

CHAPTER XII.

LABOUR, WAGES AND PRICES.

NOTE.—Reference is made in this chapter to retail and wholesale price indexes. For particulars of the Export Price Index, see Chapter XIII., Trade, and of the Farm Production Price Index, see Chapter XXX., Miscellaneous.

For further information on the subjects dealt with in this Chapter, see the *Labour Report*, issued by this Bureau. For current information, see the *Monthly Review of Business Statistics*, the *Digest of Current Economic Statistics*, and the *Quarterly Summary of Australian Statistics*, also the mimeograph statements *Monthly Bulletin of Employment Statistics*, *Consumer Price Index* and *Wholesale Price (Basic Materials and Foodstuffs) Index*.

In addition, the following relevant special publications have been issued in mimeograph form:—*New Indexes of Minimum Weekly Wage Rates—Adult Males and Adult Females* (S.B. 786); *Minimum Weekly Wage Rate Index—Adult Males: Components of Total Wage Rate* (S.B. 902); *Minimum Weekly Wage Rates, January, 1957 to June, 1961*; *Survey of Wage Rates and Earnings, September, 1960* (S.B. 904); *Survey of Weekly Earnings—Australia, October, 1961* (S.B. 22); *Wage and Salary Earners in Employment, June, 1947 to June, 1960*.

A. RETAIL PRICES AND PRICE INDEXES.

§ 1. General.

Retail prices of food and groceries and average rentals of houses for years extending back to 1901 were collected by the Commonwealth Statistician, and in some cases have been recorded by the Statisticians of various States for earlier years.

Retail prices of a more extensive range of commodities (including clothing) and certain services in common demand have been ascertained at frequent and regular intervals since 1923 for each of the six State capital cities and for 27 of the more important towns of Australia. Comparable information is available for the month of November in each year from 1914 to 1922 for each of the six State capital cities. The list of items currently priced for index purposes is published in *Labour Report* No. 48, 1960.

Average retail prices of certain food and grocery items in current periods are published in the annual *Labour Report* and in the *Quarterly Summary of Australian Statistics*.

An explanation of the nature and purposes of retail price indexes is given in the various editions of the annual *Labour Report*, together with further particulars of indexes then current. In § 2 below, previous retail price indexes for Australia are briefly outlined. The current retail price index, entitled the Consumer Price Index, was published for the first time in August, 1960. It was compiled retrospectively to 1948–49. An account of the Consumer Price Index is given in § 3 on page 388.

§ 2. Previous Retail Price Indexes.

1. **General.**—Five series of retail price indexes had been compiled at various times for Australia by the Commonwealth Statistician prior to 1960. Each of these was continued until changed conditions required the compilation of indexes more directly relevant to current conditions. The respective indexes were as follows.

- (i) The "A" Series Index (covering food, groceries and house rents) was first compiled in 1912 with the year 1911 as base = 1,000. It was discontinued in June, 1938.
- (ii) The "B" Series Index (covering food, groceries and rent of 4 and 5 roomed houses) was first compiled in 1925 and continued until December Quarter, 1953. It was the food and rent constituent of the "C" Series Index and was designed to replace the "A" Series Index for general statistical purposes.

- (iii) *The "C" Series Index* (covering food and groceries, rent of 4 and 5 roomed houses, clothing, household drapery, household utensils, fuel, lighting, fares, smoking and some other miscellaneous items) was first compiled in 1921. It was last issued on its original basis for December quarter, 1960. For certain transitional purposes the "C" Series Index was issued for some quarters after that. This was calculated by varying the index numbers of December quarter, 1960, in ratio to movements shown by the Consumer Price Index.
- (iv) *The "D" Series Index*, derived by combining the "A" and "C" Series Indexes, was used by the Commonwealth Court of Conciliation and Arbitration from May, 1933, to May, 1934, and then discontinued.
- (v) *The Interim Index* (covering food and groceries, rent of 4 and 5 roomed houses, clothing, household drapery, household utensils, fuel, lighting, fares, smoking, certain services and some miscellaneous items) was first compiled in 1954 with the year 1952-53 as base year = 100. As its title indicated, it was constructed as a transitional index. Its compilation was discontinued following its replacement by the Consumer Price Index in June quarter, 1960.

2. **The "Court" Index.**—In 1937, the Commonwealth Court of Conciliation and Arbitration introduced a "Court" Index for the purpose of its system of making automatic quarterly adjustments to the basic wage within its jurisdiction. By decision of the Court, the "Court" Index ceased to be issued by the Industrial Registrar as at December Quarter, 1953. "Court" index numbers were an arithmetical conversion of the "C" Series Index.

§ 3. The Consumer Price Index.

1. **General.**—This retail price index was first compiled in 1960, retrospectively to September quarter, 1948. A comprehensive account of the index is given in Labour Report No. 48, 1960.

2. **Origin.**—The list of component items and the weighting pattern of the "C" Series Retail Price Index, first adopted in 1921, were slightly revised by Conference of Statisticians in 1936 but otherwise continued almost unchanged until the index was discontinued in 1960. The reasons for this, and the circumstances which led to the present Consumer Price Index, appear from ensuing paragraphs.

From the outbreak of war in 1939 to late in 1948, periodic policy changes in regard to various war-time controls (including rationing) caused recurrent changes in consumption and in the pattern of expenditure. This rendered changes desirable but made it impracticable either to produce a new index, or to revise the old one, on any basis that would render the index more representative than it already was of the changing pattern of household expenditure in those years.

When commodity rationing had virtually ceased in the latter part of 1948, action was taken by the Statistician to collect price data of about 100 additional items and to gather information as to current consumption and expenditure patterns. This was done to facilitate review of the component items and weighting system of the "C" Series Retail Price Index, in the light of the new pattern of wage earner expenditure and consumption that appeared to be then emerging. But there supervened, in the next few years, conditions which caused wide price dispersion coupled with a very rapid rise in prices and a new sequence of changes in consumption and the pattern of wage earner expenditure. Under these conditions, it was not possible to devise any new weighting pattern likely to be more continuously representative of conditions then current than was the existing "C" Series Index on the 1936 revision.

A Conference of Statisticians considered the matter in June, 1953, and resolved (in part) as follows:—

- "(a) That, in view of the persistence of recurrent changes in the pattern of consumer expenditure in the post-war period, it is undesirable to make a general revision of the list of items and weighting system of the "C" Series Retail Price Index at present, unless industrial tribunals expressly desire some revision for special purposes.

- (b) That an Interim Retail Price Index be compiled with putative weights and components representative, as nearly as may be, of the post-war pattern of consumer usage and expenditure."

The "C" Series Index continued to be compiled on its pre-war basis without significant change in procedures. The Interim Retail Price Index (1952-53 base year) was introduced in 1954 and continued until March quarter, 1960.

This Interim Index was a transitional index designed to measure retail price variations on the "C" Series model in terms of post-war consumption weights, as emerging in the early 1950's. It embraced a wider range of commodities and services than did the "C" Series Index, but it did not take into account successive major changes in the pattern of expenditure and modes of living that began to occur early in 1950 and through to 1960. These changes could not, in fact, be detected and measured promptly, and incorporated into an index, concurrently with their happening in those years. Nor was it envisaged as desirable to adopt fundamentally new procedures in price index construction until it was fully evident that far-reaching procedural changes were necessary to meet the situation that had developed between about 1950 and 1960.

In this period home owning largely replaced house renting, the use of the motor car greatly increased and partly replaced use of public transport, and various items of electrical household equipment and television came into widespread use. The impact of these and other changes in usage upon the pattern of household expenditure was heightened by disparate movements in prices. Together they rendered nugatory the attempt to meet the situation by devising a single Interim Retail Price Index. As studies progressed and new data became available, it was clear that no single list of items and no single set of fixed weights would be adequately representative as a basis for measuring retail price changes at all times throughout the post-war period. In consequence, the situation was met by compiling the Consumer Price Index constructed as a chain of linked indexes with significant changes in composition and weighting effected at short intervals during the period 1950-1960.

3. Purpose, Scope and Composition.—(i) *General.* The Consumer Price Index is a quarterly measure of variations in retail prices for goods and services representing a high proportion of the expenditures of wage earner households. The weighting pattern relates to estimated aggregates of wage earner household expenditures and not to estimated expenditures of an "average" or individual household of specified size, type, or mode of living. In this way it is possible to give appropriate representation to owner-occupied houses as well as rented houses and to include motor cars, television sets, and other major expenditures which relate to some households and not to others.

Consumer (retail) price indexes are sometimes loosely called "cost of living indexes" and are thought to measure changes in the "cost of living". Neither the Consumer Price Index, nor any other retail price index, measures those changes in the cost of living that result directly from changes in the mode or level of living. Changes of that kind are matters for consideration apart from price indexes. But the change in prices of goods and services is a very important part of the change in the cost of living and this part is measured by consumer (retail) price indexes.

The Consumer Price Index covers a wide range of commodities and services arranged in the following five major groups:—

- Food;
- Clothing and Drapery;
- Housing;
- Household Supplies and Equipment;
- Miscellaneous.

These groups do not include every item of household spending. It is both impracticable and unnecessary for them to do so. Prices are collected regularly for specified quantities and qualities of a large and representative selection of commodities and services. Movements in the prices of these items, when combined in suitable proportions, provide a representative measure of price change as affecting a high proportion of the expenditure of wage earner households.

(ii) *Composition and Weighting.* A comprehensive view of the present composition and weighting of the Consumer Price Index is given in the table below. The weights shown are those comprised in the index for the six State capital cities combined. Broadly, they are in proportion to estimated consumption in 1956-57 (see (iii) "*Basis of Weighting*" on p. 391), valued at the relevant prices of March quarter, 1960.

THE CONSUMER PRICE INDEX.

COMPOSITION AND WEIGHTING PATTERN AS AT MARCH QUARTER, 1960 FOR THE SIX STATE CAPITAL CITIES COMBINED.

Group, Section, etc.	Percentage Weight.	
	Section, etc.	Group.
<i>Food—</i> .. .. .	..	32.1
Cereal Products—Bread, flour, biscuits, rice, and breakfast foods	4.1	..
Dairy Produce—Milk, cheese, butter, and eggs	7.5	..
Potatoes, Onions, Preserved Fruit and Vegetables—Potatoes and onions, canned and dried fruits, and canned vegetables	1.9	..
Soft Drink, Ice Cream and Confectionery	4.0	..
Other (except Meat)—Sugar, jam, margarine, tea, coffee, baby foods, and sundry canned and other foods	4.2	..
Meat—Butcher's (Beef, mutton, lamb and pork)	8.8	..
Processed (Bacon, smallgoods and canned meat)	1.6	..
<i>Clothing and Drapery—</i> .. .. .	..	19.0
Men's Clothing	4.5	..
Women's Clothing	7.4	..
Boys' Clothing	0.6	..
Girls' Clothing	0.9	..
Piecegoods, etc.—Wool, cotton and rayon cloth, nursery squares and knitting wool	1.1	..
Footwear—Men's, women's and children's	3.4	..
Household Drapery—Bedclothes, towels, tablecloth, etc.	1.1	..
<i>Housing—</i> .. .. .	..	10.7
Rent—Privately owned houses	2.0	..
Government owned houses	0.9	..
Home Ownership—House price	4.7	..
Rates	2.1	..
Repairs and Maintenance	1.0	..
<i>Household Supplies and Equipment—</i> .. .. .	..	13.2
Fuel and Light—Electricity	1.9	..
Gas	1.5	..
Other (Firewood and kerosene)	0.8	..
Household Appliances—Refrigerator, washing machine, stoves, radio set, television set, vacuum cleaner, electric iron, etc.	4.5	..
Other Household Articles—		
Floor Coverings	0.5	..
Kitchen and Other Utensils, Gardening and Small Tools	1.0	..
Household Sundries (Household soaps, etc.)	1.1	..
Personal Requisites (Toilet soap, cosmetics, etc.)	1.0	..
Proprietary Medicines	0.8	..
School Requisites	0.1	..
<i>Miscellaneous—</i> .. .. .	..	25.0
Transport—Fares—Train	1.6	..
Tram and bus	2.8	..
Private Motoring—Car purchase	3.0	..
Car operation	3.9	..
Tobacco and Cigarettes	3.9	..
Beer	4.1	..
Services—Hairdressing (Haircuts, wave, etc.)	0.9	..
Drycleaning	0.5	..
Shoe Repairs	0.3	..
Postal and Telephone Services	0.8	..
Other—Radio and Television operation	1.6	..
Cinema Admission	0.6	..
Newspapers	1.0	..
Total	100.0	100.0

4. *Structure.*—(i) *A Chain of Linked Indexes.*—Substantial changes occurred in consumer usage and patterns of expenditure following the 1939–45 War. In order to keep the weighting pattern representative of current expenditures it became necessary to construct indexes with additional items and changes in the weighting pattern at intervals, rather than on the basis of a list of items and set of weights that remained unchanged throughout the whole period covered. Four new series for short periods (namely, from the September quarter of 1948 to the June quarter of 1952, from the June quarter of 1952 to the June quarter of 1956, from the June quarter of 1956 to the March quarter of 1960, and from the March quarter of 1960 onwards) were therefore constructed and linked to form a continuous retail price index series to be known as the Consumer Price Index. During each period between links the items and weighting remained unchanged. At times of linking the weighting pattern was altered and new items that had become significant in household expenditure were introduced.

Under this method, in effect, average percentage price movements are assessed on one pattern up to the time of the link and on another pattern thereafter. The process of linking ensures that the series reflects price variations only and not differences in cost of the old and new lists of items. The introduction of new items and weights by linking does not, of itself, raise or lower the level of the index.

(ii) *Comparison of the Four Linked Series.* The Consumer Price Index is a chain of “fixed weight aggregative” indexes, with significant changes in composition and weighting effected at June quarter, 1952, June quarter, 1956, and March quarter, 1960. The principal changes are:—

- (a) the introduction of private motoring (June quarter, 1952) and of television (March quarter, 1960);
- (b) altered proportions of houses under the various modes of occupancy (June quarters, 1952 and 1956); and
- (c) changes in weights of fuel and fares (June quarters of 1952 and 1956) and of private motoring (June quarter, 1956).

It is envisaged that future links will be made in the index when significant changes in the pattern of household expenditure render it necessary to do so.

(iii) *Basis of Weighting.* For most of the items included in the index, the weights used are based on the pattern of consumption of the years 1952–53 to 1956–57, which for these items is broadly representative of the whole period for which the index has been compiled. In some important fields, no single set of items and weights was adequately representative throughout the whole period. Weights relevant to short-term conditions in these fields were therefore used in each of the four linked series which constitute the Consumer Price Index. The principal fields affected are Fuel and Light, Transport, Household Appliances, and Housing.

The resultant sets of index weights are broadly typical of the patterns of consumption of:—

- 1948–49: for periods up to June quarter, 1952;
- 1952–53: for periods from June quarter, 1952 to June quarter, 1956;
- 1956–57: for periods from June quarter, 1956.

The weighting of the index from the beginning of the current linked series (i.e. March quarter, 1960) is representative of a 1956–57 pattern of consumption as adjusted to incorporate television in the index from March quarter, 1960.

The sets of weights used for the successive periods covered by the index have been derived from analyses of statistics of production and consumption, the general Censuses of 1947 and 1954, the Censuses of Retail Establishments of 1948–49, 1952–53 and 1956–57 and the continuing Survey of Retail Establishments; from information supplied by manufacturing, commercial, and other relevant sources; and from special surveys.

In the main, the weights for items are derived from estimates of average household consumption or expenditure for the community as a whole. The following are the principal exceptions:—

- (a) The proportionate weighting of the various modes of occupancy of houses, and the weighting generally in the Housing Group, are as estimated for wage and salary earner households (in the individual cities).
- (b) The weights for private motoring, tobacco and cigarettes, beer and some services have been adapted to accord with notional estimates of expenditure by wage earner households.
- (c) Local weights for the individual cities are used for some items (e.g. housing, fuel, and fares).

Basic data for many of the item weights were obtained initially from particulars of quantities consumed. Refinements were made where necessary so that item weights would reflect the approximate relative importance of the items (sometimes including similar items not directly priced) in terms of expenditure. Group and section weights were checked

as far as possible against independent estimates of expenditure. Nevertheless, the index is essentially a combination of selected items under various headings and not a dissection of total household expenditure into its component parts. Tables showing the index weighting are provided to assist prospective users in an understanding of the index. The weights are designed as suitable for measuring changes in retail prices within the definition of the index and do not purport to be valid estimates for any other purpose.

