |
| Wholesale and Retail Trade .. | 4,521 | 238 | 425 | 5,184 |
| Other Industries | 3,837 | 380 | 475 | 4,692 |
| Total | 22,460 | 2,742 | 2,493 | 27,695 |

PROPORTION OF TOTAL (PER CENT.).

| | | | | |
|--------------------------------|------|------|------|-------|
| Manufacturing— | | | | |
| Engineering, Metal Works, etc. | 75.9 | 14.0 | 10.1 | 100.0 |
| Other Manufacturing .. | 81.8 | 10.0 | 8.2 | 100.0 |
| Total Manufacturing .. | 79.1 | 11.8 | 9.1 | 100.0 |
| Building and Construction .. | 79.5 | 12.5 | 8.0 | 100.0 |
| Wholesale and Retail Trade .. | 87.2 | 4.6 | 8.2 | 100.0 |
| Other Industries | 81.8 | 8.1 | 10.1 | 100.0 |
| Total | 81.1 | 9.9 | 9.0 | 100.0 |

(a) See page 75 for particulars of the coverage of the survey.

(b) For definitions, see page 76.

(b) *Industrial Groups.* Adult male employees in the main industrial groups covered by the survey are classified in the following table according to total weekly earnings.

ADULT MALE EMPLOYEES (EXCLUDING PART-TIME AND CASUAL EMPLOYEES) CLASSIFIED ACCORDING TO TOTAL WEEKLY EARNINGS AND INDUSTRIAL GROUP, AUSTRALIA, SEPTEMBER, 1960.(a)

| Total Weekly Earnings.(b) | Manufacturing. | | | Building and Construc- tion. | Wholesale and Retail Trade. | Other Industries. | Total. | |
|---------------------------------|--|------------------------------|------------------------------|---------------------------------------|--------------------------------------|----------------------|--------|---------|
| | Engi- neering, Metal Works, etc. | Other Manu- facturing. | Total Manu- facturing. | | | | | |
| NUMBER OF EMPLOYEES ('000), (b) | | | | | | | | |
| Less than £14(c) | .. | 6.6 | 7.2 | 13.8 | 1.7 | 1.7 | 1.9 | 19.1 |
| £14 and less than £16 | .. | 8.9 | 16.7 | 25.6 | 1.4 | 4.4 | 5.0 | 36.4 |
| £16 " " £18 | .. | 23.9 | 44.7 | 68.6 | 5.2 | 37.4 | 16.0 | 127.2 |
| £18 " " £20 | .. | 33.4 | 55.1 | 88.5 | 9.0 | 42.2 | 21.3 | 161.0 |
| £20 " " £22 | .. | 37.9 | 47.8 | 85.7 | 11.0 | 31.9 | 20.2 | 148.8 |
| £22 " " £24 | .. | 36.3 | 38.5 | 74.8 | 14.3 | 23.1 | 18.3 | 130.5 |
| £24 " " £26 | .. | 30.5 | 34.2 | 64.7 | 8.0 | 17.1 | 17.4 | 117.2 |
| £26 " " £30 | .. | 47.7 | 40.8 | 88.5 | 11.5 | 23.6 | 26.0 | 149.6 |
| £30 " " £35 | .. | 34.3 | 29.0 | 63.3 | 9.7 | 14.4 | 21.5 | 108.9 |
| £35 and over | .. | 29.3 | 32.5 | 61.8 | 9.1 | 18.8 | 26.2 | 115.9 |
| Total | .. | 288.8 | 346.5 | 635.3 | 80.9 | 214.6 | 173.8 | 1,104.6 |

PROPORTION OF TOTAL (PER CENT.).

| | | | | | | | |
|-----------------------|-------|-------|-------|-------|-------|-------|-------|
| Less than £14(c) | 2.3 | 2.1 | 2.2 | 2.2 | 0.8 | 1.1 | 1.7 |
| £14 and less than £16 | 3.1 | 4.8 | 4.0 | 1.7 | 2.0 | 2.9 | 3.3 |
| £16 " " £18 | 8.3 | 12.9 | 10.8 | 6.5 | 17.4 | 9.2 | 11.5 |
| £18 " " £20 | 11.6 | 15.9 | 13.9 | 11.1 | 19.7 | 12.3 | 14.6 |
| £20 " " £22 | 13.2 | 13.8 | 13.5 | 13.6 | 14.9 | 11.6 | 13.5 |
| £22 " " £24 | 12.6 | 11.1 | 11.8 | 17.7 | 10.7 | 10.5 | 11.8 |
| £24 " " £26 | 10.4 | 9.9 | 10.2 | 9.8 | 8.0 | 10.0 | 9.7 |
| £26 " " £30 | 16.5 | 11.8 | 13.9 | 14.2 | 11.0 | 14.9 | 13.5 |
| £30 " " £35 | 11.9 | 8.3 | 10.0 | 12.0 | 6.7 | 12.4 | 9.9 |
| £35 and over | 10.1 | 9.4 | 9.7 | 11.2 | 8.8 | 15.1 | 10.5 |
| Total | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 |

(a) See page 75 for particulars of the coverage of the survey.

(b) For definitions, see page 76.

(c) Inquiry indicated that many of the adult males in this group worked less than a full week because of absenteeism, changing jobs, etc.

3. *Survey of Weekly Earnings, October, 1961.*—For this survey, returns were received from all employers selected in the sample, numbering more than 3,500. The sample was designed so that particulars of the distribution of earnings in each State could be obtained as well as those for Australia (see below), but it was not possible, without a considerable increase in the number of returns, to obtain particulars for each industry group in each State. State details were therefore restricted to the two major groups, manufacturing and non-manufacturing; those for Australia were obtained for eight separate industry groups. Because of limitations of space, it has not been possible to include all figures in the tables herein. For further details, reference should be made to Statistical Bulletin No. 22—*Survey of Weekly Earnings, October, 1961*, 14th February, 1962.

Within each State, each published industry group was divided into eight size groups, using male employment as recorded on the Pay-roll Tax returns for March, 1961, as a measure of size. This measure was also used to improve the reliability of the sample estimate, using ratio estimation. This technique

involved estimating the ratio of adult male employment in a particular earnings class in October, 1961, within each industry group and State, to total male employment in March, 1961, in that industry group and State (derived from expansion of the sample). Since total male employment by industry group and State in March, 1961, was known accurately from Pay-roll records, estimates of adult male employment in these earning classes in October, 1961, were obtained by applying the estimated ratios to the corresponding known totals. The estimates thus obtained were considerably more reliable than any which could have been produced had this supplementary information not been taken into account.

The businesses selected in the sample were allocated by State and by industry and size group in such a way that the precision of the sample estimates for total manufacturing and total non-manufacturing, expressed as percentages of the estimates themselves, would be approximately the same in each State.

Definitions relevant to the survey are as follows:—

Number of Employees refers to adult male employees on the pay-roll of the last pay-period in October, 1961, and includes employees who, although under 21 years of age, were paid at the adult rate prescribed for their particular occupation. Part-time and casual employees and those absent in the defence forces were excluded. Executive, clerical and sales staff were included, as were employees working short time who would normally have been full-time employees.

Total Weekly Earnings (i.e. gross earnings before taxation and other deductions) include ordinary time earnings, overtime earnings and all other payments, such as holiday and sick pay, commission, payments above the minimum rate for contract work, incentive scheme, piece-work and profit-sharing scheme payments, points system payments, attendance bonuses, etc. Annual or other periodical bonuses were included only at the appropriate proportion for one week. For employees paid other than weekly, only the proportion of earnings equivalent to one week was included.

(i) *States.*—(a) *All Industries.* In the following table adult male employees in each State are classified according to total weekly earnings. The proportions of employees in each earnings group and at various levels of earnings are also shown.

ADULT MALE EMPLOYEES (EXCLUDING PART-TIME AND CASUAL EMPLOYEES) CLASSIFIED ACCORDING TO TOTAL WEEKLY EARNINGS, OCTOBER, 1961.(a)

| Total Weekly Earnings.(b) | N S.W. | Vic | Qld. | S.A. | W A. | Tas. | Total. |
|---------------------------|---------|---------|---------|--------|--------|--------|-----------|
| NUMBER OF EMPLOYEES.(b) | | | | | | | |
| Less than £14(c) | 4,699 | 2,911 | 870 | 793 | 209 | 395 | 9,877 |
| £14 and less than £16 | 4,239 | 5,542 | 4,175 | 1,991 | 1,698 | 670 | 18,315 |
| £16 " " £18 | 28,596 | 30,362 | 18,119 | 10,802 | 8,103 | 3,699 | 99,681 |
| £18 " " £20 | 57,709 | 48,429 | 23,737 | 16,865 | 10,906 | 5,115 | 162,761 |
| £20 " " £22 | 58,261 | 49,596 | 18,100 | 16,290 | 9,379 | 4,777 | 156,403 |
| £22 " " £24 | 54,108 | 44,498 | 10,834 | 12,070 | 6,665 | 4,163 | 132,338 |
| £24 " " £26 | 50,563 | 36,034 | 9,626 | 9,206 | 5,019 | 3,335 | 113,783 |
| £26 " " £30 | 65,691 | 42,401 | 12,046 | 11,701 | 6,546 | 3,803 | 142,188 |
| £30 " " £35 | 49,649 | 33,157 | 9,471 | 8,509 | 4,463 | 2,806 | 108,055 |
| £35 and over | 59,894 | 40,418 | 10,642 | 7,674 | 5,410 | 2,949 | 126,987 |
| Total | 433,409 | 333,348 | 117,620 | 95,901 | 58,398 | 31,712 | 1,070,388 |

For footnotes see next page.

**ADULT MALE EMPLOYEES (EXCLUDING PART-TIME AND CASUAL
EMPLOYEES) CLASSIFIED ACCORDING TO TOTAL WEEKLY
EARNINGS, OCTOBER, 1961.(a)—continued.**

| Total Weekly Earnings.(b) | N.S.W. | Vic. | Qld. | S.A. | W.A. | Tas. | Total. |
|----------------------------------|--------|-------|-------|-------|-------|-------|--------|
| PROPORTION OF TOTAL (PER CENT.). | | | | | | | |
| Less than £14(c) | 1.1 | 0.9 | 0.8 | 0.8 | 0.3 | 1.2 | 0.9 |
| £14 and less than £16 | 1.0 | 1.7 | 3.6 | 2.1 | 2.9 | 2.1 | 1.7 |
| £16 " " £18 | 6.6 | 9.1 | 15.3 | 11.2 | 13.9 | 11.7 | 9.3 |
| £18 " " £20 | 13.3 | 14.5 | 20.0 | 17.6 | 18.7 | 16.1 | 15.2 |
| £20 " " £22 | 13.4 | 14.9 | 15.3 | 17.0 | 16.1 | 15.1 | 14.6 |
| £22 " " £24 | 12.5 | 13.4 | 9.3 | 12.6 | 11.4 | 13.1 | 12.4 |
| £24 " " £26 | 11.7 | 10.8 | 8.2 | 9.6 | 8.6 | 10.5 | 10.6 |
| £26 " " £30 | 15.2 | 12.7 | 10.3 | 12.2 | 11.2 | 12.0 | 13.3 |
| £30 " " £35 | 11.4 | 9.9 | 8.1 | 8.9 | 7.6 | 8.9 | 10.1 |
| £35 and over | 13.8 | 12.1 | 9.1 | 8.0 | 9.3 | 9.3 | 11.9 |
| Total | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 |

| | | | | | | | |
|--|------|------|------|------|------|------|------|
| CUMULATIVE PROPORTION OF TOTAL (PER CENT.).(d) | | | | | | | |
| £35 and over | 13.8 | 12.1 | 9.1 | 8.0 | 9.3 | 9.3 | 11.9 |
| £30 " " | 25.2 | 22.0 | 17.2 | 16.9 | 16.9 | 18.2 | 22.0 |
| £26 " " | 40.4 | 34.7 | 27.5 | 29.1 | 28.1 | 30.2 | 35.3 |
| £24 " " | 52.1 | 45.5 | 35.7 | 38.7 | 36.7 | 40.7 | 45.9 |
| £22 " " | 64.6 | 58.9 | 45.0 | 51.3 | 48.1 | 53.8 | 58.3 |
| £20 " " | 78.0 | 73.8 | 60.3 | 68.3 | 64.2 | 68.9 | 72.9 |
| £18 " " | 91.3 | 88.3 | 80.3 | 85.9 | 82.9 | 85.0 | 88.1 |
| £16 " " | 97.9 | 97.4 | 95.6 | 97.1 | 96.8 | 96.7 | 97.4 |
| £14 " " | 98.9 | 99.1 | 99.2 | 99.2 | 99.7 | 98.8 | 99.1 |

(a) See page 75 for particulars of the coverage of the survey. (b) For definitions, see page 80.
(c) Inquiry indicated that the majority of the adult males in this group did not work a full week because of absenteeism, changing jobs, etc. Others were working short time. (d) These percentages indicate the proportion of the total employees in each State whose weekly earnings were as shown.

(b) *Manufacturing and Non-manufacturing.* The proportion of adult male employees in each earnings group is shown for manufacturing and non-manufacturing industries in the following table.

**ADULT MALE EMPLOYEES (EXCLUDING PART-TIME AND CASUAL
EMPLOYEES) CLASSIFIED ACCORDING TO TOTAL WEEKLY EARNINGS:
MANUFACTURING AND NON-MANUFACTURING INDUSTRIES, OCTOBER,
1961.(a)**

PROPORTION OF TOTAL (PER CENT.).

| Total Weekly Earnings.(b) | N.S.W. | Vic. | Qld. | S.A. | W.A. | Tas. | Total. |
|---------------------------|--------|-------|-------|-------|-------|-------|--------|
| MANUFACTURING. | | | | | | | |
| Less than £14(c) | 1.2 | 1.0 | 1.3 | 1.1 | 0.4 | 1.5 | 1.1 |
| £14 and less than £16 | 1.2 | 2.1 | 5.3 | 2.2 | 4.2 | 2.0 | 2.1 |
| £16 " " £18 | 7.8 | 11.0 | 18.3 | 10.6 | 16.8 | 12.3 | 10.5 |
| £18 " " £20 | 12.6 | 14.6 | 20.6 | 17.5 | 20.2 | 13.8 | 14.8 |
| £20 " " £22 | 13.9 | 15.5 | 16.8 | 17.2 | 17.6 | 15.5 | 15.2 |
| £22 " " £24 | 13.7 | 12.8 | 9.2 | 13.1 | 10.5 | 12.6 | 12.8 |
| £24 " " £26 | 11.5 | 10.6 | 8.0 | 10.0 | 8.2 | 11.4 | 10.6 |
| £26 " " £30 | 15.5 | 12.5 | 9.4 | 12.3 | 10.0 | 12.8 | 13.4 |
| £30 " " £35 | 11.0 | 9.6 | 5.8 | 9.0 | 5.9 | 8.9 | 9.6 |
| £35 and over | 11.6 | 10.3 | 5.3 | 7.0 | 6.2 | 9.2 | 9.9 |
| Total | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 |

NON-MANUFACTURING.

| | | | | | | | |
|-----------------------|-------|-------|-------|-------|-------|-------|-------|
| Less than £14(c) | 0.9 | 0.6 | 0.4 | 0.5 | 0.3 | 0.8 | 0.7 |
| £14 and less than £16 | 0.7 | 1.0 | 2.2 | 2.0 | 2.0 | 2.3 | 1.2 |
| £16 " " £18 | 5.0 | 6.2 | 13.0 | 12.1 | 11.9 | 10.8 | 7.7 |
| £18 " " £20 | 14.3 | 14.5 | 19.6 | 17.7 | 17.7 | 19.2 | 15.8 |
| £20 " " £22 | 12.8 | 13.9 | 14.2 | 16.8 | 15.0 | 14.5 | 13.9 |
| £22 " " £24 | 10.8 | 14.2 | 9.3 | 11.8 | 12.0 | 13.8 | 11.8 |
| £24 " " £26 | 11.8 | 11.1 | 8.5 | 9.1 | 8.8 | 9.4 | 10.6 |
| £26 " " £30 | 14.7 | 13.1 | 11.0 | 12.0 | 12.1 | 11.0 | 13.2 |
| £30 " " £35 | 12.1 | 10.5 | 9.8 | 8.7 | 8.8 | 8.8 | 10.7 |
| £35 and over | 16.9 | 14.9 | 12.0 | 9.3 | 11.4 | 9.4 | 14.4 |
| Total | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 |

(a) See page 75 for particulars of the coverage of the survey. (b) For definitions, see page 80.
(c) Inquiry indicated that the majority of the adult males in this group did not work a full week because of absenteeism, changing jobs, etc. Others were working short time.