§ 4. Tabular Statements of Retail Price Index Numbers.

1. The Consumer Price Index.—(i) *General.* The index has been compiled for each quarter from September quarter, 1948, and for each financial year from 1948–49. "All Groups" index numbers and "Group" index numbers for each of the five major groups are compiled and published regularly for the six State capital cities separately and combined. The reference base for each of these indexes is: year 1952–53 = 100 0. Figures appearing after the decimal point possess little significance for general statistical purposes. They are inserted merely to avoid the minor distortions that would occur in rounding off the figures to the nearest whole number.

Index numbers for each quarter are first issued in mimeograph statistical bulletins available from the Commonwealth Statistician about three weeks after the end of the quarter. These bulletins contain comment on the index and on price movements in that quarter. Tables showing index numbers for preceding quarters and years are presented.

Tables of Consumer Price Index Numbers up to the latest available date appear regularly in the following publications: *Digest of Current Economic Statistics* (monthly), *Monthly Review of Business Statistics*, *Quarterly Summary of Australian Statistics*, *Labour Report* (annual).

(ii) *Consumer Price Index Numbers.* The following table shows Consumer Price Index Numbers (Total All Groups), for the six State capital cities separately and combined, for periods from the year 1948–49.

CONSUMER PRICE INDEX: ALL GROUPS INDEX NUMBERS. SIX CAPITAL CITIES, SEPARATELY AND COMBINED.

(Base of each Index: Year 1952–53 = 100 0.)

NOTE.—The separate city indexes measure price movements within each city individually. They do not compare price levels as between cities.

Period.	Sydney.	Melbourne.	Brisbane.	Adelaide.	Perth.	Hobart.	Six Capital Cities. (Weighted Average.)
Year ended June—							
1949	60.5	61.0	62.1	61.6	60.6	60.7	60.9
1950	65.6	66.2	67.1	66.2	66.2	64.7	66.0
1951	74.5	74.6	75.1	74.7	74.4	73.3	74.6
1952	91.9	91.0	91.8	91.4	90.4	90.4	91.4
1953	100.0	100.0	100.0	100.0	100.0	100.0	100.0
1954	101.6	102.0	102.0	102.3	103.0	105.0	102.0
1955	102.3	102.0	102.9	103.5	105.2	104.9	102.6
1956	105.7	108.1	106.3	106.9	107.9	110.2	106.9
1957	112.9	114.0	112.0	111.1	112.9	116.9	113.1
1958	114.5	114.4	114.4	111.9	113.6	117.0	114.2
1959	115.3	116.6	118.2	114.5	114.7	118.7	116.0
1960	117.8	120.0	121.2	118.0	116.9	120.8	118.9
1961	122.1	125.9	125.4	122.9	121.2	127.5	123.8
Quarter—							
1958—March ..	115.0	114.2	115.0	111.5	113.2	117.1	114.3
June	115.1	114.6	115.9	112.7	114.1	117.3	114.8
September ..	114.8	114.9	116.7	113.5	114.4	117.7	114.9
December ..	115.2	116.4	117.9	114.2	114.3	118.7	115.8
1959—March ..	115.5	117.1	119.0	115.0	114.7	119.1	116.3
June	115.8	117.9	119.1	115.3	115.5	119.3	116.8
September ..	116.3	118.2	120.2	116.3	115.9	119.7	117.3
December ..	117.2	118.8	120.8	116.9	115.7	120.1	118.0
1960—March ..	118.2	119.8	121.6	118.3	117.1	120.8	119.0
June	119.6	123.0	122.3	120.6	119.0	122.6	121.1
September ..	120.8	124.9	123.6	121.5	119.8	125.8	122.5
December ..	121.6	125.5	125.1	122.4	120.8	127.1	123.3
1961—March ..	122.5	126.1	126.7	123.4	121.9	128.3	124.2
June	123.4	127.1	126.1	124.3	122.4	128.9	125.0
September ..	123.1	126.8	127.0	123.5	121.7	129.1	124.8
December ..	122.5	126.5	127.1	122.5	121.3	128.3	124.3

The following table shows Consumer Price Index Group Index Numbers, for the six State capital cities combined, for periods from the year 1948-49.

CONSUMER PRICE INDEX: GROUP INDEX NUMBERS.

WEIGHTED AVERAGE OF SIX CAPITAL CITIES.

(Base of each Index: Year 1952-53 = 100.0.)

NOTE.—The group indexes measure price movements of each group individually, and compare the degree of price change in the different groups.

Period.	Food.	Clothing and Drapery.	Housing.	Household Supplies and Equipment.	Miscellaneous.	All Groups.
Year ended June—						
1949	54.1	58.4	72.5	67.0	66.6	60.9
1950	58.6	67.4	76.1	71.1	69.6	66.0
1951	68.6	77.8	81.0	78.1	76.3	74.6
1952	89.9	93.5	89.1	92.9	92.3	91.4
1953	100.0	100.0	100.0	100.0	100.0	100.0
1954	103.5	100.7	104.8	101.6	99.9	102.0
1955	104.3	101.0	108.4	101.4	99.9	102.6
1956	110.2	102.0	115.1	101.6	105.9	106.9
1957	115.3	103.9	122.1	105.8	118.0	113.1
1958	113.3	107.0	127.3	107.5	119.7	114.2
1959	115.4	108.2	130.6	108.7	121.2	116.0
1960	119.8	109.4	135.2	109.8	123.9	118.9
1961	127.7	111.6	144.8	111.2	127.3	123.8
Quarter—						
1957—March ..	112.9	104.2	122.3	107.0	118.6	112.6
June ..	113.8	105.6	124.5	107.1	119.3	113.7
September	113.4	106.2	125.6	107.6	119.6	113.9
December	112.1	106.7	127.0	108.0	119.6	113.7
1958—March ..	113.9	106.7	127.6	107.1	119.6	114.3
June ..	113.9	108.2	128.8	107.3	119.8	114.8
September	113.7	108.2	129.2	107.9	120.1	114.9
December	114.6	108.4	130.4	108.7	121.3	115.8
1959—March ..	116.3	108.1	130.9	108.9	121.5	116.3
June ..	117.1	107.9	131.9	109.1	121.9	116.8
September	117.9	108.3	132.5	109.4	122.3	117.3
December	118.4	109.2	133.9	109.6	123.0	118.0
1960—March ..	120.3	109.5	134.8	110.0	123.8	119.0
June ..	122.6	110.5	139.4	110.2	126.4	121.1
September	126.0	110.7	141.4	110.6	126.7	122.5
December	126.7	111.5	144.1	111.0	127.2	123.3
1961—March ..	128.6	111.7	145.7	111.3	127.5	124.2
June ..	129.4	112.4	148.0	111.9	127.7	125.0
September	128.1	112.4	148.5	112.6	127.9	124.8
December	125.3	112.9	150.5	112.7	128.3	124.3

The following table shows Consumer Price Index Group Index Numbers for each State capital city for recent years and quarters.

CONSUMER PRICE INDEX: GROUP INDEX NUMBERS.

(Base of each Index: Year 1952-53 = 100.0.)

Note.—The index numbers hereunder are designed to measure movements in retail prices of specified groups of items for specified cities individually. They measure variations from time to time and not differences in price level as between cities nor comparative costs of groups of items.

City.	Year ended June—						1961.			
	1949.	1953.	1958.	1959.	1960.	1961.	Mar. Qtr.	June Qtr.	Sept. Qtr.	Dec. Qtr.
FOOD GROUP.										
Sydney ..	52.2	100.0	112.8	113.4	117.5	124.4	125.3	126.1	124.6	121.9
Melbourne ..	54.9	100.0	114.3	116.1	120.8	130.2	130.4	132.0	130.9	128.1
Brisbane ..	56.4	100.0	113.0	119.8	124.2	130.4	134.0	130.5	132.5	129.7
Adelaide ..	56.1	100.0	111.8	117.5	123.1	132.2	132.8	134.8	131.3	127.2
Perth ..	55.0	100.0	114.4	115.2	118.4	124.4	125.3	126.4	123.8	122.5
Hobart ..	56.0	100.0	115.1	116.8	118.5	132.1	133.9	134.4	132.9	129.5
Six Capitals(a) ..	54.1	100.0	113.3	115.4	119.8	127.7	128.6	129.4	128.1	125.3

CLOTHING AND DRAPERY GROUP.										
Sydney ..	58.0	100.0	106.4	107.5	108.5	110.3	110.3	111.0	111.1	111.5
Melbourne ..	58.6	100.0	108.4	109.6	110.7	112.8	112.9	113.6	113.6	114.1
Brisbane ..	59.2	100.0	107.8	109.4	111.9	115.1	115.3	116.1	116.3	116.7
Adelaide ..	58.3	100.0	104.4	105.4	106.8	109.5	109.7	110.6	110.6	111.2
Perth ..	59.6	100.0	105.7	107.2	108.2	110.8	110.9	111.6	111.6	111.9
Hobart ..	58.0	100.0	108.7	109.8	110.7	112.4	112.5	113.3	113.4	114.0
Six Capitals(a) ..	58.4	100.0	107.0	108.2	109.4	111.6	111.7	112.4	112.4	112.9

HOUSING GROUP.										
Sydney ..	74.2	100.0	126.3	130.2	133.8	140.7	140.7	144.4	145.0	147.1
Melbourne ..	76.0	100.0	127.3	129.4	135.8	151.2	152.5	154.9	155.0	157.7
Brisbane ..	67.1	100.0	123.9	128.4	132.6	137.6	138.4	139.0	139.7	140.2
Adelaide ..	68.7	100.0	133.9	137.1	140.0	148.7	151.1	151.3	152.0	153.7
Perth ..	62.7	100.0	126.0	130.3	133.5	141.7	143.5	144.8	145.1	145.5
Hobart ..	70.3	100.0	137.3	141.3	148.5	156.6	158.0	158.9	160.8	163.7
Six Capitals(a) ..	72.5	100.0	127.3	130.6	135.2	144.8	145.7	148.0	148.5	150.5

HOUSEHOLD SUPPLIES AND EQUIPMENT GROUP.										
Sydney ..	67.0	100.0	109.3	109.1	109.6	111.5	111.8	112.4	113.2	113.2
Melbourne ..	66.1	100.0	106.2	109.2	110.9	112.5	112.3	113.1	113.6	114.3
Brisbane ..	68.6	100.0	108.3	109.0	110.6	111.3	111.5	112.3	113.0	112.9
Adelaide ..	69.5	100.0	104.0	105.0	106.0	106.1	105.9	106.7	107.1	106.5
Perth ..	66.5	100.0	105.7	105.9	107.1	107.3	107.4	107.0	107.5	107.4
Hobart ..	68.1	100.0	116.0	116.8	118.5	121.1	120.8	121.9	124.9	124.1
Six Capitals(a) ..	67.0	100.0	107.5	108.7	109.8	111.2	111.3	111.9	112.6	112.7

MISCELLANEOUS GROUP.										
Sydney ..	67.7	100.0	121.8	121.9	124.0	127.1	127.4	127.7	127.8	127.9
Melbourne ..	64.4	100.0	118.8	122.2	125.5	129.2	129.2	129.3	129.3	129.5
Brisbane ..	69.2	100.0	120.5	123.6	125.6	129.5	129.7	130.3	130.7	134.0
Adelaide ..	67.2	100.0	114.2	114.6	118.8	121.4	121.6	121.4	122.3	122.2
Perth ..	67.7	100.0	118.3	118.7	120.9	125.2	125.8	125.6	125.7	125.5
Hobart ..	63.1	100.0	119.5	121.2	123.3	126.2	126.7	126.5	127.1	127.0
Six Capitals(a) ..	66.6	100.0	119.7	121.2	123.9	127.3	127.5	127.7	127.9	128.3

(a) Weighted average.

§ 5. International Comparisons.

The following table shows index numbers of consumer (retail) prices for various countries. Except where otherwise noted, the average prices for the year 1953 are taken as base (= 100). The figures, which have been taken from the *Monthly Bulletin of Statistics* of the Statistical Office of the United Nations, show fluctuations in prices in each country, and do not measure relative price levels as between countries.

INDEX NUMBERS OF CONSUMER (RETAIL) PRICES IN VARIOUS COUNTRIES.

(Source: *Monthly Bulletin of Statistics* of the Statistical Office of the United Nations.)

(Base: 1953 = 100.)

Period.	Argentina (Buenos Aires).	Australia. (a)	Belgium. (b)	Brazil (Sao Paulo).	Canada.	France (Paris).	Germany (Wes- tern).	India.	Indo- nesia (Dja- karta). (c)	Ireland.	Italy.
1952 ..	96	96	100	82	101	101	102	97	..	95	98
1953 ..	100	100	-100-	100	100	100	100	100	..	-100-	-100-
1954 ..	104	101	101	118	101	100	100	95	..	100	103
1955 ..	117	103	101	142	101	101	102	90	..	103	105
1956 ..	132	109	104	173	102	103	104	99	..	107	109
1957 ..	165	112	107	206	106	-106-	107	104	..	112	110
1958 ..	217	113	108	237	108	121	109	109	..	116	113
1959 ..	464	116	110	326	110	129	110	114	100	116	113
1960 ..	590	120	110	439	111	134	111	116	135	117	115
1961 ..	670	123	111	607	112	138	114	118	167	120	118
1961—											
March Qtr.	611	123	110	531	112	136	113	116	143	119	117
June ..	656	123	111	578	112	136	114	117	150	120	117
Sept. ..	693	123	111	623	112	137	115	120	158	121	118
Dec. ..	720	123	111	696	112	140	115	120	216	121	119

Period.	Japan.	Nether- lands.	New Zea- land.	Norway.	Pakistan (Kara- chi).	Philip- pines (Manila).	Sweden.	Switzer- land.	Republic of South Africa. (d)	United King- dom.	United States of America.
1952 ..	94	100	96	98	90	104	99	101	97	-97-	99
1953 ..	100	100	100	100	100	100	100	100	100	100	-100-
1954 ..	106	104	105	104	98	99	(e) 101	101	102	102	100
1955 ..	-105-	106	-107-	105	94	98	104	102	105	105	100
1956 ..	106	108	111	109	97	100	109	103	107	(f)-112-	102
1957 ..	109	115	113	112	106	102	113	105	110	110	105
1958 ..	109	117	118	118	110	105	119	107	-114-	119	108
1959 ..	110	119	123	-120-	106	104	120	106	115	120	109
1960 ..	114	121	124	121	113	109	124	108	117	121	111
1961 ..	120	123	126	124	115	110	128	110	119	125	112
1961—											
March Qtr.	117	122	125	121	113	109	126	109	118	123	111
June ..	117	122	125	123	114	108	127	109	119	124	111
Sept. ..	120	123	127	124	117	112	128	110	120	126	112
Dec. ..	124	124	128	126	116	113	128	112	120	128	112

(a) Consumer Price Index as converted to base 1953 = 100 by Commonwealth Statistician. (b) Rent is not included. (c) Beginning 1959. Base: 1959 = 100. (d) Index for Europeans only. (e) July-December. (f) Linked at January, 1956.

NOTE.—Symbol - on each side of an index number (e.g., -95-) indicates that two series have been linked at that period.

B. WHOLESALE PRICES AND PRICE INDEXES.

§ 1. General.

Two indexes of wholesale prices have been compiled by the Commonwealth Bureau of Census and Statistics. These are:—

- (i) The Melbourne Wholesale Price Index;
- (ii) The Wholesale Price (Basic Materials and Foodstuffs) Index.

Particulars of the Melbourne Wholesale Price Index, which is now obsolete, are given in § 3 commencing on page 397.

After reviewing the list of items and weighting of this index, the 1930 Conference of Statisticians resolved that a new index of wholesale prices of basic materials and foodstuffs should be compiled. This index—the Wholesale Price (Basic Materials and Foodstuffs) Index—which extends back to the year 1928 and is compiled monthly, is a special purpose index and one of a series of wholesale price indexes designed for special purposes.

§ 2. Wholesale Price (Basic Materials and Foodstuffs) Index.

1. **Price Quotations.**—The prices used in the index have in the main been obtained directly from manufacturers and merchants, and, with a few important exceptions, from Melbourne sources. Apart from locally-produced building materials and one or two minor commodities, however, the price movements may be taken as representative of variations in wholesale prices of basic materials in most Australian markets.

Commodities in the index are priced in their primary or basic form wherever possible and, in respect of imported materials, as nearly as may be at the point where they first make effective impact on the local price structure. Thus the prices of imported goods are not taken at the time of import, but rather on an ex-bond (or into factory) basis.

Broadly, where home-consumption prices exist for local products, they have been used in this index. During the year 1950–51, wool for local manufacture was subsidized, and the home-consumption price for wool was used to calculate the index numbers shown in the table on page 397.

2. **Commodities and Grouping.**—For purposes of this index, “basic” materials (as opposed to certain of the foodstuffs) are commodities in the primary or basic forms in which they first enter into productive processes carried out in Australia. The list of items is divided into seven main groups, each of which is sub-divided into goods which are mainly imported, and goods which are mainly home-produced. The percentage of the total aggregate in 1960–61 contributed by each group was as follows:—Metals and coal, 16.94; oils, fats and waxes, 8.08; textiles, 2.80; chemicals, 3.73; rubber and hides, 1.91; building materials, 10.40; foodstuffs and tobacco, 56.14. Goods principally imported comprised 22.83 per cent. of the total aggregate in 1960–61, and goods principally home-produced, 77.17.

A full list of the commodities and the quantity-multipliers (weights) is published in *Labour Report* No. 48, 1960, pages 31 to 37.

3. **Method of Construction.**—The index is constructed on the simple aggregative fixed-weights formula. The weights (quantity-multipliers) are based on estimates of the average annual consumption of the commodities in Australia during the period 1928–29 to 1934–35 inclusive. Changes in usage, changes of category as between “imported” and “home-produced” for some commodities, and changes in the industrial structure have affected the validity of some of the weights in the index.

During 1956, supplies and prices of potatoes and onions fluctuated violently between abnormally wide limits. These fluctuations were so great as to dominate the movement of the sections of the index in which these items were included, namely, “Foodstuffs and Tobacco”, “Goods Principally Home-produced” and “Total All Groups”. In the circumstances of the case, neither seasonal adjustment nor conversion of the index to a “changing weights” formula could be applied to eliminate these fluctuations. Accordingly, in order to provide a representative measure of general trend in wholesale prices, the index was reconstructed as from July, 1936, by omitting potatoes and onions.

Consideration is being given to the enlargement of the index to cover additional groups and to revision of the weighting pattern of the index.

4. **Index Numbers.**—Index numbers for each group of commodities and for all groups combined for the index of wholesale prices of basic materials and foodstuffs are given in the following table. Current index numbers, on the base: average of three years ended June, 1939 = 100, are published monthly in the mimeograph statistical bulletin *Wholesale Price (Basic Materials and Foodstuffs) Index* and in the *Monthly Review of Business Statistics*. A table showing index numbers computed to the base 1928 = 100 is published in the *Labour Report*.

WHOLESALE PRICE (BASIC MATERIALS AND FOODSTUFFS) INDEX NUMBERS.
(Base of each Group: Average of 3 years ended June, 1939 = 100.)

Period.	Basic Materials.							Basic Materials and Foodstuffs.			
	Metals and Coal.	Oils, Fats and Waxes.	Textiles.	Chemicals.	Rubber and Hides.	Building Materials.	Total.	Foodstuffs and Tobacco. (a)	Goods principally Imported. (b)	Goods principally Home-produced. (a)	Total All Groups. (a)
1928-29	127	106	129	121	115	95	114	107	91	118	110
1929-30	126	111	99	116	87	94	107	110	94	118	111
1930-31	116	117	80	117	73	96	105	91	100	99	99
1931-32	108	113	77	119	74	95	101	86	100	92	95
1932-33	104	109	75	119	69	95	98	80	97	87	90
1933-34	103	84	102	111	80	94	92	84	89	89	90
1934-35	97	90	78	102	77	93	89	87	92	89	90
1935-36	92	95	100	99	88	93	90	92	95	92	93
1936-37	96	99	118	99	111	99	99	98	99	98	99
1937-38	101	101	100	100	97	104	102	102	102	101	101
1938-39	103	100	82	101	92	97	99	101	99	100	100
1939-40	105	115	104	107	116	108	109	99	111	101	104
1940-41	107	137	111	124	126	128	122	107	133	106	114
1941-42	117	151	118	137	135	135	133	116	153	112	124
1942-43	129	167	147	142	138	163	149	126	176	120	136
1943-44	131	170	150	143	140	174	153	130	182	122	140
1944-45	131	168	152	143	140	175	152	132	182	124	141
1945-46	130	156	152	142	140	177	149	136	178	127	142
1946-47	132	145	191	140	131	180	149	139	177	130	144
1947-48	146	161	283	148	126	190	166	154	192	145	159
1948-49	185	173	342	159	130	198	188	174	201	172	180
1949-50	214	184	434	187	143	225	214	196	223	196	204
1950-51	256	196	641	242	292	268	264	229	256	240	244
1951-52	343	220	577	314	298	370	321	276	288	300	297
1952-53	392	234	607	350	224	404	350	293	292	331	319
1953-54	388	222	566	323	191	363	332	308	271	339	319
1954-55	391	214	510	314	246	372	330	315	277	340	322
1955-56	404	220	456	317	328	415	345	325	292	352	334
1956-57	409	241	520	344	302	463	367	324	311	357	344
1957-58	398	238	437	349	280	453	355	325	301	355	339
1958-59	392	231	362	327	293	423	340	332	283	358	336
1959-60	395	225	403	331	379	431	347	348	281	375	348
1960-61	399	222	387	331	341	439	346	372	278	394	360
1961-62											
July . . .	393	217	407	333	307	439	343	350	275	377	347
August . .	393	217	407	333	322	439	343	342	274	371	343
September .	393	214	402	333	329	439	342	335	272	366	338
October . .	393	212	391	333	314	439	340	324	271	357	332
November .	393	211	385	333	297	439	339	322	272	354	330
December .	393	211	385	333	286	439	339	326	270	358	332
January . .	393	211	386	333	292	439	339	329	268	361	334
February .	390	211	404	333	288	439	339	329	267	362	334
March . . .	390	211	411	334	297	439	340	328	269	360	333

(a) Excluding potatoes and onions. See para. 3 on p. 396. (b) Represents only such imported commodities as are included in the Wholesale Price Index and does not measure changes in the prices of all imports.

§ 3. Melbourne Wholesale Price Index.

1. General.—An index of Melbourne wholesale prices was first computed in 1912. It related chiefly to basic materials and foods weighted in accordance with consumption in the years immediately preceding that date. Neither the components of the list of items nor the weighting have been varied, except as indicated in footnote (a) to the following table. Consequently, the index is outmoded for current use but it has some historical significance as a measure of changes in the prices of its component items combined in the proportions in which they were in common use about the year 1910. It is now published on an annual basis for "All Groups" only and is used mainly as an approximate indication of long-term trends since the year 1861, for which it was first compiled. A description of the index and a list of the commodities included in it were published in *Labour Report* No. 38, 1949, pages 43-5.

2. **Index Numbers.**—Index numbers for each group of commodities as well as for all groups combined are shown in the following table.

MELBOURNE WHOLESALE PRICE INDEX NUMBERS.

(Base of each Group: Year 1911 = 1,000.)

Year.	Metals and Coal.	Wool, Cotton, Leather, etc.	Agricultural Produce, etc.	Dairy Produce.	Groceries.	Meat.	Building Materials.	Chemicals.	All Groups.
1861	1,438	1,381	1,583	1,008	1,963	..	1,070	2,030	1,538
1871	1,096	1,257	1,236	864	1,586	..	1,044	1,409	1,229
1881	1,178	1,115	1,012	935	1,421	..	1,091	1,587	1,121
1891	895	847	1,024	995	1,032	888	780	1,194	945
1901	1,061	774	928	1,029	1,048	1,345	841	917	974
1911	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
1921	2,173	1,361	1,767	2,000	1,977	2,158	2,733	2,303	1,903
1931	1,826	1,040	1,121	1,398	1,794	1,512	2,025	2,166	1,429
1941	1,960	1,402	1,721	1,554	1,883	1,776	3,138	2,527	1,796
1949	3,502	3,966	2,876	2,309	2,558	3,356	4,611	3,221	3,191
1950	3,902	5,464	3,155	2,459	2,829	4,616	(a)5,567	3,263	3,816
1951	5,080	7,943	4,512	2,930	2,850	6,438	(a)7,074	3,294	5,098
1952	6,481	7,365	5,038	4,024	3,455	6,289	(a)9,338	3,723	5,647
1953	6,615	6,950	4,958	4,533	3,767	6,303	(a)8,519	4,691	(b)5,631

(a) The list of items and weighting of the original Building Materials group of this index are outmoded in respect of recent years. The movement shown here for this group between 1949 and 1953 has been calculated in accordance with the movement occurring in the Building Materials group of the Basic Materials and Foodstuffs Index.

(b) The "All Groups" index numbers for years subsequent to 1953 were:—1954, 5,384; 1955, 5,548; 1956, 5,916; 1957, 5,814; 1958, 5,575; 1959, 5,394; 1960, 5,857; 1961, 5,909.

C. CONTROL OF PRICES DURING AND SINCE THE 1939-45 WAR.

1. **General.**—An account of the measures taken by the Commonwealth Government to control prices from September, 1939 (immediately after the outbreak of war), until 29th May, 1948 (the date of the Prices Referendum), was given in Official Year Book No. 37, pages 458-64.

2. **Transfer of Price Control to the States.**—Consequent upon the rejection of the proposal embodied in the Prices Referendum held on 29th May, 1948, that permanent power to control rents and prices (including charges) be conferred on the Commonwealth Government, responsibility for price fixation was assumed by the State Governments and steps were taken to pass State Prices Acts. These Acts were proclaimed to operate simultaneously on 20th September, 1948. Except in the case of Queensland, each Act was to remain in force for a specific period, but the period varied from State to State.

On 20th September, 1948, each State Government issued declarations covering uniform lists of goods and services, which were brought under price control. Existing Commonwealth Prices Regulation Orders continued to apply to these goods and services until specially varied in accordance with the terms of the State legislation. At the same time, the Commonwealth Government issued an identical list of declared items to operate in the Australian Capital Territory and other Territories of the Commonwealth.

In the operation of State price control, the State Prices Commissioners collaborated closely. Conferences of Commissioners were held at intervals of approximately two months. Thus a large degree of uniformity was attained in controlling and decontrolling items and in the fixation of margins and prices of major items.

Since 1952, price control has been progressively modified in all States. General price control ceased in Western Australia on 31st December, 1953; in Tasmania on 31st October, 1954; in Victoria on 31st December, 1954; in the Australian Capital Territory on 10th February, 1955; and in Queensland during 1961. In New South Wales, general control of prices was suspended on 15th April, 1955, but was temporarily restored on some items from July, 1955, to September, 1956.

3. **Price Stabilization.**—Expenditure by the Commonwealth Government on price stabilization subsidies reached a peak in 1947-48 and since then the Commonwealth Government has progressively reduced the range of commodities eligible for subsidy.

In addition to those subsidies which had been an integral part of the Price Stabilization Plan, the Commonwealth Government paid bounties and subsidies for assistance to primary production, and these payments also had a stabilizing influence on prices.

For particulars of expenditure by the Commonwealth Government on price stabilization, see Official Year Book No. 38, page 414, and for other subsidies and bounties, see Chapter XXI.—Public Finance.

D. WAGES.

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

1. **General.**—Particulars regarding the operation of Commonwealth and State Laws for the regulation of wages, hours and conditions of labour were first compiled for the year 1913, and revised particulars have appeared annually in the *Labour Report* and in issues of the Official Year Book prior to No. 38.

2. **Commonwealth.**—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 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 an Act (No. 44 of 1956) assented to on 30th June, 1956. This amendment altered the structure of the arbitration machinery by separating the judicial functions from the conciliation and arbitration functions. The Commonwealth Industrial Court was established to deal with judicial matters under the Act and the Commonwealth Conciliation and Arbitration Commission to handle the functions of conciliation and arbitration. A summary of the provisions of the Conciliation and Arbitration Act 1904-1961 is given in the following paragraphs.

The Commonwealth Industrial Court is at present composed of a Chief Judge and three other Judges. The jurisdiction of the 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 the dismissal or injury of an employee on account of industrial action, interpretation of awards, questions concerning eligibility of membership of an organization, disputes between an organization and its members and a prescribed matter of practice or procedure. A single Judge may refer a question of law for the opinion of the Court constituted by not less than two Judges. The Court is a Superior Court of Record with the same power to punish contempts of its power and authority as is possessed by the High Court. In 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. The Act provides for the registration of associations of employees and employers and for inquiries to be held concerning disputed elections in organizations; and certain powers in connexion therewith are, by the Act, given to the Industrial Court. Provision is also made 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.

The Commonwealth Conciliation and Arbitration Commission at present consists of a President, five Deputy Presidents, a Senior Commissioner, seven Commissioners and three Conciliators. The 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 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, a Commissioner shall take steps for the prompt prevention or settlement of that dispute by conciliation or, if in his opinion conciliation is unlikely to succeed or has failed, by arbitration. A Commissioner may arrange with the Senior Commissioner for a Conciliator to assist the parties to reach an amicable agreement and shall do so if the parties so request. If an agreement is reached, a memorandum of its terms shall be made in writing, and may be certified by the Commission. A certified memorandum shall have the same effect as an award.

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

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

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

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

Provision is also made in the Act for a presidential member of the Commission to handle industrial matters in connexion with the Maritime Industries, Snowy Mountains Area and Stevedoring Industry, except in those matters for which the Act requires that the Commission shall be constituted by more than one member.

The Commonwealth Conciliation and Arbitration Commission also deals with disputes and industrial matters, interstate or intra-state, associated with undertakings or projects of the Commonwealth Government which have been declared by the Minister to be Commonwealth projects for the purposes of this Act. In effect, this places employees of Commonwealth projects, so declared, under the jurisdiction of the Commission. The 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 concerning employees of a Commonwealth project or 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 3 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 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.

For further particulars regarding Commonwealth arbitration legislation, see the annual *Labour Report*.

3. States.—In each State, Industrial Tribunals have been established to regulate and arbitrate in industrial matters. The more important of these are the Industrial Commission of New South Wales, the Industrial Conciliation and Arbitration Commission of Queensland, the Industrial Court of South Australia, and the Western Australian Court of Arbitration, together with Wages Boards for specific industries or occupations which operate in Victoria, South Australia and Tasmania. Further details concerning the functions and powers of these authorities may be found in the *Labour Report*.

§ 2. Rates of Wage and Hours of Work.

1. General.—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. 46, 1959. The current 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., thereby providing occupation weights.

The industrial classification used in the current indexes, shown in the table on pages 402–3, does not differ basically from the previous classification, the alterations being largely in the arrangement of classes. The former Miscellaneous group was dissected into two component industry groups, "Wholesale and Retail Trade" and "Public Authority (n.e.i.) and Community and Business Services". A new group, "Communication", was included and the former Domestic, Hotels, etc., group was extended to include Amusement, Sport and Recreation. This group is now shown as "Amusement, Hotels, Personal Service, etc.". The "Domestic" part of this group was omitted because of coverage difficulties. The former Pastoral, Agricultural, etc. group is not included in the new index.

The minimum wage rates and standard hours of work used in the current 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 month or quarter, commencing with 31st March, 1939, for adult males and 31st March, 1951, for adult females. From January, 1957, particulars for adult males have been available as at the end of each month. The index for adult males includes rates and hours 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. Using 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 weekly 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 404.)

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

A more detailed description of the current indexes of minimum rates of wage and standard hours of work is given in the *Labour Report*, which also contains an extensive tabular presentation of the minimum rates of wage for adult males and females in the principal occupations in the capital city of each State.

WEEKLY WAGE RATES: ADULT MALES, INDUSTRIAL GROUPS, AUSTRALIA.
—continued.