(ii) *Australia, Industrial Groups.* Adult male employees in the main industrial groups covered by the survey are classified in the following table according to total weekly earnings.

ADULT MALE EMPLOYEES (EXCLUDING PART-TIME AND CASUAL EMPLOYEES) CLASSIFIED ACCORDING TO TOTAL WEEKLY EARNINGS: INDUSTRIAL GROUPS, AUSTRALIA, OCTOBER, 1961.(a)

| Total Weekly Earnings.(b) | Manufacturing. | | | | Building and Construction. | Wholesale and Retail Trade. | Other Industries. | Total. |
|---------------------------|--------------------------------|--------------------------|----------------------|----------------------|----------------------------|-----------------------------|-------------------|-----------|
| | Engineering, Metal Works, etc. | Food, Drink and Tobacco. | Other Manufacturing. | Total Manufacturing. | | | | |
| NUMBER OF EMPLOYEES.(b) | | | | | | | | |
| Less than £14(c) | 3,391 | 1,143 | 2,260 | 6,794 | 1,020 | 884 | 1,179 | 9,877 |
| £14 and less than £16 | 4,397 | 1,974 | 6,028 | 12,399 | 713 | 2,718 | 2,485 | 18,315 |
| £16 " " £18 | 21,334 | 10,175 | 31,617 | 63,126 | 2,704 | 21,669 | 12,182 | 99,681 |
| £18 " " £20 | 36,358 | 17,249 | 34,769 | 88,376 | 7,616 | 45,930 | 20,839 | 162,761 |
| £20 " " £22 | 42,864 | 12,838 | 35,286 | 90,988 | 11,048 | 33,436 | 20,931 | 156,403 |
| £22 " " £24 | 37,473 | 10,458 | 28,772 | 76,703 | 12,733 | 25,644 | 17,258 | 132,338 |
| £24 " " £26 | 28,827 | 9,029 | 25,844 | 63,700 | 11,396 | 20,912 | 17,775 | 113,783 |
| £26 " " £30 | 36,221 | 11,351 | 32,359 | 79,931 | 9,083 | 25,264 | 27,910 | 142,188 |
| £30 " " £35 | 26,198 | 7,646 | 23,680 | 57,524 | 6,317 | 17,616 | 26,598 | 108,055 |
| £35 and over | 25,540 | 7,005 | 26,739 | 59,284 | 7,664 | 23,999 | 36,040 | 126,987 |
| Total | 262,603 | 88,868 | 247,354 | 598,825 | 70,294 | 218,072 | 183,197 | 1,070,388 |

| | | | | | | | | |
|----------------------------------|-------|-------|-------|-------|-------|-------|-------|-------|
| PROPORTION OF TOTAL (PER CENT.). | | | | | | | | |
| Less than £14(c) | 1.3 | 1.3 | 0.9 | 1.1 | 1.5 | 0.4 | 0.6 | 0.9 |
| £14 and less than £16 | 1.7 | 2.2 | 2.4 | 2.1 | 1.0 | 1.2 | 1.4 | 1.7 |
| £16 " " " £18 | 8.1 | 11.4 | 12.8 | 10.5 | 3.9 | 9.9 | 6.7 | 9.3 |
| £18 " " " £20 | 13.8 | 19.4 | 14.1 | 14.8 | 10.8 | 21.1 | 11.4 | 15.2 |
| £20 " " " £22 | 16.3 | 14.4 | 14.3 | 15.2 | 15.7 | 15.3 | 11.4 | 14.6 |
| £22 " " " £24 | 14.2 | 11.8 | 11.6 | 12.8 | 18.1 | 11.8 | 9.4 | 12.4 |
| £24 " " " £26 | 11.0 | 10.2 | 10.4 | 10.6 | 16.2 | 9.6 | 9.7 | 10.6 |
| £26 " " " £30 | 13.8 | 12.8 | 13.1 | 13.4 | 12.9 | 11.6 | 15.2 | 13.3 |
| £30 " " " £35 | 10.0 | 8.6 | 9.6 | 9.6 | 9.0 | 8.1 | 14.5 | 10.1 |
| £35 and over | 9.8 | 7.9 | 10.8 | 9.9 | 10.9 | 11.0 | 19.7 | 11.9 |
| Total | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 |

| | | | | | | | | |
|--|------|------|------|------|------|------|------|------|
| CUMULATIVE PROPORTION OF TOTAL (PER CENT.).(d) | | | | | | | | |
| £35 and over | 9.8 | 7.9 | 10.8 | 9.9 | 10.9 | 11.0 | 19.7 | 11.9 |
| £30 " " " | 19.8 | 16.5 | 20.4 | 19.5 | 19.9 | 19.1 | 34.2 | 22.0 |
| £26 " " " | 33.6 | 29.3 | 33.5 | 32.9 | 32.8 | 30.7 | 49.4 | 35.3 |
| £24 " " " | 44.6 | 39.5 | 43.9 | 43.5 | 49.0 | 40.3 | 59.1 | 45.9 |
| £22 " " " | 58.8 | 51.3 | 55.5 | 56.3 | 67.1 | 52.1 | 68.5 | 58.3 |
| £20 " " " | 75.1 | 65.7 | 69.8 | 71.5 | 82.8 | 67.4 | 79.9 | 72.9 |
| £18 " " " | 88.9 | 83.1 | 83.9 | 86.3 | 93.6 | 88.5 | 91.3 | 88.1 |
| £16 " " " | 97.0 | 96.5 | 96.7 | 96.8 | 97.5 | 98.4 | 98.0 | 97.4 |
| £14 " " " | 98.7 | 98.7 | 99.1 | 98.9 | 98.5 | 99.6 | 99.4 | 99.1 |

(a) See page 75 for particulars of the coverage of the survey. (b) For definitions, see page 80.
(c) Inquiry indicated that the majority of the adult males in this group did not work a full week because of absenteeism, changing jobs, etc. Others were working short time. (d) These percentages indicate the proportion of the total employees in each industry group whose weekly earnings were as shown.

§ 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".*

* Commonwealth Arbitration Reports, Vol. 77 p. 494.

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 system operates, no provision was included in the industrial Acts for the declaration of a basic wage, although Wages Boards 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 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 also* Sections X. and XI. of the Appendix.)

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 44-56) 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.

During the period of its operation, the adequacy 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 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 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 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 to which employees would have been entitled had the previous practice been continued, 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.

* *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.

‡ 16 C.A.R., p. 32.

§ *Ibid.*, p. 841.

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 88.)

(For a description of the several series of retail price indexes referred to in these paragraphs see page 5.)

(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 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,

* Commonwealth Arbitration Reports, Vol. 30, 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. 45-6. § 33 C.A.R., p. 144. ¶ For a description of the "A", "C" and "D" Series see page 5 of this Report. ¶ 37 C.A.R., p. 583.

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 6.) (d) Rates for females and junior males 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 "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.

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 § 9 of this chapter for the main features as at 31st December, 1961.)

* *Commonwealth Arbitration Reports*, Vol. 41, p. 520.

† 44 C.A.R., p. 41.

(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.

In its judgment of 13th December, 1946,* the Court granted an increase of 7s. in the adjustable portion of the six capital cities basic wage, 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 from 93s. to 100s. A similar increase in the basic wage resulted 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.

The 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.

* Commonwealth Arbitration Reports, Vol. 57, p. 603.

† 68 C.A.R., p. 698.

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 85), 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 declaration provided that the whole of the 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.

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 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; and by the Metal Trades Federation, an association of employees' organizations, that the basic wage for adult males be increased. This would also have resulted in increasing the amount of the basic wage for adult females, though not the proportion it bore to the basic wage for adult males.

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; 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 was at any time asked to fix a basic wage on a true needs basis, the question of whether such a method was correct in principle and all questions as to the size of the family unit remained 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

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

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, overseas trade, overseas 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 awards. Afterwards the Court, of 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 for alteration of the basic wage 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 was 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 of 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."‡

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, as follows:—For the increase of the basic wage to the amount it would have reached if there had remained in the award provisions for automatic quarterly adjustments, and for the re-insertion in the award of the provisions for automatic quarterly adjustments.§ In accordance with past practice this application 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, (a) should the system of automatic adjustment be restored? (b) should there be an increase in the basic wage, and, if so, of what amount? and (c) should the increase, if there were one, be of a uniform amount, or should it be variable as between capital cities?

* *Commonwealth Arbitration Reports*, Vol. 84, p. 175.
§ 87 C.A.R., p. 439.

† *Ibid.*, p. 176.

‡ *Ibid.*, p. 177.

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.

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, to come into effect from the first pay-period to commence on or after 15th May, 1957. The basic wage for adult females was increased by 7s. 6d. with proportionate increases for juniors of both sexes and for apprentices.

The historical background of differential rates of basic wage for different localities 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 courses open to the Commission appeared to be either to follow what the Court did in 1956 (i.e. to award a uniform increase), 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.

Judgment was delivered on 29th April, 1957. The Commission 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 in Presidential Session commenced hearing an application by respondent unions for variation of the Metal Trades Award, by increasing the amounts of basic wage prescribed therein to the figure 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., 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 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

* *Commonwealth Arbitration Reports*, Vol. 87, p. 445.

† *Ibid.*, p. 459.

‡ 89 C.A.R., p. 287.

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, during which it had said "it would be most unsafe to assume that the economy was then, or thereafter, capable of sustaining that year's rate as a 'standard' in real terms."

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

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 continued to be 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.

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. 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., considered that a basic wage level substantially higher than that proposed by the majority was justified.

* *Commonwealth Arbitration Reports*, Vol. 89, p. 288.

† *Ibid.*, p. 290.

Under section 68 of the Conciliation and Arbitration Act 1904-1956 the majority opinion prevailed. 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.

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 they 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. It was claimed that the actual cost of living was so much lower in Adelaide than in Melbourne and Sydney that the basic wage for Adelaide should be approximately 10 per cent. below the rate fixed for Sydney instead of approximately 5 per cent. below, as it then was, subject to a stipulation that no reduction should be made in the existing Adelaide rate. In the Commission's view the employers had not spoken on this matter 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.

The decisions of the Commission were as follows:—The claim for restoration of automatic quarterly adjustments and the claim of the South Australian Government for special treatment were refused; and the basic wages of adult male employees covered by Federal awards were increased by a uniform amount of 5s. a week, to operate from the beginning of the first pay-period commencing on or after 21st May, 1958.*

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.

(xiii) *Basic Wage Inquiry, 1959.*—On 24th February, 1959, the Conciliation and Arbitration Commission, constituted in Presidential Session by Kirby C.J., Foster and Gallagher J.J., commenced hearing an application by respondent unions for variation of the Metal Trades Award by increasing the amounts of basic wage prescribed therein for respective cities, towns and localities to the figure 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

* *Commonwealth Arbitration Reports*, Vol. 89, p. 285.

† 91 C.A.R., pp. 683-4.

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 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 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 15s. a week, 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 10s. a week, 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: (a) should the automatic adjustment system be restored? (b) should the basic wage in the Commission's awards generally be increased and, if so, by what amount?

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 proved 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. He also stated that his rejection of the adjustment system was 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.

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, questioned whether such inquiries were adequate to achieve their 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, and to the fact that the matters for the Commission's determination were far wider than the particular points of view of the interests which assumed the roles of contestants before it. In his view, the data made available by the Commonwealth Government, as intervener, were 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 upon this material and interpretation the Commission had ultimately to base 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 found to be within the capacity of

* *Commonwealth Arbitration Reports*, Vol. 91, p. 685.

† *Ibid.*, p. 704.

the economy to sustain throughout the period it determined 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 it was, in his opinion, the only satisfactory method of preventing the Commission's awards 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 was 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 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.

Although reluctant to depart from his views on 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. . . ."† In his opinion the economy of the country could sustain a higher basic wage, but the amount claimed by the unions was too high. He considered that every male employee working under an industrial award almost certainly received something over and above the basic wage, and this should be taken into account in the determination whether he was receiving his proper share of the national wealth.

Taking into account the improved state of the economy, 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 the fact that amongst the employers who would be called upon to meet basic wage increases were farmers who had recently suffered a big loss of income, he was of the opinion that 10s. was the highest weekly increase that the economy could sustain. As to the application for a lower basic wage in the pastoral industry, he said "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."‡

(xiv) *Basic Wage Inquiry*, 1960.—On 16th February, 1960, the Conciliation and Arbitration Commission, constituted in Presidential Session by Kirby C.J. (President), Ashburner and Moore J.J. (Deputy Presidents), commenced hearing

* *Commonwealth Arbitration Reports*, Vol. 91, p. 709.

† *Ibid.*, p. 728.

‡ *Ibid.*, p. 734.

an application by respondent unions for the restoration to the Metal Trades Award of quarterly adjustments to the basic wage and for an increase in the amount of the basic wage.* On the six capital cities rate the amount of the increase sought was 22s. a week. This amount was composed of two parts—firstly, an addition of 5s. a week to restore to the basic wage the same real value as it had in 1953 and, secondly, a further amount of 17s. representing the unions' minimum estimate of the increase in productivity which had occurred in the period since the automatic adjustment system was abolished.

The Commonwealth Government intervened in the public interest in accordance with the provisions of Section 36 of the Conciliation and Arbitration Act 1904–1959 and all States except New South Wales were represented. The Commonwealth Government again presented a detailed analysis of the economic situation of Australia, together with comments on fiscal and budgetary policy. It also announced its opposition to the unions' application both for restoration of automatic quarterly adjustments and for an increase in the basic wage.

The State of South Australia presented material to the Commission to show the effect which wage increases would have on its finances and opposed the unions' application. Victoria, Queensland and Western Australia presented information to show how the finances of those States would be affected by wage increases, but neither supported nor opposed the claims of the applicants. Tasmania indicated that it supported the application for restoration of quarterly adjustments but made no submissions in support of its attitude.

In its judgment, delivered on 12th April, 1960, the Commission refused the unions' application. A summary of the judgment is given in the following paragraphs.

In view of the submissions made by counsel for the employers, the Commission made the following observations regarding the role of Governments in basic wage proceedings:—"In its complex and difficult task of assessing the capacity of the economy the Commission welcomes whatever assistance it can get from parties and from interveners. Governments are in a special position to give the Commission a proper conspectus of the public sector of the economy, the state of which is an important factor for our consideration. They can also of course give us assistance in our task of reviewing the economy as a whole. It is a matter for each Government concerned to decide whether it will appear before the Commission, and if so whether it will present material or state an attitude or both. It is obvious enough that the more comprehensive the material presented to the Commission by a Government, the greater the assistance the Commission derives from it, but it is not our province to attempt to influence Governments as to their attitude to basic wage cases."†

During the proceedings the general matter of the role of the "indicators" in basic wage cases was raised, and in its judgment the Commission made the following comment:—"The indicators originated as an attempt by the Commonwealth Court of Conciliation and Arbitration in 1953 to make more orderly the presentation of material in basic wage cases. Since then they have been used as a framework for the presentation of economic material to the Court and subsequently the Commission. As their name suggests they are, however, no more than indicators of the economy. They have never been regarded as more than that and it has not been the practice of the Commission or the Court before it to treat these indicators as some form of index by which the state of the economy should be measured in any mathematical way. They have not been treated as mutually exclusive and it has always been recognized that they interact on one another and can be looked at in various combinations.

* Print No. 7469, p. 1.

† Ibid., p. 3.

They have never, as far as the Commission is aware, been the means of excluding material from the Commission's consideration and it was never intended that they should have this result. The parties were asked to attempt to evaluate the indicators for the purpose of this hearing. This did not mean that the Commission was approaching its task by using any kind of index but it flowed from comment in earlier cases that the relative importance of different indicators might change from time to time."* However, the Commission did not feel that it was necessary to treat Government finance and the general budgetary position of Governments as a separate indicator, as suggested by counsel for the employers, although it said that such material as had been presented on this matter had been taken into account.

The Commission further stated:—"We do not regard the indicators as immutable, but treat them as an aid to our task of assessing capacity. We realize that in that task we must examine as far as we can all relevant economic material and we should not circumscribe ourselves by any set of indicators. If parties or interveners desire us in future proceedings to reduce or expand the present set of indicators or to approach our examination of the economy in a different way they are at liberty to ask us to do so."†

Application for Restoration of Quarterly Adjustments.—Counsel for the unions criticized the decision in the 1953 inquiry to abolish automatic quarterly adjustments to the basic wage and also the decisions, in subsequent inquiries, against their reintroduction. He submitted that it would be inequitable and unjust not to restore the practice which existed for many years prior to 1953 of having the basic wage automatically adjusted each quarter in accordance with movements in a price index. He relied in particular on the 1934 basic wage judgment.

In refusing the application the Commission said:—"We must decide the question of automatic quarterly adjustments in the light of existing situations and practices. In 1934 the Court was dealing with a situation in which the basic wage was determined for an undefined period and to that wage it applied automatic quarterly adjustments. The Commission is considering a situation in which in practice the basic wage is each year re-assessed. The alternatives which emerge from the submissions in these proceedings are either the fixation of a basic wage for an undefined period, the money amounts of the wage being automatically adjustable by movements in a price index, or the fixation of a basic wage each year. In our view, bearing in mind the interest of employees, employers and the public generally, the second alternative is preferable, and the Commission should continue to fix that basic wage which it considers to be just and reasonable knowing that the amount which it fixes will be the basic wage for the ensuing twelve months and will then be reviewed. It is not, in our view, inequitable and unjust . . . not to restore the system of automatic adjustments."†

Application to Increase the Basic Wage.—With regard to this part of the application, the Commission stated:—"It is appropriate first to describe shortly the basic wage and margins as elements of a total wage and the somewhat unusual setting in which the question of an increase in the basic wage comes up this year for consideration. The total wage paid to most workers under federal awards is composed of two elements, namely, the basic wage and a margin for skill, responsibility and the like. The existence of these two elements is a result of the history of federal wage fixation and has received legislative approval. The legislation requires that the basic wage and margins be dealt with by differently constituted benches of this Commission. The basic wage may be altered only by the Commission in Presidential Session, that is, by a

* Print No. A7469, p. 3.

† Ibid., p. 4.

bench constituted by three or more judges. Margins may be altered by a single member of the Commission or by a full bench constituted by at least three members of whom at least one must be a judge. In the first instance applications for alterations of margins come before a single member of the Commission but on application by a party the President has power to direct that the matter be dealt with by a full bench if he is of opinion that it is of such importance that in the public interest it should be so dealt with. By such a direction the Metal Trades margins application of 1959 was dealt with by a full bench."^{*}

The Commission then went on to state briefly the recent history of basic wage and marginal fixation by the Commission and its predecessor, the Commonwealth Court of Conciliation and Arbitration. Firstly, the basic wage, following the abolition of quarterly adjustments in 1953, was increased by 10s. a week in 1956, 10s. in 1957, 5s. in 1958 and 15s. in 1959. Secondly, increases in margins in the metal trades industry in 1947 were followed generally throughout federal awards; the claims for general increases in margins in 1952 were rejected and there was then no increase in margins throughout federal awards; and in 1954 the Court granted increases in margins in the metal trades industry which, speaking generally, it intended were to be applied to margins throughout federal awards. "Between 1954 and 1959, with few exceptions, margins in the metal trades industry and in federal awards generally were not increased and there was no application for an increase in margins in the Metal Trades Award until 1959. Although in its decision granting increases in the Metal Trades Award the Commission stated that it did not intend that the increase in the Metal Trades Award should automatically flow into other awards and industries, in the result the amount of increase awarded in the Metal Trades decision was, by and large, spread throughout other awards both by consent and by determinations of State and federal tribunals. In the light of the history of marginal fixation since 1947, the expectation now is that the Commission will be asked to consider the question of general marginal increases every few years."[†]

The Commission stated that so long as its decisions regarding metal trades margins are given general application and so long as the annual review of the basic wage continues, it follows that in one particular year the Commission constituted by a full bench of judges will review the basic wage and, constituted by a mixed bench, review margins. As a result, the bench fixing the basic wage will act with the knowledge or anticipation that another bench will also have to decide later in the same year whether it should increase margins, and the latter will be doing so in the light of the basic wage decision. "As far as the community is concerned, therefore, it is possible that the economy might be found capable of sustaining an increase in both the basic wage and margins, when this happens it follows that the economic and psychological effect of each increase is affected and indeed highlighted by the other. Such a year was 1959 when the basic wage was increased as from June by 15s., or an increase of 6 per cent., and margins were increased as from December by 28 per cent. of the amount of the margins existing as a result of the 1954 review by the Court. Together the 1959 increases approximated 8 to 10 per cent. of award wages."[†]

The Commission was required by legislation to treat the basic wage and margins separately, but although constituted differently for each task, at the time of fixation of rates it had to look forward to the period which its decision would cover; that is, a year for the basic wage and, generally speaking, a longer period for margins. In dealing with the application then before it the Commission had to decide whether the basic wage should again be increased, although less than a year had elapsed since increases were granted in both the basic wage and margins.

^{*} Print No. A7459, p. 5.

[†] *Ibid.*, p. 6.

Counsel for the unions submitted that, in examining the state of the economy, the Commission should go back to the year 1952-53 as a proper starting point, and that since that year all the indicators customarily used by the Commission had shown significant improvement. However, in view of the Commission's conclusion that economic capacity was insufficient to sustain a base wage increase, it did not find it necessary to discuss the indicators.

Counsel for the employers submitted that, whatever might have been established about the indicators, there were two factors dominating the economic scene, namely, the two wage increases granted by the Commission in 1959, amounting, in his submission, to an increase of 10 per cent. in wages; and the lifting of import restrictions by the Commonwealth Government. As to the first, he submitted that the effect of the basic wage decision had not been completely shown, and the effect of the margins decision had not been shown significantly or at all. Hence the whole of the economic material available to the Commission had to be discounted by the fact that the combined effect of those two judgments had not at that time been felt by the economy. As to the lifting of import restrictions, he contended that the effect of this governmental measure could not be forecast but the likelihood was that there would be an appreciable increase in the amount of imports, which would render more difficult the task of local manufacturers, a task already made difficult by the wage increases in 1959.

The Commission had asked counsel for the Commonwealth whether an estimate could be provided for the increase in imports likely to occur as a result of the lifting of import restrictions. Counsel stated that no quantitative estimate could be made; however, the significance of the removal of import restrictions in this case was that it had come at a time when the effects of the 1959 wage increases had not been fully felt.

Opposing the application by the unions, counsel for the Commonwealth submitted that the situation of the economy, at the latest stage before the margins increase could be supposed to have had any great impact, appeared as one of heavy spending on consumer goods and services and on capital construction and equipment, of fast increasing employment and diminishing unemployment, of growing shortages of labour at key points, of ample money supplies and easy capital raisings, and of costs and prices rising quite steeply. The only moderating circumstances seemed to be that local output of manufactured goods appeared to have increased to some extent and it had been possible to raise the level of imports. This was the situation upon which the margins increases had supervened. Counsel estimated that their effect on the wages bill would probably be about £100 million; and that the direct cost of the 1959 basic wage increase had been about £65 million. He said: "It is not to be doubted that these increases will raise costs and price levels significantly and that further secondary effects of that kind will follow upon them. They will also give a further strong stimulation to the demand for goods and services, and indeed have probably begun to do so already."*

Indicating that the Commonwealth Government was at that time very much concerned about the problem of inflation, counsel stated:—"The Commonwealth's position in the present case is unambiguously clear. It is that having weighed all considerations which seem to it to be relevant to the present and prospective state of the economy, the Commonwealth is convinced that above all what is needed now is a firm rejection of any new measures that could add to current inflationary pressures, and time for the adjustment of the economy to the general wage increases awarded over the past 12 months."†

* Print No. A7469, p. 8.

† Ibid., p. 9.

The Commission considered that such a clear statement of the Commonwealth Government's attitude, supported by submissions and economic material, was a matter which it must seriously take into account.

In concluding the reasons for judgment the Commission stated:—"We accept the submission made by the private employers and by the Commonwealth Government that we should not award an increase in the basic wage, bearing in mind that employees under federal awards have in the past twelve months received substantial increases in both basic and secondary wages. It is our view that at the present time, before the effects of these previous wage increases have been reflected in the economy, we cannot find that its capacity is such that a further basic wage increase can be awarded.

"We consider that it would be unsafe and perhaps dangerous to increase the basic wage at this point of time. We have formed this opinion with a full sense of the obligation which this Commission has to fix the basic wage from time to time at the highest amount that the economy can sustain so that the wage and salary earner may obtain his proper share of goods and services. On the other hand we are mindful of the danger to the whole community, including the wage and salary earner, of the basic wage being fixed at an amount which might increase inflation and upset the stability of the economy."*

(xv) *Differential Basic Wage Inquiries*, 1960.—On 9th August, 1960, the Commonwealth Conciliation and Arbitration Commission, constituted by Kirby C.J. (President), Ashburner and Moore JJ. (Deputy Presidents) commenced hearing the first of three applications to vary awards in respect of differential basic wages.†

This was made by the Federated Engine Drivers and Firemen's Association, to eliminate from the Engine Drivers and Firemen's (General) Award, 1955, those differentials making the basic wage for country areas less than the metropolitan basic wage in New South Wales, Victoria and South Australia, and to alter a number of basic wages in Tasmania.

The other two, by the Metal Industries Association of South Australia and members of the South Australian Chamber of Manufactures Incorporated and the South Australian Employers' Federation, sought to vary the Metal Trades Award, by providing, firstly, that upon any variation increasing the basic wage prescribed in the award for Sydney, the increase in the basic wage for Adelaide should be 25 per cent. less than the increase in that for Sydney until the ratio of the Adelaide to the Sydney rate was reduced to 90 per cent.; and secondly, that any increase in the basic wage for areas of South Australia other than Adelaide, Whyalla and Iron Knob should in the future be 25 per cent. less than the increase for Adelaide, until the "country differential" was increased to 12s.

The three cases were treated as matters of general application.

It became apparent to the Commission during the first case that it could not in fairness to all parties give a decision until all three cases had been heard. It therefore refrained from giving a decision in the first case until the conclusion of the other two, which were heard together.

In the judgment delivered on 14th December, 1960, the Commission granted the unions' application for elimination of the 3s. country differential, and dismissed the two applications by the employers.

Joint reasons for these decisions were given on 1st March, 1961. A summary is given in the following paragraphs.

The unions, through the Australian Council of Trade Unions, supported the F.E.D.F.A. application and opposed the employers' applications. As far as

* Print No. A7469, p. 9.

† Print No. A7737, p. 1.

employers were concerned, the Commission concluded that (a) they were all opposed to the application to eliminate the country differential, (b) only the South Australian employers sought to increase the country differential and then only in South Australia, and (c) only the South Australian employers, supported by the South Australian Government and, with modifications, by the Queensland Chamber of Manufactures, sought to change inter-capital differentials and then only with regard to the differential between Sydney and Adelaide. (Employers in New South Wales and Victoria opposed this claim by the South Australian employers.)

Inter-Capital City Differentials.—As far as capital cities were concerned, the only issue was about Adelaide, and it was that the relativity with Sydney, i.e. 4.2 per cent. or 12s. less than Sydney, should over a period of time be changed to a relativity of 10 per cent. less. The 12s. difference, which existed in 1953, when quarterly adjustments of the basic wage were eliminated, had remained unchanged because basic wage increases had subsequently been the same for all States. The Commission stated that although the difference between the capital cities was in part conceptually a cost of living difference, it had been recognized in earlier decisions that the 12s. might not represent the precise cost of living relationship which existed between Adelaide and Sydney.

The case for the South Australian employers that the amount of the difference should be increased was presented in two ways, first on a cost of living basis and then on a capacity basis. It was suggested that the proper approach to the fixation of the basic wage would be for the Commission to ascertain from looking at the capacity of the economy as a whole what was a fair basic wage for the whole Australian work force, and then to apportion it between the States in proportion to the cost of living in those States.

The Commission stated that whether the cost of living argument succeeded or failed depended almost entirely on the view which it took of the evidence presented on relative costs of living.