Industrial Group.	31st Dec., 1945.	31st Dec., 1950.	31st Dec., 1955.	31st Dec., 1960.	31st Dec., 1961.
INDEX NUMBERS.					
(Base: Weighted Average Weekly Wage Rate for Australia, 1954 = 100.)					
Mining and Quarrying	49.1	91.9	129.9	147.0	150.3
Manufacturing—					
Engineering, Metal Works, etc. ..	43.3	71.4	104.4	124.0	128.0
Textiles, Clothing and Footwear ..	41.0	69.9	100.9	120.5	124.6
Food, Drink and Tobacco	42.5	71.3	104.7	124.7	128.5
Sawmilling, Furniture, etc.	41.8	69.4	102.3	122.6	126.2
Paper, Printing, etc.	45.2	75.9	110.7	134.0	137.9
Other Manufacturing	42.0	70.0	103.2	122.9	127.0
All Manufacturing Groups	42.7	71.1	104.1	124.1	128.0
Building and Construction	42.4	70.3	104.6	126.5	129.7
Railway Services	41.7	69.3	103.0	122.7	126.6
Road and Air Transport	43.0	70.1	104.2	124.8	128.6
Shipping and Stevedoring(c)	41.6	69.6	98.1	122.0	126.1
Communication	43.8	75.5	112.1	135.8	140.1
Wholesale and Retail Trade	42.3	71.1	105.4	126.4	130.1
Public Authority (n.e.i.) and Community and Business Services	40.3	68.0	102.6	123.2	126.7
Amusement, Hotels, Personal Service, etc.	40.8	68.1	100.4	119.4	123.3
All Industrial Groups(d)	42.7	71.5	105.2	125.7	129.4

(a) As prescribed in awards, determinations and agreements. (b) The amounts shown should not be regarded as actual current averages, but as an index expressed in money terms, indicative of trends. (c) Includes the value of keep, where supplied. (d) Excludes rural.

(iii) *Adult Males—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 herein 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 Statistical Bulletin 902, *Minimum Weekly Wage Rate Index—Adult Males: Components of Total Wage Rate*. Revised figures for 1958 to 1960, together with monthly figures from January, 1957, to June, 1961, were published in the Statistical Bulletin—*Minimum Weekly Wage Rates, January, 1957 to June, 1961*.

(a) *States.* 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, 31st DECEMBER, 1961.(a)

WEIGHTED AVERAGES OF MINIMUM WEEKLY RATES(b) PAYABLE FOR A FULL WEEK'S WORK (EXCLUDING OVERTIME).

Jurisdiction and Components of Total Wage.(c)	N.S.W.	Vic.	Q'land.	S.A.	W.A.	Tas.	Aust.
	<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>
<i>Commonwealth Awards, etc.—</i>							
Basic Wage	294 10	287 4	278 7	283 6	288 4	293 8	289 9
Margin	72 1	67 1	80 3	72 8	86 4	62 1	70 6
Loading	4 11	2 9	5 2	1 5	2 10	2 0	3 6
<i>Total Wage</i>	<i>371 10</i>	<i>357 2</i>	<i>364 0</i>	<i>357 7</i>	<i>377 6</i>	<i>357 9</i>	<i>363 9</i>
<i>State Awards, etc.—</i>							
Basic Wage	300 10	287 10	284 11	283 1	298 2	294 2	293 5
Margin	67 11	79 10	69 6	56 9	60 7	68 2	68 10
Loading	6 1	4 8	4 5	7 10	3 3	9 5	5 3
<i>Total Wage</i>	<i>374 10</i>	<i>372 4</i>	<i>358 10</i>	<i>347 8</i>	<i>362 0</i>	<i>371 9</i>	<i>367 6</i>
<i>All Awards, etc.—</i>							
Basic Wage	297 8	287 6	283 9	283 5	297 1	293 10	291 6
Margin	70 1	71 0	71 6	67 10	63 6	64 6	69 8
Loading	5 6	3 4	4 7	3 4	3 2	4 11	4 5
<i>Total Wage</i>	<i>373 3</i>	<i>361 10</i>	<i>359 10</i>	<i>354 7</i>	<i>363 9</i>	<i>363 3</i>	<i>365 7</i>

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

(b) *Australia, 1939 to 1961.* 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, AUSTRALIA.(a)

WEIGHTED AVERAGES OF MINIMUM WEEKLY RATES(b) PAYABLE FOR A FULL WEEK'S WORK (EXCLUDING OVERTIME).

Jurisdiction and Components of Total Wage.(c)	31st Dec., 1939.	31st Dec., 1945.	31st Dec., 1950.	31st Dec., 1955.	31st Dec., 1960.	31st Dec., 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>
<i>Commonwealth Awards, etc.—</i>						
Basic Wage	79 5	97 3	162 2	239 0	278 2	289 9
Margin	17 3	19 4	35 8	52 8	70 0	70 6
Loading	0 4	4 1	3 11	2 4	3 2	3 6
<i>Total Wage</i>	<i>97 0</i>	<i>120 8</i>	<i>201 9</i>	<i>294 0</i>	<i>351 4</i>	<i>363 9</i>
<i>State Awards, etc.—</i>						
Basic Wage	81 11	98 1	161 8	244 8	285 2	293 5
Margin	17 4	20 0	35 3	50 6	68 4	68 10
Loading	0 6	2 5	5 5	5 0	5 3	5 3
<i>Total Wage</i>	<i>99 9</i>	<i>120 6</i>	<i>202 4</i>	<i>300 2</i>	<i>358 9</i>	<i>367 6</i>
<i>All Awards, etc.—</i>						
Basic Wage	80 8	97 8	161 11	241 10	281 7	291 6
Margin	17 3	19 8	35 6	51 7	69 2	69 8
Loading	0 5	3 3	4 7	3 7	4 2	4 5
<i>Total Wage</i>	<i>98 4</i>	<i>120 7</i>	<i>202 0</i>	<i>297 0</i>	<i>354 11</i>	<i>365 7</i>

For footnotes, see table above.

(iv) *Adult Females—States.* The following table shows, for each State and Australia, the weighted average minimum weekly rates of wage payable to adult female workers for a full week's work, and index numbers at the dates specified. This series has not been compiled for years prior to 1951.

WEEKLY WAGE RATES: ADULT FEMALES.

WEIGHTED AVERAGE MINIMUM WEEKLY RATES(a) PAYABLE FOR A FULL WEEK'S WORK (EXCLUDING OVERTIME) AND INDEX NUMBERS OF WAGE RATES.

Date.	N.S.W.	Vic.	Q'land.	S.A.	W.A.	Tas.	Aust.
RATES OF WAGE.(b)							
	<i>s.</i>	<i>d.</i>	<i>s.</i>	<i>d.</i>	<i>s.</i>	<i>d.</i>	<i>s.</i>
31st December, 1951..	172	4	172	2	161	2	170
" " 1953..	200	6	201	4	188	2	199
" " 1955..	209	8	210	5	194	3	201
" " 1960..	261	3	246	7	239	4	242
" " 1961..	268	10	256	6	255	7	251

INDEX NUMBERS.

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

31st December, 1951..	86.6	86.5	81.0	85.5	81.6	83.2	85.6
" " 1953..	100.7	101.1	94.5	100.0	95.5	99.0	99.8
" " 1955..	105.3	105.7	97.6	101.3	99.3	100.5	103.9
" " 1960..	131.2	123.9	120.2	122.0	126.2	119.9	126.4
" " 1961..	135.0	128.8	128.4	126.5	128.9	124.7	131.1

(a) As prescribed in awards, determinations and agreements. (b) The amounts shown should not be regarded as actual current averages, but as an index expressed in money terms, indicative of trends.

(v) *Adult Females—Industrial Groups.* The following table shows for Australia weighted average minimum weekly rates of wage and index numbers in each of the industrial groups in which the number of females employed is important, and the weighted average for all groups combined, at the dates specified.

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

WEIGHTED AVERAGE MINIMUM WEEKLY RATES(a) PAYABLE FOR A FULL WEEK'S WORK (EXCLUDING OVERTIME) AND INDEX NUMBERS OF WAGE RATES.

Industrial Group.	31st Dec., 1951.	31st Dec., 1953.	31st Dec., 1955.	31st Dec., 1960.	31st Dec., 1961.
RATES OF WAGE.(b)					
	<i>s.</i>	<i>d.</i>	<i>s.</i>	<i>d.</i>	<i>s.</i>
Manufacturing—					
Engineering, Metal Works, etc.	170	11	200	7	206
Textiles, Clothing and Footwear	171	2	198	9	200
Food, Drink and Tobacco	165	9	194	6	206
Other Manufacturing	168	9	197	7	203
All Manufacturing Groups	169	11	198	3	203
Transport and Communication	177	6	206	5	213
Wholesale and Retail Trade	171	1	199	7	213
Public Authority (n.e.i.) and Community and Business Services	170	1	199	1	209
Amusement, Hotels, Personal Service, etc.	166	9	194	10	201
All Industrial Groups..	170	4	198	9	206

For footnotes, see next page.

WEEKLY WAGE RATES: ADULT FEMALES, INDUSTRIAL GROUPS,
AUSTRALIA—*continued.*

Industrial Group.	31st Dec., 1951.	31st Dec., 1953.	31st Dec., 1955.	31st Dec., 1960.	31st Dec., 1961.
INDEX NUMBERS.					
(Base: Weighted Average Weekly Wage Rate for Australia, 1954 = 100.)					
Manufacturing—					
Engineering, Metal Works, etc. ..	85.9	100.8	103.7	125.5	129.8
Textiles, Clothing and Footwear ..	86.0	99.8	100.9	120.9	125.3
Food, Drink and Tobacco ..	83.3	97.7	103.9	123.7	128.5
Other Manufacturing ..	84.8	99.2	102.3	124.6	129.1
All Manufacturing Groups ..	85.4	99.6	102.1	122.9	127.4
Transport and Communication ..	89.2	103.7	107.4	130.5	135.4
Wholesale and Retail Trade ..	85.9	100.3	107.0	132.4	137.4
Public Authority (n.e.i.) and Community and Business Services ..	85.4	100.0	105.3	129.5	133.9
Amusement, Hotels, Personal Service, etc. ..	83.8	97.9	101.3	123.1	127.7
All Industrial Groups ..	85.6	99.8	103.9	126.4	131.1

(a) As prescribed in awards, determinations and agreements. (b) The amounts shown should not be regarded as actual current averages, but as an index expressed in money terms, indicative of trends.

3. **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 407-9. 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 labour 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 § 5, para. 2 (iv).)

(c) *Basic Wage and Standard Hours Inquiry, 1961.* In this case the employers sought an increase in the number of ordinary working hours from 40 to 42 per week, with a concomitant increase in weekly wages by an amount equal to two hours' pay at ordinary rates. This was to be a temporary measure to have effect for four years, after which time hours would revert to forty and the increased wage would remain. The employers submitted that such a measure was called for by the balance of payments crisis, that it would lead to increased productivity at stable prices, and that work in excess of forty hours would be more evenly distributed with consequent financial relief for men not getting overtime work. The Commonwealth Conciliation and Arbitration Commission, which heard the application, was not persuaded that the anticipated consequences would follow, and the claim was rejected. (See also § 5, para. 2 (xi).)

4. *Hourly Wage Rates.*—(i) *General.* The average rates of wage in the preceding tables are based on the minimum rates prescribed for selected occupations in awards, etc., for a full week's work, excluding overtime. However, the number of hours constituting a full week's work differs in some instances between various occupations in each State, and between the same occupations in the several States. For some purposes, a better comparison may be obtained by reducing the results in the preceding paragraphs to a common basis, namely, the rate of wage per hour. The particulars of weighted average minimum hourly rates of wage given in the following tables relate to all industrial groups except Rural, and Shipping and Stevedoring. The Rural industry is not included in the index and Shipping and Stevedoring has been excluded because, for some of the occupations in this group, definite particulars for the computation of average working hours and hourly rates of wage are not available.

(ii) *Adult Males—States.* The following table shows the weighted average minimum hourly rates of wage payable to adult male workers, and index numbers of hourly rates in each State.

HOURLY WAGE RATES(a) : ADULT MALES.

WEIGHTED AVERAGE MINIMUM HOURLY RATES PAYABLE AND INDEX NUMBERS OF HOURLY RATES.

Date.	N.S.W.	Vic.	Q'land.	S. A.	W. A.	Tas.	Aust.
RATES OF WAGE.(b)							
(Pence.)							
31st December, 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
" " 1960..	109.04	105.05	105.35	102.70	107.87	105.83	106.68
" " 1961..	112.24	108.66	108.05	106.46	109.53	109.23	109.86

For footnotes, see next page.

HOURLY WAGE RATES(a): ADULT MALES—*continued.*

Date.	N.S.W.	Vic.	Q'land.	S. A.	W. A.	Tas.	Aust.
INDEX NUMBERS.							
(Base: Weighted Average Hourly Wage Rate for Australia, 1954 = 100.)							
31st December, 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
" " 1960..	128.4	123.7	124.1	121.0	127.1	124.7	125.7
" " 1961..	132.2	128.0	127.3	125.4	129.0	128.7	129.4

(a) Weighted average hourly rates of wage for all industrial groups except rural, and shipping and stevedoring. See para. 4 (i) on previous page. (b) The amounts shown should not be regarded as actual current averages, but as an index expressed in money terms, indicative of trends.

(iii) *Adult Females—States.* The following table shows the weighted average minimum hourly rates of wage payable to adult female workers, and index numbers of hourly rates in each State.

HOURLY WAGE RATES: ADULT FEMALES.

WEIGHTED AVERAGE MINIMUM HOURLY RATES PAYABLE AND INDEX NUMBERS OF HOURLY RATES.

Date.	N.S.W.	Vic.	Q'land.	S. A.	W. A.	Tas.	Aust.
RATES OF WAGE.(a)							
(Pence.)							
31st December, 1951..	52.30	51.90	48.72	51.37	49.02	50.23	51.51
" " 1953..	60.87	60.69	56.88	60.07	57.37	59.81	60.12
" " 1955..	63.65	63.43	58.72	60.88	59.65	60.67	62.59
" " 1960..	79.31	74.33	72.34	73.27	75.77	72.42	76.13
" " 1961..	81.61	77.32	77.25	76.01	77.40	75.28	78.95

INDEX NUMBERS.

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

31st December, 1951..	86.9	86.2	80.9	85.3	81.4	83.4	85.6
" " 1953..	101.1	100.8	94.5	99.8	95.3	99.3	99.9
" " 1955..	105.7	105.3	97.5	101.1	99.1	100.8	104.0
" " 1960..	131.7	123.5	120.1	121.7	125.8	120.3	126.4
" " 1961..	135.5	128.4	128.3	126.2	128.5	125.0	131.1

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

5. *Weighted Average Standard Weekly Hours of Work.*—The 40-hour week has operated in Australia generally from 1st January, 1948, and in New South Wales from 1st July, 1947 (see para. 3 (iii), page 406). However, as stated in para. 4 (i) on page 407, the number of hours constituting a full week's work (excluding overtime) differs between occupations and/or between States. The weighted average standard hours of work (excluding overtime) prescribed in awards, determinations and agreements for a full working week, in respect of adult male workers in all industrial groups except Rural, and Shipping and Stevedoring, at 31st December, 1961, were:—New South Wales, 39.95; Victoria, 39.97;

Queensland, 39.98; South Australia, 39.96; Western Australia, 39.89; Tasmania, 39.97; Australia, 39.96. Corresponding figures for adult female workers at 31st December, 1961 were:—New South Wales, 39.53; Victoria, 39.81; Queensland, 39.70; South Australia, 39.77; Western Australia, 39.78; Tasmania, 39.56; Australia, 39.67.

§ 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 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. Corresponding figures for each quarter are published in the *Monthly Review of Business Statistics* and the *Monthly Bulletin of Employment Statistics*, and particulars for each quarter from September quarter, 1947, may be found in the Appendix to *Labour Report* No. 48, 1960.

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

Year.	N.S.W. (b)	Vic.	Qld.	S. Aust. (c)	W. Aust.	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
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

(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 for each State. Because the actual ratio may vary between States, precise comparisons between average earnings in different States cannot be made on the basis of the figures above.

2. Average Weekly Earnings Index Numbers.—The following table shows, for "All Industries" and for "Manufacturing", the movement in average weekly earnings from 1947-48 to the March Quarter, 1962. The "All Industries" index is based on Pay-roll Tax returns and other data. The index for manufacturing industries for the years 1947-48 to 1960-61 is based on the average earnings of male wage and salary earners employed in factories as disclosed by annual factory censuses (see Chapter VI.—Manufacturing Industry, § 8, para. 2 (iii)); figures for quarters subsequent to June quarter, 1961, are preliminary estimates based on Pay-roll Tax returns.

The index numbers show for "All Industries" and "Manufacturing" the movement in average earnings over a period of time. However, they do not give, at any point of time, a comparison of actual earnings in the two groups. The base of each series is the year 1953-54 = 100 and both series have been seasonally adjusted.

Particulars for each quarter from September quarter, 1947, were published in *Labour Report* No. 48, 1960.

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

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

Year.	All Industries.(b)	Manufacturing.	Quarter.		All Industries.(b)	Manufacturing.
1947-48..	47.5	48.0	1959-60—September	Quarter	129.7	131.8
1948-49..	53.9	54.3	December	„	130.5	132.7
1949-50..	59.3	60.0	March	„	135.5	137.5
1950-51..	71.1	72.0	June	„	138.5	139.5
1951-52..	87.1	88.4				
			1960-61—September	„	138.2	140.2
1952-53..	95.2	95.4	December	„	141.3	141.7
1953-54..	100.0	100.0	March	„	141.3	142.4
1954-55..	105.4	106.9	June	„	141.1	140.2
1955-56..	112.2	113.8				
1956-57..	118.2	118.3	1961-62—September	„	141.8	142.2
			December	„	144.6	144.1
1957-58..	121.3	122.0	March	„	145.3	145.8
1958-59..	124.5	125.6				
1959-60..	133.6	135.4				
1960-61..	140.5	141.1				

(a) See note (a) to table on previous page. (b) Average earnings per male unit employed. Male units represent total male employment plus a proportion of female employment based on the approximate ratio of female to male earnings.

§ 4. 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 § 6, para. 3), this survey was confined to weekly earnings only. 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, and 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 of 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 Margins). 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. They include payments for sick leave, proportion of annual leave, special allowances prescribed in awards, etc. (see sub. para. (c) above). For employees not covered by awards, they include payments at agreed rates for a standard working week.
- (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 sub. para. (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: INDUSTRIAL GROUPS, 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 410 for particulars of the coverage of the survey. (b) For definitions, see text above. (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: JURISDICTION, AUSTRALIA, SEPTEMBER, 1960.(a)

Weekly Margin.(b)	Number of Employees ('000).(b)				Proportion of Total (Per Cent.).			
	Under Commonwealth Awards.	Under State Awards.	Not Covered by Awards.	Total.	Under Commonwealth 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	7.2	6.9	0.8	6.0
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 410 for particulars of the coverage of the survey.

(b) For definitions, see page 410.

(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.
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(£'000.)

Manufacturing—				
Engineering, Metal Works, etc. ..	5,469	1,012	724	7,205
Other Manufacturing ..	6,961	849	700	8,510
<i>Total Manufacturing</i> ..	<i>12,430</i>	<i>1,861</i>	<i>1,424</i>	<i>15,715</i>
Building and Construction ..	1,061	150	92	1,303
Wholesale and Retail Trade ..	4,521	238	425	5,184
Other Industries ..	4,448	493	552	5,493
Total	22,460	2,742	2,493	27,695

PROPORTION OF TOTAL (PER CENT.).

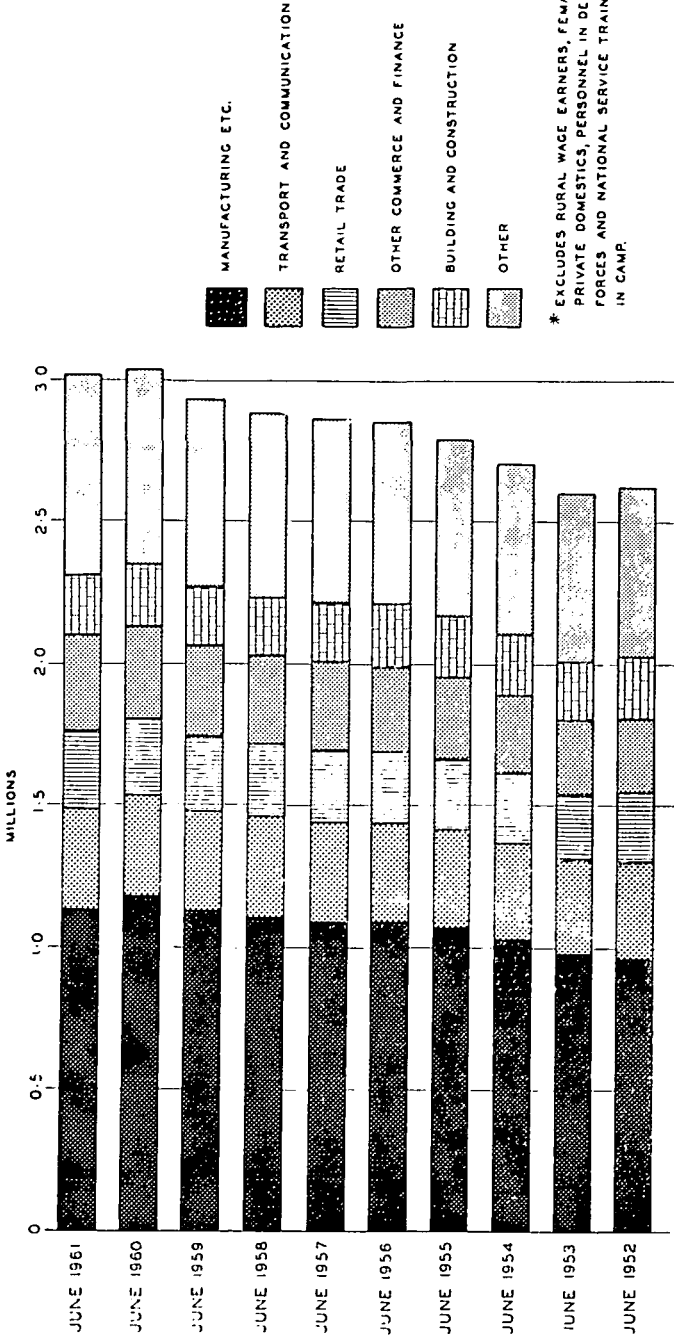
Manufacturing—				
Engineering, Metal Works, etc. ..	75.9	14.0	10.1	100.0
Other Manufacturing ..	81.8	10.0	8.2	100.0
<i>Total Manufacturing</i> ..	<i>79.1</i>	<i>11.8</i>	<i>9.1</i>	<i>100.0</i>
Building and Construction ..	81.4	11.5	7.1	100.0
Wholesale and Retail Trade ..	87.2	4.6	8.2	100.0
Other Industries ..	81.0	9.0	10.0	100.0
Total	81.1	9.9	9.0	100.0

(a) See page 410 for particulars of the coverage of the survey.

(b) For definitions, see page 411.

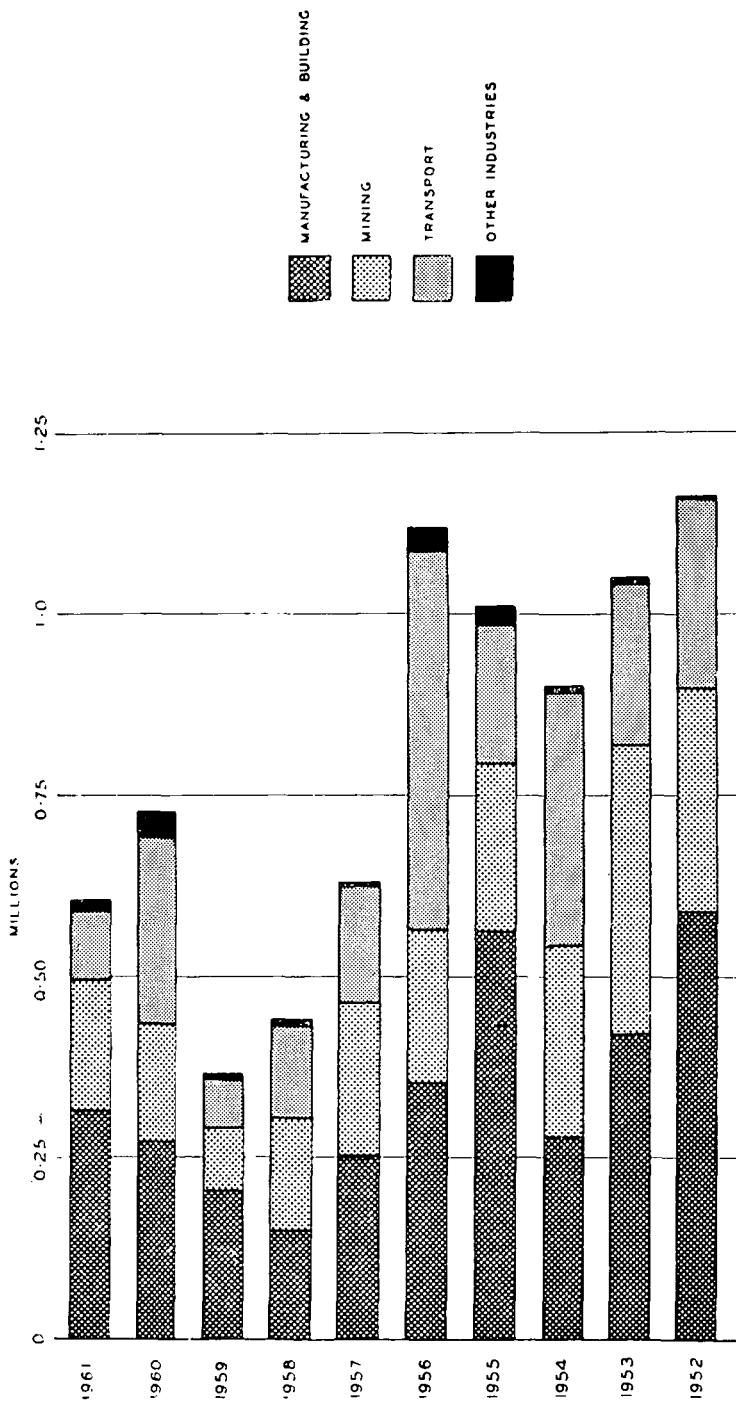
WAGE AND SALARY EARNERS IN CIVILIAN EMPLOYMENT *

AUSTRALIA, 1952 TO 1961



INDUSTRIAL DISPUTES, AUSTRALIA, 1952 TO 1961

WORKING DAYS LOST - INDUSTRIAL GROUPS



(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 INDUSTRIAL GROUPS, AUSTRALIA, SEPTEMBER, 1960.(a)

Total Weekly Earnings.(b)	Manufacturing.					Wholesale and Retail Trade.	Other Industries.	Total.
	Engineering, Metal Works, etc.	Other Manufacturing.	Total Manufacturing.	Building and Construction.				
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	107.2	
£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	

NUMBER OF EMPLOYEES ('000).(b)

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 410, for particulars of the coverage of the survey.

(b) For definitions, see page 410.

(c) Inquiry indicated that many of the adult males in this group were absent for part of the week.

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 Tax 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 States and by industry and size groups 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 have been included only at the appropriate proportion for one week. For employees paid other than weekly, only the proportion of earnings equivalent to one week has been 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

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

NOTE.—See next page for footnotes.

**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.
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 415 for particulars of the coverage of the survey.

(b) For definitions, see page 416.

(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 415 for particulars of the coverage of the survey.

(b) For definitions, see page 416.

(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	85.1	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 415 for particulars of the coverage of the survey. (b) For definitions, see page 416. (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. *General.*—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 1904-1961 (*see* page 339) the Commonwealth Conciliation and Arbitration Commission (previously 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 the wage, which is just and reasonable for an adult male [female], without regard to any circumstance pertaining to the work upon which, or the industry in which he [she] is employed) or the principles upon which it is computed".

In the past, the Commonwealth Court of Conciliation and Arbitration held general basic wage inquiries from time to time and its findings applied 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 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 Wages Boards systems operate, no provision was included in the industrial Acts for the declaration of a basic wage, although, in the past, 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 took into account the 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 have determined State basic wages in accordance with the provisions of their respective State industrial legislation. Details of the action taken in each State and subsequent variations in State basic wages are set out in para. 5 (*see* pages 436-41.)

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. (*See also* § 2, para. 2. (iii) *Adult Males—Components of Total Wage Rate*, pages 403-4.)

2. **The Commonwealth Basic Wage.**—(i) *Early Judgments.* The principle of a living or basic wage was propounded as far back as 1890, but it was not until 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, defined the standard of a "fair and reasonable" minimum wage for unskilled labourers as that standard appropriate to "the normal needs of the average employee, regarded as a human being living in a civilized community".* The rate declared was 7s. a day or £2 2s. a week for Melbourne, the amount considered reasonable for "a family of about five".

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 1913, when the Court took cognizance of 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 of house rents, on the index numbers for these towns.

* *Commonwealth Arbitration Reports*, Vol. 2, p. 3.

Over the period of its operation, the adequacy or otherwise of the "Harvester standard" was the subject of much discussion, the author of the judgment himself urging on several occasions the need for its review. During the period of rapidly rising prices towards the end of the 1914-18 War, strong criticism developed that this system did not adequately maintain the "Harvester" equivalent. A Royal Commission was appointed in 1919 to inquire as to what it would actually cost a man, wife and three children under fourteen years of age to live in a reasonable standard of comfort, and as to how the basic wage might be automatically adjusted to maintain purchasing power. The Commission's Reports were presented in 1920 and 1921. An application by the unions to have the amounts arrived at by the inquiry declared as the basic wage 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 given in *Labour Report* No. 41, page 102.

The system of making automatic quarterly adjustments to the basic wage in direct ratio to variations in the retail price index ("A" Series) was first introduced in 1921. The practice then adopted was to calculate the adjustments to the basic wage quarterly on the index number for the preceding quarter. Previously, adjustments had been made sporadically in relation to retail price indexes for the previous calendar year or the year ended with the preceding quarter. The new method would have resulted in a basic wage lower than that 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. 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 422).

For a description of the several series of retail price indexes referred to in these paragraphs, *see* page 387 of this Chapter.

(ii) *Basic Wage Inquiries*, 1930 to 1946. No change was made in the method of fixation and adjustment of the basic wage until the onset of the depression in 1930, when applications were made to the Court for a reduction of wages. From 1st February, 1931, the Court reduced all wages under its jurisdiction by 10 per cent. Subsequent applications in 1932 and 1933 for cancellation of this reduction were refused. In May, 1933, the Court transferred the basis of the quarterly adjustment of the basic wage from the "A" Series to the "D" Series Retail Price Index. Further particulars may be found in the *Labour Report*, Nos. 22 and 23.

The "Harvester" standard, adjusted by variations in retail price index numbers, continued to be the theoretical basis of the wage of the Commonwealth Court until the judgment of 17th April, 1934, when automatic adjustment was transferred to the "C" Series Retail Price Index, the base of the index being taken as equal to 81s. a week. The new rate for the six capital cities, £3 5s., was in effect the same as that previously paid under the "A" Series, without the "Powers 3s." and without the 10 per cent. reduction, which then ceased to operate. (*See Labour Report* No. 25, 1934.)

The following were the main features of the judgment of the 1937 Inquiry. (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 (referred to as the "needs" portion of the basic wage). These loadings, commonly referred to as "Prosperity" loadings, ranged, for capital cities, from 4s. to 6s., that for the six capitals being 5s. (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. (d) Female and junior rates were left for adjustment by individual Judges when dealing with specific awards. (*See Labour Report* No. 28, pages 77-87.)

In 1940 the combined unions applied to have the value of 1,000 (the base of the "C" Series Index upon which the "Court" Series was based) raised from 81s. to 100s. a week, and the "Prosperity" loadings incorporated in the new rate. In its judgment of 7th

* *Commonwealth Arbitration Reports*, Vol. 16, p. 32.

† *Ibid.*, p. 841.

February, 1941, the Court unanimously refused to grant any increase, owing mainly to the uncertainty of the economic outlook under existing war conditions. The application was stood over for further consideration. (*See below.*) In the course of the judgment the Chief Judge suggested that the basic wage might be graded according to family responsibilities by means of a comprehensive system of child endowment, and that 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. For details *see* Chapter XVIII.—Welfare Services.)