"It is common ground that in order to attempt to assess relative living costs as between capital cities the existing published statistical data relating to each of the capital cities is not sufficient. The data emanating from the Commonwealth Statistician deals only with movement of prices in particular capital cities and does not purport to deal with relativities.

"Assuming the desirability of giving employees in each of the capital cities an amount of money which will ensure to them properly comparable goods and services, although of course not necessarily the same goods and services, there are some difficulties in the way. First there is the absence of complete statistical information More important, however, is the problem of subjective judgments."*

The Commission discussed the various acts of judgment which had been made in connection with the evidence on relative costs of living and concluded that it could not act on the evidence presented for the purposes of the case. It added—"There were involved too many acts of judgment and too many estimates to enable us to use this exercise as a ground of changing the basic wage differential".†

As to the second aspect of the employers' submissions, it was put that, relatively, Adelaide employers could not continue to pay a basic wage which maintained its existing relativity with the Sydney basic wage. Virtually the only material put to the Commission on this aspect consisted of statistics which purported to show relative growth between States, but the Commission was not prepared to assume that the statistics about relative growth were necessarily related to relative capacity.

* Print No. A7737, p. 6.

† Ibid., p. 8.

The Commission concluded that it would not be justified in changing the existing relativities on any alleged differences in relative capacity, and that neither the material dealing with cost of living, nor the material dealing with relative capacity, nor a combination of both, led to the conclusion that it should alter the relationship which the basic wage for Adelaide had with the basic wage for Sydney.

Country Differentials.—The principal submissions by counsel for the unions were that the perpetuation of differentials was incompatible with the principles of basic wage fixation based on the capacity of the economy; it was not the function of the Commission to assume the role of economic planner; and the continuance of differentials would create serious anomalies and possible unrest. He also contended that the available evidence did not sustain the assumption that the cost of living was lower in the country than in the city.

Opposition by the employers was based mainly on the grounds that wage earners in the country escape some expenses which wage earners in capital cities incur, and that provincial employers are at a disadvantage with metropolitan competitors. The arguments advanced were similar to the reasons given by the Commonwealth Court of Conciliation and Arbitration in 1934 for awarding the 3s. differential.

The Commission briefly reviewed the history of basic wages for country towns and districts and quoted from a number of decisions made by the Commonwealth Court of Conciliation and Arbitration.

The need for statistical information on the cost of living in country towns had been expressed by the Court as early as 1913. By November, 1923, data were available for 200 towns, but despite the increasing availability of such data it appeared that the Court did not apply strictly the cost of living figures in order to fix the differential between metropolitan and country basic wages. Examples were given of the arbitral approach which the Court adopted in fixing the country basic wage, an approach which gave the Court an opportunity to disregard the cost of living figures in the country area.

Although the Court adhered to the Harvester standard as adjusted by index numbers for capital cities, as far as country districts were concerned the widest discretion was given to individual members of the Court to allow alterations in the basic wage which would have resulted from a strict application of the Statistician's figures. In each case, the Court exercised its judgment in order to produce what it considered to be a fair industrial result. The constant 3s. less than the metropolitan rate awarded in the Basic Wage Inquiry in 1934 was not a figure based on the cost of living. It was an assessment by the Court of what it thought was a proper relationship between the metropolitan and provincial areas.

The Commission then considered both the unions' and the employers' applications in the light of the principles which the Court had enunciated in the years prior to 1934, when the 3s. differential was introduced.

It found that statistical evidence based on the "C" Series Index figures for various country towns, used in an attempt to establish relativities between metropolitan and country areas, was of no assistance. The Commonwealth Statistician had stated that it was not valid to compare the "C" Series index numbers for capital cities in order to establish relative living costs. The Commission therefore decided to disregard material based on those figures, however valid such material may have been in 1934.

The Commission stated that apart from those called from the timber industry none of the employers' witnesses had claimed that their companies could not afford to pay the appropriate capital city basic wage. What they had attempted to do was to assess the advantages to employees and disadvantages to employers in a justification for the retention of the 3s., or, in the South Australian employers' application, for the increase to 12s.

The Commission reviewed the suggested advantages and disadvantages and concluded that, as far as employees were concerned, there was no advantage in working in the country which should be expressed in the form of a basic wage lower than that of the appropriate capital city. Considering the position of employees only, it thought employees in the city and the country should receive the same basic wage. As far as employers were concerned, the Commission, having considered the factors both for and against the country differential, and in particular the amount involved, decided that no injustice would be done if the 3s. country differential were abolished.

(xvi) *Basic Wage and Standard Hours Inquiry*, 1961. On 14th February, 1961, the Commonwealth Conciliation and Arbitration Commission, constituted by Kirby C.J. (President), Ashburner and Moore JJ. (Deputy Presidents), commenced hearing applications by employers and unions for variation of the Metal Trades Award. In the first application the employers sought to increase the number of ordinary working hours per week from 40 to 42, with a concomitant increase in weekly wages by an amount equivalent to two hours pay at ordinary rates, and to effect certain other consequential variations. In the second the unions applied for an increase in the basic wage on a six capital cities basis by the amount of 49s. (which was amended during the hearing to 52s.) and for the re-introduction of automatic quarterly adjustments based on the "C" Series Retail Price Index. The amount claimed represented 27s. (30s.) for cost of living increases since 1953 and 22s. to reflect increases in productivity since that time.

In its judgment, delivered on 4th July, 1961, the Commission refused the employers' application and the unions' application for restoration of quarterly adjustments, and increased the basic wage of adult male employees covered by federal awards by a uniform amount of 12s. a week, payable from the beginning of the first pay-period commencing on or after 7th July, 1961.*

The applications were heard together, but although from time to time reference was made to the employers' claim, in essence it was the unions' claim which was to the forefront and with which all the parties principally concerned themselves.

The Unions' Claims. In dealing with the unions' claims the Commission first discussed its own role and that of the Commonwealth and States.

In view of certain propositions put forward which seemed to be founded on the assumption that it had jurisdiction to deal with economic matters at large, the Commission once again set out the role and function of a federal arbitral tribunal in cases such as this. After citing what had been said in earlier judgments the Commission further stated:—"We are not national economic policy makers or planners. We are confined to the legislation under which we act, and, in particular, in basic wage cases we have the function of deciding only what is a just and reasonable basic wage. This does not mean, of course, that we have not to consider seriously the probable effects of our decision on the economy."

* Print No. A7848, p. 3.

The question of what weight the Commission should give to the attitude and submissions of the Commonwealth Government was again raised. The Commission referred to the 1960 Basic Wage Inquiry, in which the attitude of the Commonwealth was positively stated to be one of opposition to a wage increase, and that attitude, because it was supported by submissions and economic material, was a matter to be taken into account seriously. In the 1961 Inquiry, however, although the Commonwealth followed its usual practice of supplying, for the benefit of the Commission and the parties, certain economic and statistical material, it expressed no attitude other than its opposition to the re-introduction of quarterly adjustments. The Commission stated that it was not concerned with drawing inferences, as it had been asked to do, from the material presented, as to whether the Commonwealth had an attitude, and as to what it might be. On this question of the Commonwealth's attitude the Commission further stated:—"Because of a suggestion made in this case that the mere fact that the Commonwealth adopted an attitude before the Commission would result in that attitude being accepted, we unfortunately consider it necessary to repeat what we have said in the past this simply is not so. It has not been so in the past and will not be so in the future. We wish to make it clear that any opposition to or support of any claim by the Commonwealth will be treated on its merits."*

All States except New South Wales were represented at the hearing. South Australia made no submissions and called no evidence. Tasmania indicated its support for the unions' application for the restoration of automatic adjustments, plus an adjustment of the basic wage to the level indicated by the movement in the "C" Series Index, but presented no material. Victoria, Queensland and Western Australia neither supported nor opposed the application of the unions, but all presented some statistical information.

In claiming the re-introduction of automatic quarterly adjustments, counsel for the unions submitted, firstly, that the reasoning in each of the judgments of the Court and the Commission from 1952-53 to 1960 was wrong and that there was in none of them any proper reason for rejecting the principle of automatic quarterly adjustments; and secondly, that it was wrong for the Commission to fix a wage based on the capacity of the economy and not to provide some machinery which would ensure that the value of the wage was not subsequently eroded by price movements when prices increased.

The Commission considered it indisputable that at the time of its fixation the amount of a basic wage is both a money wage and a real wage, but the value of the real wage is altered by subsequent changes in price levels. Counsel for the unions submitted that a real basic wage should be determined from time to time with some interval longer than one year between determinations, and that the real value of the basic wage between determinations should be maintained automatically by adjustment in accordance with a price index. Unless this were done the amount of goods and services that could be purchased by the basic wage would decline as prices rose.

The Commission was asked to assume that between basic wage fixations the capacity of the economy to maintain a basic wage would increase or remain constant. If capacity were to diminish, the unions argued that the Commission is of easy access and employers could seek corrective action. The Commission's duty was to fix a just and reasonable basic wage and the provision of automatic quarterly adjustments would ensure that this was done. Further, the provision of automatic adjustments would relieve the Commission of the necessity of

* Print No. A7848, p. 7.

annual reviews of the state of the economy. The unions claimed that it was not practicable for the Commission to make a proper assessment of the economy, including movements in productivity, every twelve months, and to give proper consideration to the fixation of a new real basic wage.

The Commission rejected the employers' argument that the unions were really asking it to return to a needs basic wage as distinct from a capacity basic wage.

It went on to consider the practical difficulty which would in the past have confronted both the Court and the Commission if they had attempted to ensure that a basic wage fixed by them could be properly maintained at its real level. The Commission stated:—" . . . the 'C' Series Index was over a period becoming suspect and the Court and the Commission could not have relied on it to achieve a proper result. The emergence of the Consumer Price Index, however, has removed that difficulty and we are therefore now able to seek to ensure that the basic wage which we fix should, subject to our supervision, maintain its real standard; in other words, that employees should, between fixations of the real basic wage and subject to our supervision, continue to be able to purchase the same amount of goods and services with the basic wage portion of their wage. We add that amongst other things the emergence of the Consumer Price Index has also enabled us to fix at this time a standard which, in our view, is more likely to be properly maintainable than recent past standards."*

Having reached the conclusion that the principle of the maintenance of the purchasing power of the basic wage could be adopted, the Commission found it unnecessary to deal with the first part of the unions' argument, as to the correctness or otherwise of earlier decisions.

After comparing the "C" Series Retail Price Index and the Consumer Price Index, the Commission said:—"In our view the material available demonstrates the superiority of the Consumer Price Index over the 'C' Series Retail Price Index. The former is an index recently constructed by the Commonwealth Statistician in order to give a proper and accurate up-to-date coverage of movements in retail prices. The latter index on a regimen constructed many years ago can no longer in our view be considered reliable for wage fixing purposes. We find the Consumer Price Index suitable under present circumstances for the maintenance of the purchasing power of the basic wage we will now fix."†

It was then necessary to consider the question of how movements in the Consumer Price Index could be used. In the 1959 and 1960 basic wage decisions the Commission had stated that an annual review of the basic wage was better than arbitrary adjustment by means of an index. However, with the publication of the Consumer Price Index, upon which greater reliance could be placed, what had been said in those two cases was no longer adequate. Nevertheless, the Commission was not prepared to return to a system whereby adjustment was purely automatic, because it thought that there should be some safeguard. Although the Consumer Price Index was preferred to the "C" Series Retail Price Index, it could not be assumed that this index would at all times so accurately measure movements in retail prices that the Commission would be prepared to apply its workings automatically to the basic wage.

In its judgment the Commission stated:—"We consider it desirable that the application of the Consumer Price Index should always be subject to control by the Commission and the Commission should be able to decide whether a

* Print No. A7848, p. 10.

† Ibid. p. 11.

particular increase or decrease in the figures as disclosed in the Consumer Price Index should be applied to the basic wage. Our present opinion is that this consideration of prices should take place annually. We will each year make the assumption that the effect of movements in the Consumer Price Index should be reflected in the basic wage unless we are persuaded to the contrary by those seeking to oppose the change. As the basis of our decision is the desirability of maintaining the value of the real wage based on the concept of national capacity, the appropriate matter for consideration would appear to be what should be the effect on the six capital cities basic wage of movements in the six capital cities index. The resulting figure will be applied to all federal basic wages.

"Since such a consideration of price movements is to take place annually, the question remains whether the Commission should at the annual hearing continue to review all factors in the economy to decide whether or not to change the level of the real basic wage. It seems to us that once the question of price is dealt with otherwise a review of the economy generally and in particular of productivity increases could more properly take place at longer periods of time, say, every three or four years. This statement of our views does not, of course, preclude any party from seeking to exercise its right to come to the Commission more frequently than every three or four years to seek a change in the real basic wage but, except in unusual circumstances, we consider such a period a proper interval between reviews of this kind."*

The Commission concluded that the basic wage which it had fixed took into account increases in productivity up to June, 1960, and it therefore anticipated that a review of the real basic wage would not be necessary for some three years. The Commission went on:—"If our anticipation is correct, in the proceedings next year the only issue will be whether or not the money wage should be adjusted in accordance with any change in the Consumer Price Index. The onus will be on the party opposing such an alteration to show that it should not be made. If the price index has risen the unions may rely *prima facie* on that fact. It will then be for the employers to show that the increase in prices is of an exceptional character . . . so that it should not be reflected in a basic wage increase or that there is some special factor in the economy which would make it inadvisable to allow the increase."†

The Commission had felt in the past some difficulty in endeavouring to make a satisfactory assessment of the economy from the long-range point of view every twelve months, and this difficulty played its part in the Commission's attempt to confine short-term considerations to price movements and to allow a longer period of time between considerations of the long-term trends in the economy.

On the subject of departure from past practices, the Commission said:—"We consider it to be of importance that the Commission should not only consider itself open to depart from past practices when the occasion demands, but that it should make it quite clear that this will happen when the Commission, after due and careful consideration, considers it necessary. The concept is fundamental to our decision to depart from what has become the practice of having annual reviews of the basic wage in which the question of price increases is only one of a number of factors and is not given any special status."‡

Productivity. The unions claimed that there should be an increase of 22s. a week in the basic wage, based on an estimated one per cent. per annum increase in productivity over the previous decade, and that since 1952-53 no proper allowance had been made in the amounts awarded for increases in productivity.

* Print No. A7848, p. 12.

† *Ibid.*, p. 13.

On this subject the Commission stated:—"The question of productivity has been mentioned from time to time in various judgments of the Commission and there is really no dispute between the parties that workers are entitled to their share of increases in productivity. The issues between the parties are whether productivity can be measured with reasonable accuracy and whether in fact through wage increases workers have received their share of increased productivity."*

In evidence presented by the unions, productivity was calculated by taking the Gross National Product for a year, deflating it by a price index and dividing the figure corrected for prices by (a) population and (b) the total of wage and salary earners in civilian employment. On the basis of these calculations it was claimed that from 1952-53 to 1959-60 productivity had increased by about 2.6 per cent. per annum, "real" average earnings had increased by less than productivity, and the "real" basic wage had decreased. Counsel for the unions submitted that by taking one per cent. per annum the unions had clearly allowed for a safe margin of error.