In 1946 an application was made for restoration of the adjourned 1940 hearing (*see above*). During the protracted hearing of the Standard Hours Inquiry (*see* page 406) it became apparent that reconsideration of the amount of the basic wage was, in the public interest, a matter of increasing urgency, and the unions therefore applied for an "interim" basic wage declaration. Judgment was delivered on 13th December, 1946, whereby an increase of 7s. a week was granted in the "needs" portion of the basic wage, the rate for the six capital cities as a whole being increased from 93s. to 100s. a week. For automatic quarterly adjustments, a new "Court" Index (Second Series) (Base 1923-27 = 87.0) was adopted. All "loadings" on the basic wage were retained. Further particulars of this judgment may be obtained from *Labour Report* No. 38, page 79.

For more detailed descriptions of the foregoing inquiries, reference should be made to earlier issues of the *Labour Report* and the Official Year Book.

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

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

The Court on 24th October and 17th and 23rd November, 1950, made further declarations concerning the "Prosperity" and other loadings. The "Prosperity" loading of 1937 (*see* page 420), which was being paid at rates of between 3s. and 6s. a week according to localities, was standardized at a uniform rate of 5s. a week for all localities and was declared to be an adjustable part of the basic wage, the "War" loadings were declared to be not part of the basic wage, and any other loading declared to be part of the basic wage ceased to be paid as a separate entity.

The new rates operated from the beginning of the first pay-period in December, 1950, in all cases being the rate based on the Court Index (2nd Series) for the September quarter, 1950, plus a flat-rate addition of £1, together with the standardized "Prosperity" loading of 5s. The new basic wage rate for the six capital cities (weighted average) was £8 2s., comprising £6 17s. Court (2nd Series) plus 5s. uniform "Prosperity" loading plus the £1 addition. The declaration provided that the whole of this basic wage would be subject to automatic quarterly adjustments as from the beginning of the first pay-period commencing in February, 1951, on the basis of the index numbers for the December quarter, 1950. For this purpose, the new rate of £8 2s. was equated to the "C" Series retail price index number 1,572 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, page 81.

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

(iv) *Basic Wage and Standard Hours Inquiry, 1952-53.* On 5th August, 1952, the Commonwealth Court of Conciliation and Arbitration began hearing claims by 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 employees' organizations, that the basic wage for adult males be increased.*

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

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

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

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

In accordance with its decision, the Court, commencing on 21st October, 1953, amended all Commonwealth awards by deleting the clauses providing for the automatic adjustment of the basic wage. Subsequently, the power of the Court 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, page 64.

(v) *Basic Wage Inquiry, 1956.* On 14th February, 1956, the Commonwealth Court of Conciliation and Arbitration commenced hearing an application by trade unions for an increase in the basic wage to the amount it would have reached if automatic quarterly adjustments deleted in September, 1953, had remained in force, plus a further £1; 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 Commonwealth awards.

All the claims made by the unions were opposed by the respondent employers. The Commonwealth Government in the public interest intervened and 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 the 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

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

have no relation to the movements in the capacity of the economy".* After examining the state of the economy and the possible disastrous extension of inflation, the Court decided that the nation had not the capacity to pay a basic wage of the amount to which automatic quarterly adjustments would have brought it.

In its judgment the Court stated that in future a yearly assessment of the capacity of Australia for the purpose of fixing a basic wage would be most appropriate and that it would encourage any steps to have the Court fulfil such a task each year.

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

(vi) *Basic Wage Inquiry, 1956-57.* On 13th November, 1956, the Commonwealth Conciliation and Arbitration Commission in Presidential Session commenced to hear claims by the combined unions for an increase of the basic wage to the amount it would have reached if automatic quarterly adjustments had remained in force and for the restoration of automatic quarterly adjustments.† This application was treated by the Commission as a general application for alteration of the basic wage in all Commonwealth awards.

The unions' claims were opposed by the respondent employers. Victoria and South Australia were the only States to appear before the Commission and the Commonwealth Government 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 was used for this purpose.

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 adult male basic wage should be increased by 10s. a week, payable 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 and apprentices.

The historical background of differential rates of basic wage for respective cities and towns was examined by the Commission and it acknowledged that the Federal basic wage had two components. The first and greater component differed for each capital city and represented a rate of wage calculated by the use of "C" Series retail price index numbers for the June quarter, 1953, and the second component, common to all places, was the uniform 10s. awarded by the Court in 1956. On the question of whether the increase should be of a uniform amount, the alternative open to the Commission appeared to be either to follow what the Court did in 1956, or to recalculate the inter-capital-city differentials of the newly-fixed standard basic wage according to the latest "C" Series index numbers. The Commission decided to grant an increase of a uniform amount.

Judgment was delivered on 27th 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, pages 68-71.

(vii) *Basic Wage Inquiry, 1958.* On 18th February, 1958, the Conciliation and Arbitration Commission commenced hearing an application by unions respondent to the Metal Trades Award for an increase of the basic wage to the amount it would have reached had the quarterly adjustment system been retained, plus an addition of 10s., and for restoration of quarterly adjustments.||

* *Commonwealth Arbitration Reports*, Vol. 84, p. 175. † 87 C.A.R., p. 439. ‡ *Commonwealth Arbitration Reports*, Vol. 87, p. 445. § *Ibid.*, p. 459. || 89 C.A.R., p. 287.

These claims 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, and leave to intervene was granted to a number of professional, salaried and public service organizations.

In its judgment, delivered on 12th May, 1958, the Commission rejected the submission by the Professional Officers' Association that consideration should be given to the question whether 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 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 reserve for a subsequent marginal claim.

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

The Commission then considered the three specific issues before it, namely, (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 were unacceptable to the Commission, 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 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.

The Commission was unanimously of the opinion that the position of the economy regarded as a whole was such as to justify an increase in the basic wage, but a difference of opinion existed as to what the amount of the increase should be. A majority of the members, namely, Kirby *C.J.* and Gallagher *J.*, considered that it was undesirable in the interests of all to grant an increase higher than 5s.; Wright *J.*, on the other hand, considered that a basic wage level substantially higher than that proposed by the majority was justified. The decision of the majority prevailed, and the basic wage for adult males under Federal awards was therefore 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 again pursued the question of inter-city differentials as an answer to the union claim that the amount of the basic wage in Adelaide should be calculated by reference to the "C" Series retail price index numbers for that city. The substance of the State's case was that the actual cost of living was so much lower in Adelaide than in Melbourne and Sydney that greater disparities in basic wage rates than then existed should be determined by the Commission, if any general increase in the basic wage were decided upon. Subject to a stipulation that no reduction should be made in the existing basic wage rate for Adelaide, counsel for the South Australian Government claimed that the rate should be approximately 10 per cent. below the rate fixed for Sydney instead of approximately 5 per cent. below, as it then was. The Commission rejected the claim 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. per week, to operate from the beginning of the first pay-period commencing on or after 21st May. As a result, 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.

(viii) *Basic Wage Inquiry, 1959.* On 24th February, 1959, the Conciliation and Arbitration Commission in Presidential Session commenced hearing an application by respondent unions for the following variations of the existing Metal Trades Award, namely, "by increasing the amounts of basic wage prescribed therein for respective cities, towns and localities to the figure they each would have reached had the quarterly adjustment system based on the "C" Series retail price index numbers been retained, plus an addition of 10s. to each basic wage, and by making provision for future adjustment of each of the new amounts at quarterly intervals by the application thereto of the same index numbers".*

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 and the restoration of the quarterly adjustment system. The Commonwealth Government intervened in the public interest and submitted 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 and, in addition, without making a particular submission as to whether there should be an increase, made a general submission on the state of the national economy.

Organizations of employers in the pastoral industry asked for a reduction in the basic wage in the Pastoral Award of £1 5s., being the aggregate amount of the increases granted in 1956, 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 employees 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 said system should be refused. Foster J. dissented.

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

The President, Kirby C.J., was of opinion that the increase should be 15s. a week, and that the increased basic wage should become payable as from the beginning of the first pay-period commencing on or after 11th June, 1959.

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

* *Commonwealth Arbitration Reports*, Vol. 91, p. 683-4.

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

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

A summary of the separate reasons for judgment was published in Official Year Book No. 46, pages 437-9.

(ix) *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 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' estimate of the minimum increase in productivity which had occurred in the period since the automatic adjustment system was abolished.

The Commonwealth Government intervened in the public interest and 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 their finances 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 its judgment, delivered on 12th April, 1960, the Commission refused the unions' application. A summary of the judgment is given in the following paragraphs. Further particulars may be found in Official Year Book, No. 47, pp. 443-6.

Regarding the role of Governments in basic wage proceedings, the Commission stated that it welcomed whatever assistance it could get from parties and from interveners. Governments were in a special position to give the Commission a proper conspectus of the public sector and could also assist the Commission to review the economy as a whole. However, it was a matter for each Government concerned to decide whether it would appear before the Commission, and if so whether it would present material or state an attitude or both.

The role of the economic "indicators" was raised during the proceedings, and the Commission, in its judgment, commented that the indicators originated in 1953 as an attempt by the Commonwealth Court of Conciliation and Arbitration to make more orderly the presentation of material in basic wage cases. They were to be used as a framework for presentation of economic material, but were never intended to be used as a means of excluding material from the Commission's consideration. If parties or interveners wished the Commission to reduce or expand the present set of indicators or to approach the examination of the economy in a different way, they were at liberty to ask the Commission 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 re-introduction. 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 stated that the decision in the 1934 case was not relevant, as the question of automatic quarterly adjustments must be decided in the

* Print No. 7469, p. 1.

light of existing situations and practices. In 1934 the basic wage was determined for an undefined period and automatic quarterly adjustments applied. In 1960 the Commission was considering a situation in which in practice the basic wage was each year re-assessed. The Commission decided that it was preferable to fix a basic wage which it considered just and reasonable for the ensuing twelve months and then review it. In the Commission's view it was not inequitable or unjust not to restore 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 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, and referred to the four basic wage increases in the years 1956 to 1959 and the increases in margins in 1947, 1954 and 1959. The Commission expected that, in the light of the history of marginal fixation since 1947, it would 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. When the economy is found capable of sustaining an increase in both the basic wage and margins, it follows that the economic and psychological effect of each increase is affected and indeed highlighted by the other. This happened in 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.

The unions submitted that since 1952-53 all the economic indicators customarily used by the Commission had shown significant improvement. However, in view of the Commission's conclusions in the case, it did not find it necessary to discuss the indicators. 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, and the lifting of import restrictions by the Commonwealth Government. The whole of the economic material available to the Commission had to be discounted by the fact that the combined effect of the two wage increases had not at that time been felt by the economy. As to the lifting of import restrictions, 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 Commonwealth Government stated that, although no quantitative estimate could be made of the increase in imports likely to occur as a result of the lifting of import restrictions, the significance of their removal was that it had come at a time when the effects of the 1959 wage increases had not been fully felt. The effect on the annual wages bill of the increased margins was estimated to be about £100 million and the direct cost of the 1959 basic wage increase about £65 million. In the Commonwealth's view, these increases would raise costs and price levels significantly and further secondary effects would follow. They would also give a further strong stimulus to the demand for goods and services. The Commonwealth Government submitted that what was needed was a firm rejection of any new measures that would add to current inflationary pressures and time for the adjustment of the economy to the general wage increases of 1959.

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."*

(x) *Differential Basic Wage Inquiries, 1960.* On 9th August, 1960, the Commonwealth Conciliation and Arbitration Commission commenced hearing claims by:—(a) the Federated Engine Drivers and Firemen's Association of Australia to vary the Engine Drivers and Firemen's (General) Award by eliminating country differentials from basic wages prescribed therein; (b) employers' associations in South Australia to vary the Metal Trades Award by providing that future basic wage increases for Adelaide should be 25 per cent. less than basic wage increases for Sydney until the Adelaide basic wage was 90 per cent. of the Sydney basic wage, and that the basic wage applicable in areas other than Adelaide, Whyalla and Iron Knob should be £13 8s. and should remain unchanged until the Adelaide rate reached £14.

Judgment was delivered on 14th December, 1960. The Commission granted the application to eliminate specified country differentials from the Engine Drivers and Firemen's (General) Award, the new basic wages to be payable from the beginning of the first pay-period commencing on or after 1st January, 1961. Other awards were adjusted similarly on application to the Commission. The employers' applications in respect of basic wages in South Australia were both rejected.

(xi) *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 J.J. (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

* Print No. A7469, p. 9.

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."

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 that 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

* Print No. A7848, p. 3.

† *Ibid.*, p. 7.

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 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 it was preferable to have an annual review rather than provide for automatic adjustments. 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 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

* Print No. A7848, p. 10.

† Ibid., p. 11.

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 prices 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 only, 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.

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.

* Print No. A7848, p. 12. † Ibid., p. 13. ‡ Ibid., p. 14.

In answer to this the employers produced a similar type of calculation, but using 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 10 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 oversea trade and oversea 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.

The Commission considered the standard of the seven basic wages of the previous ten years and decided that the most appropriate one was the standard of 1960. It felt that the new basic wage combined 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 warned of 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.”*

(xii) *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., and 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.”

(xiii) *Rates Operative, Principal Towns.* The basic wage rates of the Commonwealth Conciliation and Arbitration Commission for adult males and females, operative as from the beginning of the first pay period commencing on or after 7th July, 1961, were as shown in the following table.

COMMONWEALTH BASIC WAGE: WEEKLY RATES (a), 1962.

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—			Geraldton ..	15 1 0	11 5 6
Wollongong ..	14 15 0	11 1 0	Five Towns ..	14 9 0	10 16 6
Broken Hill ..	14 19 0	11 4 0	Tasmania—		
Five Towns ..	14 14 0	11 0 6	Hobart ..	14 14 0	11 0 6
Victoria—			Launceston ..	14 10 0	10 17 6
Melbourne ..	14 7 0	10 15 0	Queenstown ..	14 5 0	10 13 6
Geelong ..	14 7 0	10 15 0	Five Towns ..	14 12 0	10 19 0
Warrnambool ..	14 7 0	10 15 0	Thirty Towns ..	14 8 0	10 16 0
Mildura ..	14 7 0	10 15 0	Six Capital Cities	14 8 0	10 16 0
Yallourn(b) ..	14 13 6	11 0 0	Northern Territory—		
Five Towns ..	14 7 0	10 15 0	Darwin ..	15 7 0	11 10 0
Queensland—			South of 20th Parallel ..	14 14 0	11 0 6
Brisbane ..	13 10 0	10 2 6	Australian Capital Territory—		
Five Towns ..	13 11 0	10 3 0	Canberra ..	14 10 0	10 17 6
South Australia—					
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; female rates are 75 per cent. of male rates. (b) Melbourne rate plus 6s. 6d. loading 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.

The following table shows the movements of this wage in all State capital cities and the six capital cities as a whole during the period 1939 to 1962.

BASIC WAGE: WEEKLY RATES(a), CAPITAL CITIES, PRESCRIBED BY COMMONWEALTH CONCILIATION AND ARBITRATION COMMISSION (b) FOR ADULT MALES.

Date Operative.(c)	Sydney.		Melbourne.		Brisbane.		Adelaide.		Perth.		Hobart.		Six Capitals.	
	s.	d.	s.	d.	s.	d.	s.	d.	s.	d.	s.	d.	s.	d.
September, 1939 ..	81	0	81	0	76	0	78	0	77	0	77	0	79	0
November, 1941 ..	89	0	88	0	84	0	84	0	85	0	85	0	87	0
.. 1942 ..	97	0	97	0	91	0	93	0	91	0	92	0	95	0
.. 1943 ..	99	0	98	0	93	0	94	0	94	0	95	0	97	0
.. 1944 ..	99	0	98	0	93	0	93	0	94	0	94	0	96	0
.. 1945 ..	99	0	98	0	93	0	93	0	94	0	94	0	96	0
.. 1946 ..	101	0	99	0	94	0	95	0	95	0	97	0	98	0
December, 1946 ..	108	0	106	0	101	0	102	0	102	0	103	0	105	0
November, 1947 ..	112	0	109	0	105	0	106	0	106	0	107	0	109	0
.. 1948 ..	122	0	120	0	115	0	116	0	116	0	118	0	119	0
.. 1949 ..	132	0	130	0	125	0	126	0	129	0	128	0	129	0
.. 1950 ..	146	0	143	0	135	0	137	0	139	0	139	0	142	0
December, 1950 ..	165	0	162	0	154	0	158	0	160	0	160	0	162	0
November, 1951 ..	207	0	199	0	185	0	195	0	197	0	199	0	200	0
.. 1952 ..	237	0	228	0	216	0	229	0	228	0	230	0	231	0
August, 1953 (d) ..	243	0	235	0	218	0	231	0	236	0	242	0	236	0
June, 1956 ..	253	0	245	0	228	0	241	0	246	0	252	0	246	0
May, 1957 (e) ..	263	0	255	0	238	0	251	0	256	0	262	0	256	0
May, 1958 (e) ..	268	0	260	0	243	0	256	0	261	0	267	0	261	0
June, 1959 (e) ..	283	0	275	0	258	0	271	0	276	0	282	0	276	0
July, 1962 (f) ..	295	0	287	0	270	0	283	0	288	0	294	0	288	0

(a) Rates include prosperity loadings where applicable. (b) Prior to 30th June, 1956, Commonwealth Court of Conciliation and Arbitration. (c) Rates operative from the beginning of the first pay-period in the month indicated, unless otherwise stated. (d) Automatic adjustment discontinued (see p. 422). (e) For date operative, see the relevant Basic Wage Inquiry (pp. 423-6). (f) Operative from the beginning of the first pay-period commencing on or after 7th July, 1961.

A table showing Commonwealth basic wage rates from 1923 to 1961 was published in *Labour Report* No. 48, Appendix XI.

3. Australian Territories.—In the Northern Territory, there are two basic wages operating, one in respect of areas north of the 20th parallel of South Latitude, generally referred to as the "Darwin" rate, and the other in respect of areas south of that parallel and extending down to the 26th parallel (the "Port Augusta" rate).

The basic wage rates payable as from the beginning of the first pay-period commencing on or after 7th July, 1961, were:—"Darwin" rate, adult males, £15 7s., adult females, £11 10s.; "Port Augusta" rate, adult males, £14 14s., adult females, £11 0s. 6d.

In addition to these rates, special loadings were prescribed in Northern Territory awards following the fixation of the basic wage rates operative from November, 1951.

In the Australian Capital Territory, the rates payable as from the beginning of the first pay-period commencing on or after 7th July, 1961, were £14 10s. for adult males and £10 17s. 6d. for adult females.

Further details of basic wage rates in the Northern Territory and the Australian Capital Territory may be found in *Labour Report* No. 48, pages 100-4.

4. Basic Wage Rates for Females.—Reference should be made to *Labour Report* No. 48, (pp. 98-100) for an account of the fixation of minimum rates and basic wages for adult females by the Commonwealth Court of Conciliation and Arbitration. At the end of the 1949-50 Basic Wage Inquiry, the Commonwealth Court of Conciliation and Arbitration, by a majority decision, fixed the basic weekly wage for adult females at 75 per cent. of the corresponding male rate from the beginning of the first pay-period commencing in December, 1950. This percentage has continued to be prescribed in subsequent inquiries.

5. *State Basic Wages.*—(i) *New South Wales.* The first determination under the New South Wales Industrial Arbitration Act of a standard "living" wage for adult male employees was made on 16th February, 1914, when the Court of Industrial Arbitration fixed the living wage at £2 8s. a week for adult males 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 from 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 adult male rate was determined on the family unit of a man, wife and two children from 1914 to 1925; a man and wife only in 1927, with family allowances for dependent children; and a man, wife and one child in 1929, with family allowances for other dependent children. However, with the adoption in 1937 of the Commonwealth basic wage, the identification of a specified family unit with the basic wage disappeared.

A State scheme of supplementing wages by child endowment became operative in New South Wales from July, 1927, and continued until superseded by the Commonwealth Government scheme in July, 1941. A brief account of the main features of the New South Wales system was given in Official Year Book No. 37, pages 485–6. For particulars of the Commonwealth scheme, *see* Chapter XVII.

Shortly after the Commonwealth Court of Conciliation and Arbitration announced its decision in the 1937 Basic Wage Inquiry, the Government of New South Wales amended the Industrial Arbitration Act to make the State basic wage agree with the Commonwealth rate ruling in New South Wales, and to adopt, as far as practicable, the general principles of operation laid down by the Commonwealth Court. Further amendments to the Industrial Arbitration Act were made in 1950 to give effect to the new rates declared by the Commonwealth Court of Conciliation and Arbitration in the 1949–50 Basic Wage inquiry (*see* page 421).

Differential basic wage rates for country areas (except Broken Hill) and for employees under Crown awards were eliminated by an amendment of the Industrial Arbitration Act in 1951. Separate rates for Broken Hill were discontinued in 1961 (*see* below).

Following the decision of the Commonwealth Court of Conciliation and Arbitration in September, 1953, to discontinue the system of automatic adjustment of the basic wage in accordance with changes in the "Court" Series retail price index numbers, the New South Wales Industrial Commission deleted the automatic adjustment clause from awards, etc., within its jurisdiction. As a result, the basic wages applicable for the State and operative from the beginning of the first pay-period commencing in August, 1953, remained unchanged until November, 1955.

In October, 1955, the Industrial Arbitration Act 1940–1955 was amended to provide for the automatic adjustment of the existing basic wage each quarter, in accordance with the movements in the Commonwealth Statistician's "C" Series retail price index numbers. The first adjustment, based on the index number for the September quarter, 1955, represented the amount which would have been added to the basic wage if quarterly adjustments had not been suspended, and was made payable from the beginning of the first pay-period in November, 1955. Automatic adjustments have continued to operate since that date.

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 capital cities, and as a result the Sydney basic wage rate became the rate for the whole of New South Wales, separate rates no longer being prescribed for Broken Hill and "5 Towns" after November, 1961.

From the beginning of the first pay-period in February, 1962, the basic wage for adult males was £15 0s. and for adult females, £11 5s.

The Industrial Arbitration (Female Rates) Amendment Act (No. 42, 1958), which became operative on 1st January, 1959, defined the existing basic wage for adult females as being 75 per cent. of the adult male rate and made provision for equal pay for males and females in certain circumstances. Where the Industrial Commission or a Conciliation Committee is satisfied that male and female employees are performing work of the same or a like nature and of equal value, they shall prescribe the same marginal or secondary rates of wage. The basic wage for these adult females was prescribed as 80 per cent. of the appropriate basic wage for adult males as from 1st January, 1959. Thereafter, the basic wage was to be increased annually by 5 per cent., so that on 1st January, 1963, it will be the same as that for adult males.

(ii) *Victoria.* There is no provision in Victorian industrial legislation for the declaration of a State basic wage. Wages Boards constituted from representatives of employers and employees, with 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. The 1937 Act, as amended, 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 in September, 1953, a number of Wages Boards met in November, 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.

In October, 1956, an amendment to the Labour and Industry Act (which had superseded the Factories and Shop Acts in 1954) 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. As a result of this legislation, the last automatic quarterly adjustment of the basic wage made was based on the variation in retail price index numbers for the June quarter, 1956, and was payable as 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, Wages Boards met in July and August, 1961 and varied their determinations by incorporating the new Commonwealth rates. As the 1962 Basic Wage Inquiry resulted in no change being made to Commonwealth basic wage rates, the rates for Melbourne are £14 7s. a week for adult males and £10 15s. for adult females.

A table showing, for the period November, 1953 to July, 1961, the basic wage rates for adult males and females adopted by most Wages Boards was published in the Appendix to *Labour Report* No. 48, 1960.

(iii) *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 first formal declaration of a basic wage (£4 5s. for adult males) by the Queensland Court of Industrial Arbitration operated from 1st March, 1921. Prior to this declaration, the rate of £3 17s. a week for adult males had been generally recognized by the Court in its awards as the basic or living wage. The Queensland Industrial Conciliation and Arbitration Act provides that any basic wage declared must at least maintain an employee, his wife and family of three children in a fair and average standard of comfort.

From 21st April, 1942, the Queensland Industrial Court adopted the practice of making quarterly declarations of the basic wage on the basis of variations in the "C" Series retail price index number for Brisbane.

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.

Following the decision of the Commonwealth Court of Conciliation and Arbitration to increase the male and female basic wages from December, 1950, the Queensland Industrial Court, after an inquiry, granted an increase of 15s. a week to both adult males and adult females, operative from 7th December, 1950. The new male rate was identical with the Commonwealth basic wage for the Brisbane metropolitan area and the basic wage payable to adult females became approximately 66 per cent. of the male rate.

In January, 1953, because the Court was not satisfied that the fall in the "C" Series index for Brisbane for the December quarter, 1952 was a true representation of the economic position for Queensland as a whole, it declined to make any alteration to the then existing basic wage. However, quarterly adjustments were made for the next four quarters.

Following a Basic Wage Inquiry, the Court announced, on 11th June, 1954, that there would be no change in the basic wage rates declared for February, 1954. For the following four quarters the Court also 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 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. The Court examined the movement in these index numbers for each subsequent quarter and announced variations in the basic wage.

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. On 30th May, 1958, the Court, in dismissing the application, stated that no emergency had been proved to exist and that there was no justification for discarding the "C" Series retail price index numbers.

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.

The Industrial Conciliation and Arbitration Act of 1961, which came into operation as from 2nd May, 1961, provided that all persons interested must be given an opportunity to be heard before any general declaration as to the basic wage can be made.

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.

Subsequently, employer organizations applied to the Commission for a declaration of a general ruling that "in future the basic wage for males and/or females shall not be reviewed merely by reason of any change in the Consumer Price Index at intervals of less than twelve months". The application was opposed by the trade unions generally. In a judgment delivered on 14th November, 1961, the Commission refused the employers' application.

As there was insufficient variation in the Consumer Price Index for the December quarter, 1961, no application was lodged with the Commission to vary the State basic wage for that quarter.

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), which includes 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., Northern Division (Western District) £1 12s. 6d. The allowances for adult females are not less than 75 per cent. of those for adult males.

In the Appendix to *Labour Report* No. 48, a table was published showing adult male and female basic wage rates payable in the Southern Division (Eastern District) from 1st March, 1921, to 29th May, 1961.

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

The family unit was not specifically defined in the Code, but the South Australian Industrial Court in 1920 decided that the average employee in respect of whom the living wage is to be declared is a man with a wife and three children. 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 first declaration by the Board of Industry became operative from 4th August, 1921, when the living wage for adult male employees in the metropolitan area was determined at £3 19s. 6d. a week. A table showing the living wages declared from time to time was published in Section XII. of the Appendix to *Labour Report* No. 48.

Following the "interim" increase in the "needs" basic wage of the Commonwealth Court of Conciliation and Arbitration announced on 13th December, 1946, the South Australian Government made a provision in 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.

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, the South Australian Industrial Code was amended to provide for declarations of the living wage by proclamation to prevent unjustifiable differences between the State and Commonwealth rates of wage. By proclamation dated 30th November, 1950, the South Australian living wage in the metropolitan area was made identical with the December, 1950, rates fixed by the Commonwealth Court of Conciliation and Arbitration for the metropolitan area of South Australia. The female basic wage, which had been approximately 54 per cent. of the male basic wage, was increased to 75 per cent. of the corresponding male rate.

When the Commonwealth Court of Conciliation and Arbitration discontinued quarterly adjustments to Commonwealth basic wages in September, 1953, the South Australian living wage also ceased to be varied quarterly, and since that time has remained the same as the Commonwealth basic wage for Adelaide. Following the Commonwealth basic wage inquiries in 1956 and subsequent years, increases were made to the South Australian living wages by proclamation. The rates operative from 10th July, 1961, were £14 3s. for adult males and £10 12s. for adult females.

(v) *Western Australia.* 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 previous 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 it deems relevant.

The Act provides that the Court of Arbitration may make adjustments to the basic wage each quarter, if the statement supplied by the State Government Statistician showing retail price index numbers and monetary equivalents in terms of the State basic wages indicates that there has been a variation of 1s. or more a week compared with the previous quarter. These adjustments generally apply from the dates of declaration by the Court.

The first declaration of the basic wage by the Court of Arbitration, after the authority to fix one was vested in the Court in 1925, operated from 1st July, 1926. The family unit is not specifically defined in the Act, but it has been the practice of the Court to take as a basis for its calculations a man, his wife and two dependent children. Since that date the principal inquiries have been those of 1938, 1947, 1950 and 1951. A table showing declarations of the basic wage by the Court of Arbitration, operative from 1st July, 1926 to 30th October, 1961, will be found in Section XII. of the Appendix to *Labour Report* No. 48.

Following the judgment of the Commonwealth Court of Conciliation and Arbitration in the 1949–50 Basic Wage Inquiry, the Western Australian Court of Arbitration decided that the basic wage should be increased by £1 a week for adult males and by 15s. a week for adult females. 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 as specified by the appropriate award or determination.

Following the decision of the Commonwealth Court of Conciliation and Arbitration, in September, 1953, to discontinue quarterly adjustments to Commonwealth basic wages, the Western Australian Court of Arbitration exercised its discretionary power and declined to make any adjustments to the basic wage from November, 1953, to the June quarter, 1955.

However, from 9th August, 1955, the Court decided to increase the adult male basic wage by 5s. 11d. a week for Perth and to make corresponding increases for other areas. No further change was announced in the basic wage until January, 1956, and for each subsequent quarter the Court has varied the State basic wages after considering the official statement supplied by the State Government Statistician, 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 an 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 this date. As in December, 1951, female margins were to be reduced or deleted to offset the increase in the female basic wage.

The rates payable in the metropolitan area as from 30th October, 1961, were £14 18s. 9d. for adult males and £11 4s. 1d. for adult females.

(vi) *Tasmania*. A State basic wage is not declared in Tasmania. Under the Wages Board Act 1920–1951, 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.

Wages Boards have power to adjust their wage rates in accordance with variations in the cost of living as indicated by retail price index numbers published by the Commonwealth Statistician. When the Commonwealth Court discontinued the system of automatic adjustments of the basic wage in September, 1953, the Chairman of the Wages Boards stated he was of the opinion that automatic adjustment clauses should be deleted from all Wages Boards determinations. 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 commencing in November. By early December, 1953, all Wages Boards had met and deleted the automatic adjustment clause from determinations and cancelled the adjustment increases payable from November.

Automatic quarterly adjustments in accordance with movements in retail price index numbers were re-introduced by Wages Boards in February, 1956, and restored the basic wage to the level it would have reached if quarterly adjustments had not been discontinued in 1953. A further basic wage increase was payable from the first pay-period in May, 1956.

Upon application by the Employers' Federation of Tasmania, a compulsory conference of employer and employee representatives was held on 22nd and 25th June, 1956, to consider the adoption of Commonwealth basic wages and the deletion of automatic quarterly adjustment provisions. At the conclusion of the conference, the Chairman of the Wages Boards stated he was of the opinion that the adjustments should be suspended for a period in an endeavour to achieve some measure of stability. However, he pointed out that any Wages Board was competent to adopt by agreement between the representatives of employers and employees or majority decision, the Commonwealth Court's basic wage or any other method of fixing the basic wage.

The majority of Wages Boards suspended automatic quarterly adjustments after the August, 1956 adjustment, and wage rates remained unchanged until July, 1959, when the Commonwealth rates were adopted. Following the decision of the Commonwealth Conciliation and Arbitration Commission in July, 1961, to increase the basic wage, Wages Boards met during July, 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. During January, 1961, Wages Boards adopted the basic wage for Hobart as the uniform rate applicable throughout the State.

(vii) *State Basic Wage Rates.* The "basic" wage rates of State industrial tribunals, operative in May, 1961, and May, 1962, are summarized in the following table.

STATE BASIC WAGES: WEEKLY RATES.