In answer to this the employers produced a similar type of calculation, but one that used a different deflator and 1949-50 as the base year. On this basis it was claimed that the "real" basic wage had increased slightly more than productivity per person employed and some ten per cent. more than productivity measured on a population basis, and "real" average weekly earnings had increased more than the "real" basic wage.

After considering the various calculations which had been submitted the Commission concluded that 1952-53 was an abnormal year for the purpose of relevant comparison, and that 1949-50 was more satisfactory to take as a starting point. In the Commission's view it followed that the 1960 basic wage properly reflected increased productivity in so far as that could be approximately measured.

The employers claimed that the Commission should look at average weekly earnings as the true indicator of whether increases in productivity had been distributed to the work force, and that the only thing to be measured against productivity was what was in fact earned, and not the basic wage. In the Commission's view, the relevant consideration in fixing a basic wage was whether, if average weekly earnings properly reflected increased productivity but the basic wage did not, there was room for an increase in the basic wage based on the same increased productivity. In view of its finding that the 1960 basic wage did reflect increased productivity, the Commission concluded that it was unnecessary to decide the question on that occasion.

The Commission then reviewed in detail the indicators of the state of the economy. Having examined the problems bound up in the questions of excessive demand, wool and the competitive position of secondary industry and their interlocking with overseas trade and overseas reserves, the Commission considered that the economy had the capacity to sustain an increase of 12s. in the basic wage and that that increase was the highest that could be sustained. This amount was sufficient to restore to the 1960 basic wage its purchasing power as measured by the Consumer Price Index.

Having decided that the most appropriate standard was that set by the basic wage of 1960, the Commission considered the standards of the seven basic wages of the previous ten years and the basic wage increases necessary to maintain those standards in 1961. It felt that the new basic wage combined

* Print No. A7848, p. 14.

in the result its conclusions on fundamental factors in a threefold way, because it was fixed at the highest amount the capacity of the economy allowed, it adopted as a standard that set by the basic wage of 1960, and it took account of productivity increases up to and including 1959-60.

Both the employers and the Commonwealth Government referred to the danger of inflation which might result from an increase in wages. However, the Commission pointed out that there was no legal reason why any increase in the basic wage should not be absorbed by over-award payments, although this might not be possible because of industrial pressure and scarcity of skilled labour. While the increase in wages granted would cause some increase in costs, the stimulation of demand would only restore it to the level of the previous year. The estimated increase of £60 million a year in wages and salaries would add less than two per cent. to the annual wages bill.

The Employers' Claim. The employers' claim was for an increase in standard hours from forty to forty-two per week, with a concomitant increase in the weekly wage equivalent to two hours' pay at ordinary rates. This was to operate for four years, after which time weekly hours would revert to forty but the increased wage would remain. The Commission rejected arguments supporting this application, which stated that such a measure was called for by the balance of payments crisis, and that it would lead to increased productivity at stable prices and distribute more evenly the amount of overtime worked. The Commission did not think that the state of the economy was such that standard hours should be increased.

Employees on Lower Margins. During the course of the proceedings the President asked for submissions on the question of whether by prescription of the basic wage special consideration should or could be given to those employees who receive a margin above the basic wage of, say, £1 a week or less. The Commission decided that even if it had jurisdiction it would not, as a matter of discretion, make a differential basic wage at that time.

Annual Leave Decision. The Commission rejected the view that the reasons given for not granting an increase in annual leave in 1960 should impel it to refuse an increase in the basic wage. The question of wages was more fundamental and more important to the worker than the question of leave, and reasons which might delay the granting of additional leave may not be of sufficient weight to delay a basic wage increase. Also, had an increase in annual leave been granted, the Commission might not have been able to grant the increase in wages.

Decisions. The decisions of the Commission were as follows:—

- “ 1. The employers' claim for an increase in the standard hours of work from forty to forty-two with a concomitant increase in the weekly wage equivalent to two hours' pay at ordinary rates is refused.
2. The unions' claim for restoration of automatic quarterly adjustments is refused.
3. The basic wages of adult male employees covered by federal awards will be increased by a uniform amount of 12s. per week.
4. The new rates will come into effect from the beginning of the first pay-period commencing on or after 7th July instant subject to special cases.

5. For the specific reasons set out in the judgment we consider that in February next the only issue in regard to the basic wage should be why the money wages fixed as a result of our decision should not be adjusted in accordance with any change in the Consumer Price Index and for the purpose of deciding that issue the Order giving effect to the decisions hereby announced will also provide for the adjournment of the application of the unions for increase of the basic wages under the Metal Trades Award to Tuesday, 20th February, 1962, in Melbourne, when such submissions thereon as are desired to be made will be heard.
6. The decision regarding increases in basic wages is applicable to all the applications which have been ordered by the Commission to be joined for hearing and decision with the original application and those joined applications are stood over to a date after 20th February, 1962, to be fixed by the Commission.”*

(xvii) *Basic Wage Inquiry*, 1962. In accordance with decision No. 5 in the 1961 Inquiry (see above), the adjourned hearing was held on 20th February, 1962, before Kirby C.J., Ashburner and Moore JJ.

Counsel for the unions submitted that, although the 1961 judgment represented a recognition of union claims as to the need to maintain the real value of the basic wage, it had not met in full the demands of the trade union movement. He drew the Commission's attention to certain resolutions of the 1961 Congress of the Australian Council of Trade Unions, and in particular referred to the Consumer Price Index, which, he said, had been issued without the opportunity being provided for proper consultation with the principal parties affected. The trade unions were continuing their investigation of the index.

The unions intended to return to the Commission at the appropriate time to argue at length for the implementation of their policy as to the basic wage standard and the question of quarterly adjustment.

In the employers' submission, reference was made to the Commission's 1961 judgment as indicating a firm intention to confine argument in the current hearing to the quantum of any basic wage change and to exclude any re-examination of the Commission's departure from previously accepted principles. As the Consumer Price Index had shown practically no change between the March and December quarters of 1961, there could be no change in the basic wage. However, the employers' view was that in any hearing involving movement in the basic wage the parties must be free to discuss economic capacity to sustain the basic wage at any given level and the principles upon which it is computed.

Counsel for the Commonwealth stated that at the proper time the Commonwealth would appear before the Commission to present argument as to the use of price indexes in basic wage fixation and other important issues raised by the 1961 judgment. However the matter might come before the Commission as a matter of procedure, when circumstances called for the debate of any substantive issue the Commonwealth would be in a position to make further submissions.

The decision of the Commission was as follows:—

- “1. There will be no alteration in the amounts of the existing basic wages until further order of the Commission;

2. The application before the Commission is further adjourned until 19th February, 1963;
3. At such adjourned hearing the issues will be:
 - (a) The issue set out in paragraph 5 of the decisions of 4th July, 1961;
 - (b) Any issue which a party desires to raise and of which it has given notice to the Industrial Registrar, the other parties and to the Attorney-General by the 31st January, 1963;
4. The applications referred to in paragraph 6 of the decision of 4th July, 1961, are stood over to a date after the 19th February, 1963, to be fixed by the Commission with liberty to any of the parties to those applications to apply in the meantime."

(xviii) *Rates Operative, Principal Towns.*—The "basic" wage rates of the Commonwealth Conciliation and Arbitration Commission for adult males and adult females, operative in the principal towns of Australia as from the beginning of the first pay-period commencing on or after 7th July, 1961, are shown in the following table:—

COMMONWEALTH BASIC WAGE: WEEKLY RATES (a), JULY, 1961.

| City or Town. | Rate of Wage. | | City or Town. | Rate of Wage. | |
|---------------------------------|---------------|----------------|-------------------------------|---------------|----------------|
| | Adult Males. | Adult Females. | | Adult Males. | Adult Females. |
| | £ s. d. | £ s. d. | | £ s. d. | £ s. d. |
| New South Wales— | | | Western Australia— | | |
| Sydney | 14 15 0 | 11 1 0 | Perth | 14 8 0 | 10 16 0 |
| Newcastle | 14 15 0 | 11 1 0 | Kalgoorlie | 14 15 0 | 11 1 0 |
| Port Kembla-Wollongong | 14 15 0 | 11 1 0 | Geraldton | 15 1 0 | 11 5 6 |
| Broken Hill | 14 19 0 | 11 4 0 | Five Towns | 14 9 0 | 10 16 6 |
| Five Towns | 14 14 0 | 11 0 6 | Tasmania— | | |
| Victoria— | | | Hobart | 14 14 0 | 11 0 6 |
| Melbourne | 14 7 0 | 10 15 0 | Launceston | 14 10 0 | 10 17 6 |
| Geelong | 14 7 0 | 10 15 0 | Queenstown | 14 5 0 | 10 13 6 |
| Warrnambool | 14 7 0 | 10 15 0 | Five Towns | 14 12 0 | 10 19 0 |
| Mildura | 14 7 0 | 10 15 0 | Thirty Towns | 14 8 0 | 10 16 0 |
| Yallourn (b) | 14 13 6 | 11 0 0 | Six Capital Cities | 14 8 0 | 10 16 0 |
| Five Towns | 14 7 0 | 10 15 0 | Northern Territory (d)— | | |
| Queensland— | | | Darwin | 15 7 0 | 11 10 0 |
| Brisbane | 13 10 0 | 10 2 6 | South of 20th Parallel | 14 14 0 | 11 0 6 |
| Five Towns | 13 11 0 | 10 3 0 | Australian Capital Territory— | | |
| South Australia— | | | Canberra | 14 10 0 | 10 17 6 |
| Adelaide | 14 3 0 | 10 12 0 | | | |
| Whyalla and Iron Knob (c) | 14 8 0 | 10 16 0 | | | |
| Five Towns | 14 2 0 | 10 11 6 | | | |

(a) Operative from the beginning of the first pay-period commencing on or after 7th July, 1961.
 (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. 116 and 117 regarding special loadings.

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

A table of Commonwealth basic wage rates for adult males from 1923 to 1961 will be found in Section X. of the Appendix.

3. Commonwealth Basic Wage Rates for Females.—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 is 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 for males will be preserved."*

Generally speaking, this proportion varied between 54 and 56 per cent. of the male rate, and this practice continued until superseded by the war-time and post-war developments described briefly below. For further information reference should be made to earlier issues of the Labour Report.

In 1942, National Security Regulations "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 basic wage variations in accordance with movements in retail price index numbers.

Also in 1942, the Commonwealth Government set up the Women's Employment Board, with jurisdiction over terms and conditions of employment, including wage rates, of 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. The Commonwealth Court of Conciliation and Arbitration and State Industrial Tribunals continued to determine rates of wage, etc., for those females not coming within the jurisdiction of the Board.

In 1943 a case came before the Commonwealth Court involving determination of general principles as to rates of wage for such females, particularly as affecting female workers at Government small arms ammunition factories. In its judgment of 17th June, 1943,† the Court rejected the claim that the wage rates paid to these women were anomalous when compared with those granted by the Women's Employment Board and it enunciated in full the principles followed by the Court in determining female rates of wage within its jurisdiction. The judgment pointed out that whereas the male basic wage was a family wage the female rate was assessed to provide for the needs of a single woman. 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."‡

* *Commonwealth Arbitration Reports*, Vol. 33, p. 156.

† 50 C.A.R., p. 191.

‡ *Ibid.*, p. 213.

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 to adult males. This action was taken to overcome the exceptionally heavy 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, 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.. The object of these regulations was to remove disparities which were creating discontent and impeding the manpower authority in redistributing female labour to "vital" industries. Wage rates in twelve such industries were referred by the Government for consideration, but in a judgment delivered on 4th May, 1945,† the majority of the Full Court decided that the wage rates were not unreasonably low.

Following this decision, the Government, by National Security (Female Minimum Rates) Regulations in August, 1945, provided in respect of certain "vital" industries that the remuneration of females employed therein should not be less than 75 per cent. of the corresponding minimum male rate. The validity of these Regulations was unsuccessfully challenged in the High Court of Australia.

As from 12th October, 1944, the Women's Employment Board was abolished and its functions then devolved upon a single judge of the Commonwealth Court of Conciliation and Arbitration. The Women's Employment Regulations continued to operate until 1949, when the High Court declared them 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.

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". Following an inquiry in 1948, it was held by the Full Court of the Commonwealth Court of Conciliation and Arbitration that Conciliation Commissioners had jurisdiction to "fix" the female rates in question under the provisions of the Act, but that the provision referred only to the basic wage element in any prescribed female rates. In December, 1948, the Government amended the 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 amendment in 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".

*Commonwealth Arbitration Reports, Vol. 51, pp. 632 and 648..

† 54 C.A.R., p. 613.

The first major post-war declaration of policy in respect of the female basic wage was made by the Commonwealth Court of Conciliation and Arbitration in the course of its judgment in the 1949–50 Basic Wage Inquiry (see page 87). The Court 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 that the basic wage for females should be 60 per cent. of that for males instead of 75 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. The Commonwealth Conciliation and Arbitration Commission had, to the end of 1961, made no change in this ratio.

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 48). 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, in the 1949–50 Basic Wage Inquiry (see page 87), 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.*

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 (see page 88), the basic wage for the Australian Capital Territory remained unchanged from August, 1953, until June, 1956. Since then, the uniform increases made to the basic wage by the Court and the

* *Commonwealth Arbitration Reports*, Vol. 69, p. 486.

Conciliation and Arbitration Commission have applied. 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 7th July, 1961, were £14 10s. for adult males and £10 17s. 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 briefly in the following paragraphs. More detailed information was published in previous issues of the Labour Report.

(a) *The Darwin Basic Wage*.—This wage was first determined by the Commonwealth Court of Conciliation and Arbitration in 1915* when a rate of £3 17s. a week, or 1s. 9d. an hour, for an unskilled labourer, including a weekly allowance of 4s. for lost time, was awarded. In 1916–17 the Court refused to alter this basic amount of 1s. 9d. an hour, and referred to an agreement dated 2nd June, 1916, between the Amalgamated Carpenters and Joiners and the Northern Agency, which provided for rates based on the estimated living requirements of a family consisting of a man, wife and two dependent children, amounting to £3 11s. 1d. a week. The list of items used to assess this figure was used in subsequent basic wage determinations.

In 1924, Powers J., when considering the rate for employees of the Commonwealth Railways, which stood at £5 4s. 6d., stated that he had in mind the amount of £4 12s. as a basic wage. He considered that the wage of £5 4s. 6d. then payable contained a special isolation allowance, and that the question of such special allowances was a matter for employers and employees to settle between themselves.†

In 1927‡ Beeby J. also referred to the regimen of 1916, and fixed the basic wage at £5 10s. a week, or 2s. 6d. an hour, including £1 a week district allowance which had been suggested by Powers J. 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.

The Full Court of the Commonwealth Court of Conciliation and Arbitration considered the Darwin basic wage for the first time in 1934.§ The Court awarded a basic wage of £4 10s. 9d. a week, which was arrived at by bringing up to date the prices of the list of items of the 1916 agreement (see above) and altering the rent figure from 45s. to 65s. a month. Automatic adjustment provisions were first introduced into awards by this judgment by inserting an appropriate adjustment scale based on the movement in the Food and Groceries retail price index (Special) for Darwin.

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

* *Commonwealth Arbitration Reports*, Vol. 9, p. 1.
§ 33 C.A.R., p. 944.

|| 39 C.A.R., p. 501.

† 20 C.A.R., p. 737.

‡ 25 C.A.R., p. 898.

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. 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 based solely on the movement in the Food and Groceries retail price index. This, however, never became effective, because it was superseded early in 1942 by the Blakeley Orders referred to below.

The basis of adjustment was altered by Conciliation Commissioner Blakeley 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. Adjustment by means of the Food and Groceries Index only was 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, and it was not possible to compile one on the basis of prices in Darwin, a composite index, "The Darwin Special 'All Items' Index" was created. This index was computed on the basis of food and groceries prices in Darwin, combined with Townsville prices for rent, clothing and miscellaneous items.

The December quarter, 1940, was taken as a suitable period upon which to base the adjustments, and for this quarter the Special "All Items" index number was 1,036 and the "needs" equivalent £4 4s. The basic wage for adult males, payable from 1st February, 1942 (when the new system first became operative), on the basis of the index number for the December quarter, 1941, was £5 17s. 9d., made up of the £4 4s. "needs" equivalent mentioned above, 5s. from adjustments since the December quarter, 1940, an unadjustable amount of 15s. 9d. and the two unadjustable loadings of 3s. and 10s., granted in 1941.

After the bombing of Darwin in 1942, 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.||

Following its "Interim" Basic Wage Judgment of 13th December, 1946 (see page 87), the Court decided in March, 1947, to postpone any adjustment pending a general review of the basic wage in the Territory. This review was made in 1948, and the Court increased the basic wage for adult males by 8s. a week. It also 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) and transferred the basis of adjustment to the "Court" Index (2nd Series). The new basic wage, which came into operation from the beginning of the first pay-period commencing after 20th May, 1948, was £7 0s. 9d., including the unadjustable amount of 15s. 9d. (see above), and the loadings of 3s. and 10s.

Consequent upon the decision of the Commonwealth Court of Conciliation and Arbitration in the 1949-50 Basic Wage Inquiry (see page 87), an interim increase of £1 2s. a week, payable from the first pay-period in December, 1950, was authorized pending a special inquiry into the fixation of a new basic wage

* *Commonwealth Arbitration Reports*, Vol. 40, p. 323 and 41 C.A.R., p. 269. † 42 C.A.R., p. 164.
‡ 44 C.A.R., p. 253. § 46 C.A.R., p. 411. || 48 C.A.R., p. 20.

for the Northern Territory.* After the inquiry, and as a result of agreement between employers and employees, the Court fixed the basic wage at £10 10s. a week, 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 quarterly adjustments. Subsequently, a special loading of 10s. a week was added to the wage rates in a number of awards.

Quarterly adjustments continued to operate until August, 1953. They were suspended by the Court's decision of 12th September, 1953, as a result of the 1953 Basic Wage Inquiry. Since then, the uniform increases made to the basic wage by the Court and the Conciliation and Arbitration Commission have applied. The basic wages payable as from the first pay-period commencing on or after 7th July, 1961, were £15 7s. for adult males and £11 10s. for adult females, exclusive of the 10s. special loading mentioned above.

(b) *Northern Territory (South of the 20th parallel of South Latitude).*—In earlier years there were 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).

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 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.

Other Commonwealth employees in the Northern Territory south of the 20th parallel of south latitude were paid the Darwin basic wage prior to February, 1935 (see page 115). 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 variations in the "Special" retail price index numbers for Port Augusta (inclusive of Railway Stores prices for groceries and dairy produce), but only £3 6s. of the total amount was adjustable.

The 3s. a week "loading" granted by the Court in 1938 (see page 115) 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 87).

In a judgment on 11th October, 1949,§ the Full Court amended the adjustment clause of the Commonwealth Works and Services (Northern Territory) Award to provide for the adjustment to date and thereafter of the 7s. a week

* *Commonwealth Arbitration Reports*, Vol. 69, p. 836.
p. 947. ‡ 65 C.A.R., p. 573.

† 72 C.A.R., p. 113.

‡ 33 C.A.R.

excess over the "needs" rate granted in November, 1934 (*see* page 117). The basic wage payable from the first Sunday in December, 1949, then became £7 14s., made up of a "needs" rate of £6 14s. and the loadings of 7s. for "Freight Costs" and 3s. for "Prosperity" loading. This represented an increase of 6s. 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 87), an interim increase of £1 2s. a week, payable from the first pay-period in December, 1950, was authorized, pending a special inquiry into the fixation of a new basic wage for the Northern Territory.* After the inquiry, and as a result of agreement between employers and employees, the Court fixed the basic wage at £10 10s. a week, operative from the beginning of the first pay-period commencing in November, 1951.† The Port Augusta Special "All Items" Index (*see* page 117) was retained as the basis for quarterly adjustments. Subsequently, a special loading of 7s. a week was added to the wage rates in a number of awards.

Quarterly adjustments continued to operate until August, 1953. They were suspended by the Court's decision of 12th September, 1953, as a result of the 1953 Basic Wage Inquiry. Since then, the uniform increases made to the basic wage by the Court and the Conciliation and Arbitration Commission have applied. The basic wages payable as from the first pay-period commencing on or after 7th July, 1961, were £14 14s. for adult males and £11 0s. 6d. for adult females, exclusive of the 7s. special loading mentioned above.

5. State Basic Wages.—(i) *General.*—In previous issues of the Labour Report, tables were included in this section showing, for some of the States, particulars of basic wage declarations over a number of years. In this issue, tables showing similar information for each State in greater detail have been included in Section XI. of the Appendix.

(ii) *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

* *Commonwealth Arbitration Reports*, Vol. 69, p. 836. † 72 C.A.R., p. 113.

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.

A living wage for adult male 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.

Following the judgment of the Commonwealth Court of Conciliation and Arbitration of 23rd June, 1937 (see page 85), the State basic wage was brought into line with the Commonwealth rates ruling in the State by an amendment of the Industrial Arbitration Act (No. 9 of 1937) which came into operation from the commencement of the first pay-period in October, 1937. 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, and 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 were to operate;* and of specifying the appropriate "Court" Series retail price index numbers to which they were 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. 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 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. For Sydney, the rate was £6 3s. 6d. a week.

* *New South Wales Industrial Gazette*, Vol. 52, pp. 783-4.

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. the Commission stated that it was "reasonable to allocate £1 of the said sum . . . 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.", and that the total, £5 3s. 6d., therefore became the true female basic wage for Sydney under the State Act.* (This decision of the Commission was superseded by an amendment of the Act in 1958—see page 121.)

As a consequence of the overriding statutory requirement that no rate for adult females in State awards shall fall below the Commonwealth basic 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 was the Broken Hill district, where a different basic wage rate prevailed until the Act was amended in 1961 (see page 121).

After considering the decision of the Commonwealth Court of Conciliation and Arbitration in September, 1953, to discontinue the system of automatic adjustment of the basic wage, the New South Wales Industrial Commission, on 23rd October, 1953, stated 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 Industrial Commission was required by the Industrial Arbitration (Basic Wage) Amendment Act to restore, to all awards and agreements within its jurisdiction, quarterly adjustments of the basic wage consequent on variations in the "C" Series 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 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, and 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

* *New South Wales Arbitration Reports*, 1951, p. 16.
Vol. 111, p. 128.

† *New South Wales Industrial Gazette*,

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, based on the "C" Series retail price index number "Aggregate All Groups" in respect of Sydney. The Metal Trades Employers' Association and others appealed to the Industrial Commission and contended that the basic wage adjustment should be determined by using the Commonwealth Statistician's retail price index number "All Groups *excluding* price movements of potatoes and onions", but the Commission, in its judgment of 5th November, 1956, dismissed the appeal and supported the decision of the Registrar.

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 119), and the Commission should, upon application, or might, 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 became 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.

Act No. 29, 1961 (assented to on 13th October, 1961) amended the Industrial Arbitration Amendment Act, 1961, by adopting the Consumer Price Index numbers in place of the "C" Series Retail Price Index numbers for purposes of the automatic quarterly adjustment of the basic wage. The November, 1961, variation was the first based on the Consumer Price Index. Consumer Price Index numbers relate only to capital cities and the weighted average for the six capitals and as a result the Sydney basic wage became the rate for the whole of New South Wales, separate rates no longer being prescribed for Broken Hill and the "Five Towns" after November, 1961. The rates payable in Sydney as from the first pay-period in November, 1962, were £15 0s. a week for adult males and £11 5s. for adult females.

A table showing the New South Wales State basic wage rates for Sydney from 1914 to date will be found in Section XI. of the Appendix.

(iii) *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 89), 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 1961 Basic Wage Inquiry (see page 104), Wages Boards met in July and August, 1961, and varied their determinations by incorporating the new Commonwealth rates. The rates for Melbourne were £14 7s. a week for adult males and £10 15s. for adult females.

A table showing basic wage rates for Melbourne used generally by Wages Boards will be found in Section XI. of the Appendix.

(iv) *Queensland*.—The Industrial Conciliation and Arbitration Act of 1929 established an Industrial Court, and provided that the Court could make declarations as to the basic wage and standard hours. This Act, as subsequently amended, was repealed by the Industrial Conciliation and Arbitration Act of 1961, which established, in addition to the Industrial Court, an Industrial Conciliation and Arbitration Commission. The Full Bench of the Commission, consisting of not less than three Commissioners, may make declarations as to, *inter alia*, the basic wage for males and/or females and the standard hours of work.

The main provisions to be observed by the Commission when making general declarations as to the basic wage are—(a) All persons interested must be given an opportunity to be heard before any such general declaration can be made; (b) 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; (c) 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; (d) the Commission 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 an industrial tribunal in Queensland 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 as the "basic" or "living" wage. Basic wage rates declared during the period 1921 to 1961 will be found in the table in Section XI. of the Appendix.

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 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 87*).

Following the decision of the Commonwealth Court of Conciliation and Arbitration to increase the male and female basic wages from December, 1950 (*see page 87*), the Queensland Industrial Court conducted an inquiry as to what change should be made to the State basic wage for Queensland and 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, operative from 7th December, 1950. The basic wage payable to adult females became 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 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 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.

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

† *Qld. I.G.*, Vol. 38, p. 137.

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.* For the following four quarters also the Court 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 the basic wage for adult males should be increased to £11 7s. from 1st August, 1955. In this judgment the Court emphasized that it held itself free whether or not to adjust the basic wage upwards or downwards in accordance with movements in the "C" Series retail price index numbers. During the next year increases were granted in three of the four quarters.

In announcing an increase of 4s. in the adult male basic wage for Brisbane, payable from 29th October, 1956, the Court stated that the considerable increases in the "C" Series index numbers for the September quarter, 1956, were due substantially to the abnormal increases in the prices of potatoes and onions, and therefore, under the circumstances, it decided not to increase the basic wage on the basis of the "C" Series retail price index numbers including potatoes and onions.

Consequent on the issue of the index numbers for the December quarter 1956, the Court announced that there would be no change in the basic wage and stated: "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".†

In the following four years increases were made each quarter, except in October, 1957, and August, 1959.

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 ground that a state of emergency existed with regard to the cost of living. In its judgment of 30th May, 1958, the Court dismissed the application.

In December, 1960, the Court determined that as from 1st May, 1961, the basic wage for adult females should be 75 per cent. of that for adult males.

In its basic wage declaration of 25th January, 1961, the Court referred to the opinion given by the Commonwealth Statistician that the "C" Series Retail Price Index had become an unreliable measure of retail price changes in recent quarters and to the fact that for current statistical purposes variations in retail prices were measured by the Consumer Price Index. Taking into consideration all relevant factors, including the approximate increase in price levels as disclosed by the Consumer Price Index, the Court decided to increase the basic wage for adult males by 4s.

Following an inquiry, the Commission, in a decision issued on 24th May, 1961, increased the adult male basic wage by 4s. a week, which was approximately the amount of the increase indicated by the Consumer Price Index for March quarter, 1961. To the end of 1961 no further variation occurred in the basic wage.

In September, 1961, the Commission heard an application by employer organizations for a declaration of a general ruling that the basic wage for males and/or females should not be reviewed merely by reason of any change in the Consumer Price Index at intervals of less than 12 months. The application

* *Queensland Industrial Gazette*, Vol. 39, p. 335.

† *Qld. I.G.*, Vol. 42, p. 167.

was opposed by the trade unions generally. In a judgement delivered on 14th November, 1961, the Commission refused the employers' application. An appeal to the Industrial Court against this decision was dismissed on 10th July, 1962.

The rates payable in the Southern Division (Eastern District) from 29th May, 1961, were £14 4s. for adult males and £10 13s. 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. From May, 1961, the allowances for adult females were increased from 50 per cent. to 75 per cent. of those for adult males.

(v) *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 living wage is defined as "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 adult male living wage is to be declared is a man with a wife and three children. However, the concept of a family unit has disappeared with the adoption of basic wage rates declared by the Commonwealth Conciliation and Arbitration Commission (*see below*).

The Board of Industry has power to fix different rates to be paid in different parts of the State and the Code also provides that the Board 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 may not 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 a President (who shall be the President or Deputy President of the Industrial Court) and four commissioners, two of whom shall be representatives of employers and two representatives of employees.

The first declaration by the Board of Industry operated from 4th August, 1921, when the living wage for adult male employees in the metropolitan area was determined at £3 19s. 6d. a week. The living wage of £1 15s. a week for adult female employees in the same area was declared to operate from 1st September, 1921.

The living wage declarations of the Board of Industry are included in a table of South Australian State basic wage rates shown in Section XI. of the Appendix.

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 87*) 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 for adult males, including the 4s. "Prosperity" loading, to operate from 7th January, 1947. The 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 loading of 5s. a week, over and above the metropolitan living wage, to compensate for the higher cost of living, 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 87), 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 was, by the proclamation, increased from approximately 55 per cent. to 75 per cent. of the corresponding male basic wage.

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 until the August, 1953, adjustment. After the Commonwealth Court of Conciliation and Arbitration announced the discontinuance of quarterly adjustments, the Commonwealth basic wages for Adelaide, and consequently the State basic wages, 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. Subsequent increases have been the same as those made to the Commonwealth rates as the result of Basic Wage Inquiries. From 10th July, 1961, the living wage in the metropolitan area of South Australia was £14 3s. for adult males and £10 12s. for adult females.

(vi) *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, who is a Judge of the Supreme Court, is the President.

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 in relation to the adult male basic wage 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 was defined by Mr. Justice Dwyer, in the Court of Arbitration, Western Australia, in the matter of the Quarterly Adjustment of the Basic Wage, 18th August, 1931,* 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".

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.

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, operated from 1st July, 1926, the rate for adult male employees being £4 5s. a week, and for adult female employees £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 84). 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 equivalents at the March quarter, 1938, by means of movements in 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 87).

* *Western Australian Industrial Gazette*, Vol. 9, p. 166.
‡ *W.A.I.G.*, Vol. 27, p. 39.

† *W.A.I.G.*, Vol. 18, p. 151.

Following the judgment of the Commonwealth Court of Conciliation and Arbitration in the 1949–50 Basic Wage Inquiry (see page 87), 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. The unions' claim for a female basic wage equal to 75 per cent. of the male rate instead of the existing 54 per cent. was not granted, but 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.

Following the decision of the Commonwealth Court of Conciliation and Arbitration to discontinue quarterly adjustments (see page 88) 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, and February, 1960, when no change was made.

In a decision issued on 30th January, 1960, the Court, acting in recognition of agreement between representatives of unions and employers, increased the basic wage for adult females from 65 per cent. to 75 per cent. of the adult male rate. The increased rates were payable from the beginning of the first pay-period commencing on or after the above date. Simultaneously, various awards of, and agreements registered with, the Court were varied to provide that where margins for adult females were equal to or greater than the increase in the female basic wage they would be correspondingly reduced, and where they were less than the increase they would be deleted.

As from 30th October, 1961, the metropolitan basic wage for adult males was £14 18s. 9d. a week and for adult females £11 4s. 1d. a week.

The basic wage rates declared from 1926 to 30th October, 1961, are shown in a table in Section XI. of the Appendix.

(vii) *Tasmania*.—A State basic wage is not declared in Tasmania. Under the Wages Board Act 1920–1961, Wages Boards are constituted for a number of industries, from representatives of employers and employees and an independent chairman (who is common to all Wages Boards), with power to determine the minimum rates 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 rates of wage to be paid.

* *Western Australian Industrial Gazette*, Vol. 30, p. 336.

† *W.A.I.G.*, Vol. 36, p. 497.

Wages Boards have 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, 1953. However, after meeting, all Wages Boards decided to delete, as from 9th December, 1953, the automatic adjustment clause from determinations and to 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 to 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.

Following the decision of the Commonwealth Court of Conciliation and Arbitration in the 1956 Basic Wage Inquiry (*see* page 89), the Employers' Federation requested that Wages Boards accept the Commonwealth basic wage and delete automatic adjustment provisions from their determinations. On 3rd July, 1956, the Chairman of Wages Boards 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. Following the decision of the Commonwealth Conciliation and Arbitration Commission in July, 1961, to increase the basic wage (*see* page 104), Wages Boards met in July and August, 1961, and incorporated the new rates in their determinations. The rates for Hobart then became £14 14s. for adult males and £11 0s. 6d. for adult females.

A table in Section XI. of the Appendix sets out Hobart basic wage rates, which were generally adopted by Wages Boards in Tasmania.

During January, 1961, Wages Boards adopted the Hobart basic wage as the uniform rate applicable throughout the State.

(viii) *Rates Prescribed.*—The "basic wage" rates of State industrial tribunals operative in November, 1961, and 1962 are summarized in the following table. Current figures are published in the monthly bulletin *Wage Rates and Earnings*.

STATE BASIC WAGES: WEEKLY RATES.

| State. | November, 1961. | | | November, 1962. | | |
|--|--------------------|-------------|-------------|--------------------|-------------|-------------|
| | Date of Operation. | Males. | Females. | Date of Operation. | Males. | Females. |
| New South Wales(a) | (b) | s. d. 301 0 | s. d. 226 0 | (b) | s. d. 300 0 | s. d. 225 0 |
| Victoria(c) | (d) | 287 0 | 215 0 | (d) | 287 0 | 215 0 |
| Queensland(e)— | | | | | | |
| Southern Division— | | | | | | |
| Eastern District, including Brisbane | 29.5.61 | 284 0 | 213 0 | 29.5.61 | 284 0 | 213 0 |
| Western District | 29.5.61 | 294 6 | 221 0 | 29.5.61 | 294 6 | 221 0 |
| Mackay Division | 29.5.61 | 293 0 | 219 9 | 29.5.61 | 293 0 | 219 9 |
| Northern Division— | | | | | | |
| Eastern District | 29.5.61 | 294 6 | 221 0 | 29.5.61 | 294 6 | 221 0 |
| Western District | 29.5.61 | 316 6 | 237 6 | 29.5.61 | 316 6 | 237 6 |
| South Australia(f) | 10.7.61 | 283 0 | 212 0 | 10.7.61 | 283 0 | 212 0 |
| Western Australia— | | | | | | |
| Metropolitan Area | 30.10.61 | 298 9 | 224 1 | 30.10.61 | 298 9 | 224 1 |
| South-West Land Division | 30.10.61 | 297 3 | 222 11 | 30.10.61 | 297 3 | 222 11 |
| Goldfields and other areas | 30.10.61 | 291 6 | 218 8 | 30.10.61 | 291 6 | 218 8 |
| Tasmania(c) | (g) | 294 0 | 220 6 | (g) | 294 0 | 220 6 |

(a) From November, 1961, the Sydney rate applied to the whole of New South Wales. (b) From beginning of first pay-period in month shown. (c) No basic wage declared. Rates shown are those adopted by most Wages Boards. (d) During July and August, 1961, Wages Boards adopted the Commonwealth rate. (e) From May, 1961, basic wage declared only after full inquiry. (f) The living wage declared for the metropolitan area is also adopted for country areas, except at Whyalla and nearby areas, where a loading of 5s. a week is generally payable. (g) Most Wages Boards adopted the Commonwealth rate from July, 1961.

§ 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”.*

Marginal rates of wage are determined by Commonwealth and State industrial tribunals. In the Commonwealth jurisdiction, 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. Major determinations affecting margins were made in the Commonwealth jurisdiction in 1954 and 1959. The decisions of the Commonwealth Court and later the Commonwealth Conciliation and Arbitration Commission have generally been followed by State industrial tribunals in the determination of margins in State awards.

A summary of the 1954 and 1959 Margins Cases is given in the following paragraphs.

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.

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

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. The new rates operated from the beginning of the first pay-period commencing on or after 13th December, 1954.

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 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

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

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 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.

Metal Trades Award, Part I.—The unions sought to have restored the relativities within the marginal structure of the Metal Trades Award which existed prior to the Metal Trades Case, 1954 (see para. 2, above). Their claim was for an increase in the margin of the fitter from 52s. to 134s. a week and an increase of 157 per cent. in the margins of 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 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.

* Commonwealth Arbitration Reports, Vol. 92, p. 793.

† 59 C.A.R., p. 1272.

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 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., 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

* Commonwealth Arbitration Reports, Vol. 92, p. 801.

† *Ibid.*, p. 802.

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., 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."*

"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.

"We would think it clear that neither the Court nor 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."†

* *Commonwealth Arbitration Reports*, Vol. 92, p. 803.

† *Ibid.*, p. 804.

"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 fail 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 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., at p. 182) and Bank Officials' case (34 C.A.R., 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

* *Commonwealth Arbitration Reports*, Vol. 92, p. 805.

† *Ibid.*, p. 806.

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 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."[†]

^{*} *Commonwealth Arbitration Reports*, Vol. 92, p. 807

[†] *Ibid.*, p. 812.

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."*

"This decision is based on the material placed before us and our general industrial knowledge which, in view of our functions under the Act, we think it proper to use. Both that material and that knowledge relate to the Metal Trades industry and to the economy generally. Our decision, however, relates only to the Metal Trades Award. We realize that on occasions in the past, margins fixed in the Metal Trades Award, and in particular the margin of the fitter, have been used as standards for other awards. The use of the increases which we have granted as a guide in other disputes will be a matter for the parties as far as conciliation is concerned and, if arbitration is necessary, for this Commission however constituted. 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."†

Gold and Metalliferous Mining Award.—Judgment was also delivered on 27th November, 1959, in connexion with the application for variation of margins in this award.† The margin for the miner was increased from 30s. 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. Subsequently, the parties to the award agreed that margins for all other classifications should be increased in the same proportion as the margin for the miner (i.e. 41.7 per cent.). The Commissioner varied the award accordingly.

Metal Trades Award, Part II. and Aircraft Industry Award, Part II.—On 11th December, 1959, the Commission delivered a judgment granting a 20 per cent. interim increase in margins to graduates and diplomates in engineering or science payable as from the beginning of the first full pay-period commencing in December, 1959.

* *Commonwealth Arbitration Reports*, Vol. 92, p. 813.

† *Ibid.*, p. 814.

Bank Officials' Award.—On 11th December, 1959, a 20 per cent. interim increase in margins was granted to officers in the 10th to 18th year of service inclusive and to accountants and managers, payable retrospectively as from 11th June, 1959. Interim increases were not awarded to more junior officers, nor to females. Subsequently, the parties to the Bank Officials' Award met before a Single Commissioner and a consent award was made giving final marginal increases to adult males and adult females and making adjustments to junior rates of pay.

§ 7. Leave.

1. *Annual Leave.*—In the judgment given by the Commonwealth Court of Conciliation and Arbitration, in the Commercial Printing Case of 1936, *Dethridge C.J.*, in granting one week's annual leave with full pay to employees in the industry, said:—"This Court has frequently been asked to award annual leave on full pay but has hitherto not done so except in cases where employees have to work on Sunday, or suffer some other deprivation by reason of isolation or other cause, or in cases where such leave has become the custom generally by the practice of most of the parties concerned".* This judgment has usually been regarded as the first statement in the Commonwealth jurisdiction of the principles involved in deciding whether or not annual leave should be awarded.

In 1940, *Beeby C.J.* awarded annual leave of one week to employees covered by Commonwealth awards in the manufacturing section of the metal trades industry, and in the same year *O'Mara J.* extended leave throughout the industry to Commonwealth award employees, with the exception of that section engaged in the servicing of motor vehicles.

Annual leave in the Commonwealth jurisdiction was introduced over a period of time, industry by industry, when and if the Judge responsible for the industry considered it proper.

The question of annual leave was again before the Court in 1945.† In that case applications had been made seeking variations of awards to prescribe an extension of annual leave from a period of seven days to fourteen days. The Court in its judgment set out what it considered to be the principles to be applied in all applications for an extension of the annual leave period to fourteen days. The question of altering any particular award to prescribe for two weeks' annual leave was left to the discretion of the single Judge who heard the application.

Further inquiries into annual leave were conducted by the Commonwealth Conciliation and Arbitration Commission in 1960 and 1962. A summary of the 1960 and 1962 inquiries is given in paras. 2 and 3 below.

Employees in New South Wales in private industry, other than those covered by Federal awards, were granted three weeks' annual leave by an amendment to the Annual Holidays Act, passed in 1958. Generally, employees of government authorities (Commonwealth, State, Local and semi-government), with the exception of State and local government employees in Western Australia, are entitled to three weeks' annual leave, as are also many salaried employees and wage earners in certain industries. The majority of the remaining employees in Australia receive two weeks' annual leave.

* *Commonwealth Arbitration Reports*, Vol. 36, p. 738.

† 55 C.A.R., p. 595.

2. **Three Weeks' Annual Leave Inquiry, 1960.**—Unions respondent to the Metal Trades Award applied to the Commonwealth Conciliation and Arbitration Commission on 18th July, 1960, to vary the Award to provide three weeks' paid annual leave instead of two weeks. In a judgment issued by the Commission, constituted by Kirby C.J. (President), Moore J. (Deputy President) and E. A. Chambers (Senior Commissioner), on the 14th December, 1960, the application was refused.

At the beginning of proceedings it had been stated by counsel for the unions that the matter was regarded as providing a standard of three weeks' annual leave for all Federal awards, and it was treated accordingly by the Commission. The application was opposed by employers, the State of Victoria and the Electricity Trust of South Australia. The State of Tasmania supported the application. The Commonwealth Government and the State of Queensland neither supported nor opposed the application, though the Commonwealth tendered statistical and economic information for the benefit of the Commission and the parties. The Commission stated that it did not disagree with the concept of increased leisure, nor did it think that, at that time, leisure was at a maximum. The issue for decision was whether that was the time to increase it for employees under Federal awards.

Counsel for the unions contended that serious anomalies existed because awards of the Commission lagged behind standards of annual leisure increasingly adopted in other jurisdictions, notably in New South Wales, where the Annual Holidays Act of 1958 had, with effect from the beginning of 1959, extended three weeks' annual leave to employees covered by that legislation. He held that judgments of the previously existing Arbitration Court had shown an eagerness to avoid industrial anomalies, and that the onus lay on employers to show a lack of economic capacity once anomalies as to leisure were established.

Evidence was submitted on the incidence of three weeks' annual leave among members of the Federated Ironworkers' Association of Australia, and similar material was supplied by other unions. Although precise information was not available, it was claimed that 40 to 50 per cent. of all workers were in receipt of three weeks' annual leave. Analysis of this information showed that government employees and employees in the State of New South Wales were principally responsible for this high figure.

Thus anomalies arose mainly because of two factors: the first being due to the operation of the Annual Holidays Act 1944–1958 in New South Wales, and the second because generally employees of Commonwealth and State Governments, local government authorities and government instrumentalities throughout the Commonwealth had three weeks' annual leave. The Commission considered it was obvious that dissatisfaction would exist in an establishment covered by both Federal and New South Wales State awards whereby these awards provided for their respective groups of employees annual holidays of different duration.

Although it was of significance to the Commission that dissatisfaction would exist in New South Wales among Federal award workers receiving two weeks' annual leave, the Commission was a Federal body with responsibilities throughout Australia, and, although it could not ignore the New South Wales legislation, it did not feel impelled, in using its powers, to follow it.

The amount of annual leave enjoyed by public servants had been different for many years, and at present few employees of the Commonwealth, either in the public service or elsewhere, received less than three weeks' annual leave.

However, employment in the public service had never been regarded as setting standards in industry generally. The Commission considered that, since in a federal system differences almost certainly will exist through the use by State legislatures and industrial tribunals of their industrial powers, too much emphasis could be placed on anomalies.

This attitude was consistent with that section of the Conciliation and Arbitration Act which enjoined the Commission "so far as possible, and so far as the Commission thinks proper" to provide uniformity throughout an industry in relation to hours of work, holidays and general conditions, upon which counsel for the unions had relied.

In considering the history of annual leave, various cases involving decisions by the Arbitration Court had been cited. In the forty hours case, upon which much reliance had been placed by counsel for the unions, the Court was pressed by the Commonwealth Government and the Governments of New South Wales, Victoria, Queensland and Tasmania to award a forty-hour week, and that fact had weighed heavily. In the present case, only the Tasmanian Government supported the application, and the Governments of some other States had not appeared. Assuming that the attitudes of Governments were a matter of significance in this case, those attitudes expressed did not help either the applicants or the employers, and in particular the Commonwealth Government's attitude could not be said to be in support of the application as was contended by the unions, any more than it could be said to have opposed the application.

The Commission said that this review of cases was of little assistance to it. It rejected the submission that from them could be found a principle that once desirability for increased leisure was established, the onus moved to employers to demonstrate lack of capacity to pay for this increased leisure. In these cases, principles for general application had not been laid down.

In dealing with the state of the economy, counsel for the unions stated that productivity had increased by about 2 per cent. per annum between 1946-47 and 1959-60, that wages had by no means absorbed this productivity increase, and that in New South Wales the universal grant of three weeks' annual leave had not adversely affected the economy of that State.

Evidence given on behalf of employers, covering the sheep and cattle industries, had provided the view that, if the application succeeded, direct and indirect labour costs would increase, thereby producing an adverse effect on the industries which would be harmful to the whole economy. Counsel for the employers submitted that at the end of September there was a strong demand for labour. Surveys of overtime taken from time to time in 1960 disclosed that in about 2,400 factories covered, the average weekly hours of overtime per person working overtime were 7.8 and per employee in the survey 2.7. The probability was that any extension in annual leave would result in more overtime being worked rather than more leisure being achieved by employees. In addition, the need in future to find employment for school leavers increasing in numbers with the expansion of population would require an expansion in the economy. This could only be assured by selling more exports to obtain the imports needed in such an expansion. Any extension of annual leave would result in additional costs which would adversely affect export earnings.

He also referred to the position of the balance of international payments and pointed out that this was the third successive year in which reserves had fallen, and that this fall would continue in the current year. Terms of trade

had become progressively adverse over the previous ten years, and although they showed some improvement in 1959-60, the adverse trend was resumed in the first quarter of 1960-61.

Material from the International Labour Office was presented, showing the position in all industrial countries as far as yearly hours of work were concerned. The normal hours for an employee under the Metal Trades Award were 1,928 as compared with 1,984 in the United States of America and 2,152 in the United Kingdom. With regard to annual leave, most industrial countries had two weeks or less; the only relevant countries having more were the Scandinavian countries and France.

The Commission stated that, against the background of the attitudes and submissions discussed, its decision was that the application should be rejected. It repeated its belief that the existing amount of leisure was not at a maximum, but it also believed that the time was not appropriate for an increase in paid annual leave.

The Commission considered that Gross National Product was not suitable as a measure of productivity as it was itself increased by wage increases. It was inappropriate to use, as a basis to increase wages, figures which were themselves increased by the very decision made.

Two economic factors considered most significant were the export-import position and the state of employment. Imports were at a higher level than for some time and export earnings appeared to be decreasing. The wool industry was a major factor in the exports position, and in the light of increasing imports the combination of lower prices for, and lower production of, wool presented Australia with a difficult problem. The industry was suffering a price-cost squeeze which the Commission hesitated to aggravate. While it appreciated that an increase in holidays would not of itself increase prices, experience showed that, even if the application were granted for secondary industries alone, at least some of the resultant increased costs would be passed on in increased prices. In addition, international reserves were likely to fall some £200 million, and this emphasized the need for increased production, making more difficult a decision to increase leisure.

At a time when there was a shortage of skilled labour and such extensive use of overtime, it appeared wrong to attempt to increase periods of paid leisure for those employed under Federal awards. The ideal background to the granting of additional paid leave would be that there was enough labour to go round. It appeared that an attempt to increase holidays by 50 per cent, would result in a situation in which it was agreed that production should be maintained or increased, not in increased leisure but only in increased overtime and thus increased total pay envelopes. It was not the function of the Commission to grant an application for increased leisure when it considered that it would accomplish no such purpose but would merely provide additional pay.

In conclusion the Commission stated:—"We accordingly dismiss this application because of the present economic situation. In doing so we would again repeat what we have said earlier in this judgment that we do not consider that employees under Federal awards have yet achieved all the leisure which they should achieve. We have done no more than decide that the present is not an appropriate time in which to award an extra week's paid leave."*

The Commission emphasized that its decision to dismiss the application was not intended to apply to a situation where, for special reasons related to a particular award or industry, it may consider an amount of annual leave greater than two weeks to be justified.

3. Three Weeks' Annual Leave Inquiry, 1962.—On 10th April, 1962, the Commonwealth Conciliation and Arbitration Commission, constituted by Kirby C.J. (President), Moore J. (Deputy President) and D. G. Apsey (Commissioner) commenced hearing an application by unions respondent to the Metal Trades Award for variation of the award to provide three weeks' paid annual leave instead of two weeks.

Although the application was made in respect of the Metal Trades Award only, counsel for the unions made it clear that they wished the claim to be regarded as a test case which, if granted, would involve the inclusion in federal awards generally of the basic standard of three weeks' annual leave. The application was opposed by employers, the State of Victoria and the Electricity Trust of South Australia. New South Wales and Tasmania supported the application. The Commonwealth Government and the State of Queensland neither supported nor opposed the application, although the Commonwealth intervened in the public interest and made submissions on the state of the economy, as well as providing economic and statistical information for the benefit of the Commission and the parties.

The hearing was concluded on 2nd May, 1962, and on 30th May the Commission made the following announcement:—

"We have given careful consideration to the submissions which have been made to us in this case. The applicant unions have asked that we consider the claim a general one, the result to be applied to Federal awards generally. This must result in greater caution on our part in deciding whether or not the application should succeed. - Our present intention is that an increase to three weeks' annual leave generally in secondary industry, subject to special cases, should be granted as soon as we are satisfied that the economy is in a position to cope with the effects of such an increase. However, there are two aspects of the economic arguments about which we are troubled and about which we consider it too early to make any firm decision. These are, firstly, whether our internal economy has sufficiently recovered from the recession of late 1961 and, if so, what is the likely rate of its recovery in the future and, secondly, the effect on Australia of success or failure of the application of the United Kingdom to enter the European Common Market. There have been developments in relation to the latter question since the hearing which both emphasize its importance and the lack of accurate information as to what is going to happen and the short and long term effect on Australia's economy.

So that we may be able better to assess these matters we have decided to adjourn these proceedings until a date in February or March next which will be announced later when the parties and interveners will be able to make such further submissions on these two matters as they may desire."

A brief summary of the case is given in the following paragraphs.

Counsel for the unions submitted that about half of the Australian work force was already entitled to three weeks' leave or more, and that the Commission was being asked to settle a genuine industrial dispute arising from the disparity

between the leave granted to different sections of the work force. He referred to the judgment in the 1960 Annual Leave Inquiry, in which the Commission had stated that its decision to refuse the application had been influenced by the export-import position and the state of employment, and submitted that there had been sufficient improvement in these two factors to justify the granting of the application, particularly as the Commission had in the 1960 case conceded that two weeks should not be regarded as the ultimate in paid annual leave.

Counsel then submitted evidence to show that three weeks' annual leave, which had been granted by legislation in New South Wales in 1958, had not had any adverse effects on the economy of that State. Also, in the 17 years since 1945, when annual leave was extended to two weeks, the national economy had developed in a way which would permit the granting of an extra week's leave with much more safety than had been possible in 1945, at the end of the war.

Counsel for the employers, in opposing the application, said that since the previous rejection of the unions' claim in 1960 Australia had undergone a major recession. No new arguments had been advanced by the unions in support of their claim and it should therefore again be rejected. Counsel submitted that even on the ground of social justice the claim should be rejected because Australian workers enjoyed shorter annual hours of work than those of any other country in the world. In addition, an examination of the relation of average weekly earnings to productivity showed that they had already received the fruits of all productivity increases.

The balance of payments situation, though improved, had been achieved only through drastic Government action and in fact looked satisfactory only in comparison with that of the previous year. As to employment, there was still a shortage of skilled labour, which would be aggravated by the granting of increased leave.

He submitted that the claim should not be treated as a test case, because it was being argued not only on general economic issues but also in relation to specific problems in the metal trades. No party to any other award should be inhibited in any way from arguing the particular circumstances of other industries.

4. Long Service Leave.—(i) *General.*—Paid long service leave, i.e. leave granted to workers who remain with the one employer over an extended period of time, has been included in the provisions of industrial legislation in the several States. A brief summary is given in the following paragraphs. In all cases the transfer of ownership of a business does not constitute a break in continuity of service with the same employer.

(ii) *New South Wales.*—Long service leave was first introduced for the majority of workers by the Industrial Arbitration Act, 1951, which provided such leave for workers under State awards. This Act was replaced by the Long Service Leave Act, 1955, which extended the benefits to any worker within the State. Leave provided for is three months for twenty years' continuous service with the same employer.

(iii) *Victoria.*—The Factories and Shops (Long Service Leave) Act 1953 first provided for long service leave for workers in Victoria, the provisions of this Act being subsequently incorporated in the Labour and Industry Act.

Leave provided for is thirteen weeks for twenty years' continuous service with the same employer. Contributions by employers to retirement schemes can be taken into consideration in dealing with exemptions from the Act.

(iv) *Queensland*.—In 1952 the Industrial Conciliation and Arbitration Act was amended to include long service leave provisions for employees within the jurisdiction of the Industrial Court, and the Act was amended again in 1955 to extend these provisions to any employee in respect of whose employment there was not in force an award or industrial agreement under the Act and to seasonal workers in sugar mills and meat works. Leave provided for is thirteen weeks for twenty years' continuous service with the same employer.

(v) *South Australia*.—The Long Service Leave Act, which was passed in 1957, exempts a large number of industrial agreements, with wide industrial coverage, specifying long service leave for employees. For those covered by the Act, leave provided for is seven days in the eighth and in each subsequent year of continuous service. Contributions by employers to retirement schemes can be taken into consideration in dealing with exemptions under the Act.

(vi) *Western Australia*.—The Long Service Leave Act was passed in 1958, but it does not apply to employees whose conditions of work are regulated under the Western Australian Industrial Arbitration Act. The Court of Arbitration of Western Australia, in an order dated 1st April, 1958, *incorporated in most of the awards and agreements within its jurisdiction provisions similar to those in the Long Service Leave Act. Leave provided for is thirteen weeks for twenty years' continuous service with the same employer. Contributions by employers to retirement schemes can be taken into consideration in dealing with exemptions from the Act.

A general inquiry into long service leave, public holidays, annual leave and hours was held by the Court in 1961. In its judgment, delivered on 5th May, 1961,† it disallowed the major claims by the parties relating to long service leave, but deleted sub-clause (4.) of paragraph (f) of the 1958 Order. (Sub-clause (4.) entitled an employer to offset any payment in respect of long service leave under the Order against any payment by him to any long service leave scheme, superannuation scheme, pension scheme, retiring allowance scheme, provident fund or the like or under any combination thereof operative at 1st April, 1958.)

The Court rejected claims by employers that (a) an employee who illegally severed his contract of employment should forfeit his right to pro rata leave, (b) voluntary retirement by an employee should never be deemed to be a pressing necessity (the Act provides that an employee with at least 10 years' but less than 15 years' continuous service who terminates his employment on account of domestic or other pressing necessity may be entitled to pro rata long service leave), and that (c) the conditions under which an employer may obtain exemption from the long service leave provisions should be extended.

The Court also rejected claims by trade unions that (a) any period during which the service of the workers was interrupted by service under the National Security (Manpower) Act or the Re-establishment and Employment Act should be counted as service, (b) any termination of employment should not break the continuity of service if the employer re-engaged the worker within

* *Western Australian Industrial Gazette*, Vol. 38, p. 261.

† *W.A.I.G.*, Vol. 41, p. 355.

14 days, (c) the qualifying period for pro rata leave should be reduced, (d) a worker with at least ten years' service who retired on account of reaching the age of 65 years or over should be entitled to pro rata leave, and that (e) annual leave and public holidays falling during the period of a worker's long service leave should be excluded from the period of that long service leave.

(vii) *Tasmania*.—The Long Service Leave Act, which was passed in 1956, provides for thirteen weeks leave for twenty years' continuous service with the same employer. Contributions by employers to retirement schemes can be taken into consideration in dealing with exemptions from the Act. Provisions for long service leave for casual waterside workers are contained in the Stevedoring Industry Long Service Leave Act 1960. This Act has been superseded by the (Commonwealth) Stevedoring Industry Act 1961 (*see below*).

(viii) *Commonwealth*.—The applicability of long service leave provisions under State law to workers under federal awards has been tested before the High Court and the Privy Council and such provisions have been held to be valid.

The Commonwealth Conciliation and Arbitration Commission may include provisions for long service leave in its awards, and, if it does so, they will take precedence over State law in accordance with the terms of such provisions expressed in individual awards. However, the Commission has generally declined to include such provisions except in the Northern Territory and Australian Capital Territory (*see below*). The Commission's position was set out in its decision, issued on 16th September, 1959, regarding disputes on the inclusion, in the Graphic Arts (Interim) Award 1957, of provisions for long service leave. It stated that it should refrain, until further order, from determining the disputes so far as they concerned long service leave and that if, in future, the Commission decided that long service leave on a national basis was desirable, it was open to proceed to the making of an award on the matter.

Long service leave codes for employees in the Northern Territory and the Australian Capital Territory were prescribed on 4th December, 1961, by the Commonwealth Conciliation and Arbitration Commission in Presidential Session. The unions submitted that the Commission should refrain from exercising its jurisdiction and emphasized that it was the considered policy of the trade union movement "that long service leave should come from legislative action and not from prescription by industrial authorities". However, the Commission rejected the submission and awarded leave in each case in terms of the employers' applications, which were, in general, that employees should be granted three months' long service leave after 20 years' service with one employer, even if part of this service was outside the Territory. In addition, the Australian Capital Territory code prescribed that employees presently employed might "go back for a period of 25 years in regard to the calculation of their present or future entitlement of long service leave".

The Stevedoring Industry Act 1961, which came into operation on 6th June, 1961, included provisions granting long service leave to persons who had been continuously registered as waterside workers under Commonwealth stevedoring legislation. Leave provided for is thirteen weeks after the completion of twenty years' qualifying service, and six and a half weeks for each subsequent ten years' qualifying service.

§ 8. 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.

* 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 1947-1962.)

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 another person.

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, or if the child was born during the mother's temporary absence from Australia.

There is no means test.

Endowment is 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.

A summary of the operations of this scheme during each of the years 1956-57 to 1960-61 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. | |
| 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 |
| 1960 | 1,476,835 | 3,228,657 | 443 | 23,756 | 3,252,413 |
| 1961 | 1,501,180 | 3,313,225 | 465 | 27,077 | 3,340,302 |

| 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. |
|---------------|--|--|---|---|--|
| | £ | £ | £ | | |
| 1956-57 | 57,036,962 | 59,516,769 | 42.786 | 2.146 | 3,089 |
| 1957-58 | 58,733,561 | 61,522,656 | 43.059 | 2.156 | 3,123 |
| 1958-59 | 67,539,615 | 63,597,690 | 43.415 | 2.170 | 3,154 |
| 1959-60 | 62,531,977 | 65,363,883 | 43.841 | 2.186 | 3,165 |
| 1960-61 | 74,302,614 | 67,332,512 | 44.383 | 2.207 | 3,178 |