State.	May, 1961.			May, 1962.		
	Date of Operation.	Males.	Females.	Date of Operation.	Males.	Females.
	(a)	s. d.	s. d.	(a)	s. d.	s. d.
New South Wales—						
Metropolitan and Country, excluding Broken Hill	May, 1961	299 0	224 0	} Feb., 1962	b300 0	b225 0
Broken Hill	May, 1961	295 0	221 0			
Victoria(c)	(d)	275 0	206 0				(e)	287 0	215 0
Queensland—						
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)	15.6.59	271 0	203 0	10.7.61	283 0	212 0
Western Australia—						
Metropolitan Area	1.5.61	299 3	224 5	30.10.61	298 9	224 1
South-West Land Division	1.5.61	297 8	223 3	30.10.61	297 3	222 11
Goldfields and other areas	1.5.61	292 0	219 0	30.10.61	291 6	218 8
Tasmania(c)	July, 1959(g)	282 0	211 6	July, 1961(h)	294 0	220 6

(a) Where dates are not quoted, wage rates operate from the beginning of the first pay-period commencing in the month shown. (b) Metropolitan rate applied to whole of New South Wales from November, 1961. (c) No basic wage declared. Rates shown are those adopted by most Wages Boards. (d) During June and July, 1959, Wages Boards varied determinations by adopting the Commonwealth basic wage rate. (e) During July and August, 1961, Wages Boards adopted the Commonwealth rate. (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) Wages Boards adopted the Commonwealth basic wage rate from July, 1959. (h) Most Wages Boards adopted the Commonwealth rate from July, 1961.

Tables showing State basic wage rates for a long period of years are contained in Section XII. of the Appendix to *Labour Report* No. 48, 1960.

§ 6. Wage Margins.

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

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

2. **Metal Trades Case, 1954.**—Employee organizations parties to the Metal Trades Award, 1952, filed applications during 1953 for increased margins for all workers covered by this award. The applications came on for hearing before J. M. Galvin C.C., who decided that they raised matters of such importance that, in the public interest, they should be dealt with by the Commonwealth Court of Conciliation and Arbitration. On 16th September and 6th October, 1953, the Conciliation Commissioner, pursuant to section 14A of the Conciliation and Arbitration Act, referred these applications to the Court.

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

Employer organizations respondent to the Metal Trades Award 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 J.J.) 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 margins of a fitter from 52s. a week to 75s. a week, increased similarly margins of other skilled occupations, and made no increase in margins of what may generally be described as the unskilled or only slightly skilled occupations under the Metal Trades Award.

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

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

† *Commonwealth Arbitration Reports*

Vol. 80, p. 3.

3. *Margins Cases, 1959.*—On 25th August, 1959, the Commonwealth Conciliation and Arbitration Commission began considering a number of applications for changes in margins referred to it from the appropriate Commissioner. Applications had been made by various employee organizations for increased margins in Parts I. and II. of the Metal Trades Award, Part II. of the Aircraft Industry Award, the Bank Officials' Award and the Gold and Metalliferous Mining Award. An application by employers sought to reduce marginal rates in the Metal Trades Award. The Commission decided to hear all these matters together, permitting the applicant unions in respect of Part II. of the Metal Trades and Aircraft Industry Awards and the Bank Officials Award to ask first for an interim increase. A summary of the principal decisions and reasons for judgment of the Commission is given in the following paragraphs. Further details, including extracts from the judgment, were published in Official Year Book No. 47, pages 455-9.

Metal Trades Award, Part I. The employee organizations claimed an increase in the margin for the fitter, as set out in the Metal Trades Award, 1952 (i.e., the award as it existed prior to the Metal Trades Case, 1954—see para. 2, page 442), from 52s. to 134s. a week and an increase of 157 per cent. in the margins for other classifications. The employers counter-claimed for a reduction in margins of 15s. a week.

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, the Commonwealth emphasized the desirability of flexibility in the workings of the arbitration system.

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 that the economic situation 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 in so far as the lower paid classifications were concerned.

In its judgment, delivered on 27th November, 1959, the Commission rejected the employers' application to reduce margins, and made an order re-assessing the marginal structure in the Metal Trades 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 and that for the process worker from 22s. to 28s.

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 discussing the principles of marginal fixation, the Commission stated that there was no real reason why a margin should be expressed as a percentage of the basic wage, and that it would be unwise to express any margin in that way. On the related question of whether margins should be increased merely because of the decreasing power of money since last fixed, the Commissioner's view was that, although the automatic or mathematical approach should be rejected, some account must be taken, whenever a margin is under review, of the amount at which the margin was originally fixed and of any decrease in the purchasing power of money since the time of fixation.

* *Commonwealth Arbitration Reports*, Vol. 59, p. 1272.

On the question of economic capacity the Commission said that prior to 1947 it had been the practice, in the metal trades industry at least, to consider the economic situation of the industry itself, but in 1954 the Court considered only the capacity of industry generally. However, the Commission pointed out that in many cases in the past, margins had been fixed without consideration of capacity, and it could see no reason why in appropriate circumstances that practice should not continue.

The submission 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, was rejected by the Commission.

The unions sought to have restored the relativities within the marginal structure of the Metal Trades Award which existed prior to the 1954 decision. 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 the Commission to take the 1954 relativities to their logical conclusion in its decision in this matter as far as those classifications were concerned.

The Commission said that in origin, at least, relativities in margins were merely an expression of relative work values and there was no evidence of such values before the Commission. In the circumstances the Commission was not prepared to accede either to the unions' submissions or to the employers' submission in this regard, and it 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, thus remained open.

During the proceedings the unions presented some evidence as to over-award payments in the industry. The Commission referred to the question whether it should pay regard to payments obtained by duress, and decided that the means by which over-award payments of sufficient duration were obtained was irrelevant when considering economic capacity. The mere fact that such amounts were being paid and had been paid over a considerable period was sufficient to demonstrate capacity.

The Commission could not arrive at any figure which could be said to be a reliable average over-award payment for any classification. The most it could say was that in the Metal Trades industry there were over-award payments of varying amounts in quite a number of establishments, and it had taken this factor, indefinite though it was, into account in arriving at its decision.

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 said that it had looked at the increases which it proposed to grant in the light of the submissions about economic stability and it did not consider that such increases were so likely to affect that stability that the economy would be adversely affected. If marginal increases could not be granted in times of economic prosperity, it was difficult to imagine when they could be granted.

Summing up, the Commission stated:—"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."*

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 32s. to 42s. 6d. a week from the beginning of the first full pay-period commencing in December, 1959. Marginal claims for other classifications were referred back to the appropriate Commissioner for consideration.

* Print No. A7072, p. 20.

† *Ibid.*, p. 22.

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 graduate and diplomat engineers and scientists, payable as from the beginning of the first full pay-period commencing in December, 1959.

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 in the Commercial Printing Case of 1936, *Dettridge 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 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 the manufacturing section of the metal trades industry, and in the same year *O'Mara J.* extended leave throughout the industry, 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.

Employees in New South Wales in private industry, other than those covered by Federal awards, were granted three weeks' annual leave by provisions of the Annual Holidays Act, 1944–1958. 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.

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 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, although the Commonwealth

* *Commonwealth Arbitration Reports*, Vol. 36, p. 738. † 55 C.A.R., p. 595. ‡ Print No. A7746, p. 2.

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 employees of Government and Government instrumentalities 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 the operation of the Annual Holidays Act, 1944-1958 in New South Wales, and the second because generally employees of Governments and Local Government and Government instrumentalities throughout the Commonwealth get 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 the Commonwealth, 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 moves 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 is 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.

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. (A summary of the unions' claims and of the Commission's judgment in the Three Weeks' Annual leave Inquiry 1962 will be found in the Appendix.)

3. **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.

(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 can 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. 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.

The Stevedoring Industry Act 1961, which came into operation on 6th June, 1961, included provisions granting long service leave to persons who have 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.

E. EMPLOYMENT AND UNEMPLOYMENT.

§ 1. Employment.

1. **Total Occupied Persons.**—(i) *General.* The total number of occupied persons in Australia is obtained from the results of each population Census, supplemented by data in respect of Australian defence personnel serving outside Australia, who, in accordance with usual Census procedure, are not recorded in the Census. The figures shown below in sub-para. (ii) and (iii) are derived from the 1933, 1947 and 1954 Censuses, after making certain adjustments of which the more important are referred to in the notes to the tables or in the accompanying text (sub-para. (ii)). For this reason, and because of the distribution of information "not stated", these figures differ from the Census figures shown in Census publications. Figures available from the 1961 Census (without adjustment) are shown in the Appendix to this volume.

(ii) *Australia.* The figures in the table below are divided into three categories:—(a) defence forces; (b) all persons fully occupied as employers, or as self-employed in businesses or on farms; and (c) wage and salary earners fully employed, or occupied as casual, part-time, intermittent or seasonal workers. "Unemployed" persons (see explanation on page 454) are excluded.

All unpaid "helpers" in non-rural industry have been included with wage and salary earners. Male unpaid "helpers" in rural industry have been included with employers and self-employed persons, as it is considered that the majority of these are sons or other close relatives of farmers working in *de facto* partnership, or as learners with the farm owner. Unpaid female "helpers" on farms are fairly numerous. Generally they are occupied mainly in home duties, and, with all other women occupied in unpaid home duties, have been excluded from the category of occupied persons.

TOTAL OCCUPIED PERSONS: AUSTRALIA, JUNE, 1933, 1947 AND 1954.
(^{'000.})

June.	Defence Forces. (a)	Employers and Self-employed.			Wage and Salary Earners.			Total Occupied Civilians.	Total Occupied Persons, including Defence Forces. (a)
		Rural Industry.	Other Industries.	Total.	Rural Industry.	Other Industries.	Total.		
MALES.									
1933	5.8	293.5	249.0	542.5	200.1	989.8	1,189.9	1,732.4	1,738.2
1947	53.2	278.9	286.8	565.7	148.2	1,659.4	1,807.6	2,373.3	2,426.5
1954	(b) 50.9	279.2	316.9	596.1	154.2	2,020.3	2,174.5	2,770.6	2,821.5
FEMALES.									
1933	..	15.2	56.3	71.5	3.2	(c) 446.6	449.8	521.3	521.3
1947	0.8	13.8	55.8	69.6	8.1	(d) 659.9	668.0	737.6	738.4
1954	2.0	19.6	62.1	81.7	7.6	735.4	743.0	824.7	826.7
PERSONS.									
1933	5.8	308.7	305.3	614.0	203.3	1,436.4	1,639.7	2,253.7	2,259.5
1947	54.0	292.7	342.6	635.3	156.3	2,319.3	2,475.6	3,110.9	3,164.9
1954	52.9	298.8	379.0	677.8	161.8	2,755.7	2,917.5	3,595.3	3,648.2

(a) Includes those serving outside Australia. (b) Excludes approximately 10,300 males undergoing full-time National Service Training at the time of the Census. With the exception of full-time students these persons have been included in the figures of occupied civilians. (c) Includes females in private domestic service:—106,700 in 1933, 40,200 in 1947 and 29,600 in 1954. (d) Includes an estimate of 40,400 part-time workers not classified as wage earners at the Census.

The numbers of defence personnel serving outside Australia who were included in the defence forces shown in the table above were as follows:—1947, 13,843 males, 143 females; 1954, 5,841 males, 62 females.

(iii) *States.* The following table shows the total numbers of occupied males and females in each State and Territory in June of 1947 and 1954, classified as defence forces, employers and self-employed persons, and wage and salary earners.

**TOTAL OCCUPIED PERSONS: STATES AND TERRITORIES,
JUNE, 1947 AND 1954.
(‘000.)**

State or Territory.	Defence Forces. (a)		Employers and Self-employed.		Wage and Salary Earners.		Total Occupied Persons, including Defence Forces.(a)	
	June, 1947.	June, 1954.	June, 1947.	June, 1954.	June, 1947.	June, 1954.	June, 1947.	June, 1954.
MALES.								
		(b)						
New South Wales ..	23.1	21.4	197.5	207.3	728.1	833.7	948.7	1,062.4
Victoria ..	15.9	15.0	158.1	167.1	490.5	596.9	664.5	779.0
Queensland ..	5.9	6.6	96.9	99.7	252.0	307.4	354.8	413.7
South Australia ..	2.6	2.3	51.8	55.5	153.3	194.1	207.7	251.9
Western Australia ..	3.4	3.1	39.8	44.3	116.6	156.1	159.8	203.5
Tasmania ..	0.8	0.8	20.1	20.2	57.8	71.9	78.7	92.9
Northern Territory ..	0.8	0.7	1.0	1.1	4.0	5.8	5.8	7.6
Australian Capital Territory ..	0.7	1.0	0.5	0.9	5.3	8.6	6.5	10.5
<i>Australia</i> ..	<u>53.2</u>	<u>50.9</u>	<u>565.7</u>	<u>596.1</u>	<u>1,807.6</u>	<u>2,174.5</u>	<u>2,426.5</u>	<u>2,821.5</u>
FEMALES.								
New South Wales ..	0.3	0.5	25.4	29.0	268.6	290.6	294.3	320.1
Victoria ..	0.4	0.8	22.5	25.3	202.0	227.0	224.9	253.1
Queensland ..	0.1	0.2	10.2	12.5	83.9	93.1	94.2	105.8
South Australia ..	..	0.1	5.2	7.0	52.9	59.9	58.1	67.0
Western Australia ..	..	0.1	4.3	5.6	39.2	46.6	43.5	52.3
Tasmania ..	..	0.1	1.8	2.1	18.9	21.7	20.7	23.9
Northern Territory ..	..	0.1	0.1	0.1	0.7	1.3	0.8	1.5
Australian Capital Territory ..	..	0.1	0.1	0.1	1.8	2.8	1.9	3.0
<i>Australia</i> ..	<u>0.8</u>	<u>2.0</u>	<u>69.6</u>	<u>81.7</u>	<u>668.0</u>	<u>743.0</u>	<u>738.4</u>	<u>826.7</u>
PERSONS.								
		(b)						
New South Wales ..	23.4	21.9	222.9	236.3	996.7	1,124.3	1,243.0	1,382.5
Victoria ..	16.3	15.8	180.6	192.4	692.5	823.9	889.4	1,032.1
Queensland ..	6.0	6.8	107.1	112.2	335.9	400.5	449.0	519.5
South Australia ..	2.6	2.4	57.0	62.5	206.2	254.0	265.8	318.9
Western Australia ..	3.4	3.2	44.1	49.9	155.8	202.7	203.3	255.8
Tasmania ..	0.8	0.9	21.9	22.3	76.7	93.6	99.4	116.8
Northern Territory ..	0.8	0.8	1.1	1.2	4.7	7.1	6.6	9.1
Australian Capital Territory ..	0.7	1.1	0.6	1.0	7.1	11.4	8.4	13.5
<i>Australia</i> ..	<u>54.0</u>	<u>52.9</u>	<u>635.3</u>	<u>677.8</u>	<u>2,475.6</u>	<u>2,917.5</u>	<u>3,164.9</u>	<u>3,648.2</u>

(a) Includes those serving outside Australia. (b) Excludes approximately 10,300 males undergoing full-time National Service Training at the time of the Census. See also footnotes to previous table.

2. Wage and Salary Earners in Civilian Employment.—(i) *General.* Monthly estimates of the number of wage and salary earners in civilian employment (excluding employees in rural industry and female private domestics) are obtained from three main sources, namely, (a) monthly data as to persons employed in factories as shown at annual Factory Censuses; (b) current monthly returns from Government Bodies; and (c) current monthly Pay-roll Tax returns. There are also some other direct records of monthly employment (e.g., for hospitals).

These are supplemented by estimates of the number of employees outside the ambit of the Factory Census, returns from Government Bodies, and Pay-roll Tax returns. The numbers of factory employees for months subsequent to June, 1961, are estimated and are subject to revision when the Factory Censuses for 1961-62 and ensuing years are tabulated.

The estimates of wage and salary earners in this section are compiled on an establishment or enterprise basis, and therefore do not cover exactly the same area of industry as do the relevant industry tabulations of the General Censuses of 1947 and 1954, which are based on the returns of individual employees.

The purpose of these estimates of employment is to measure, as nearly as may be with available data, current monthly trends in employment in the defined field. Industry groups herein are not identical in coverage with Census groups.

Pay-roll Tax returns are lodged by all employers paying more than £200 a week in wages, other than certain Commonwealth Government authorities, religious and benevolent institutions, public hospitals and other similar organizations specifically exempted under the Pay-roll Tax Assessment Act 1941-1961.

(ii) *Australia: Industrial Groups.* The following table shows total male and female wage and salary earners in civilian employment (excluding employees in rural industry, female private domestics, permanent defence forces and National Service trainees in camp) subdivided to show the extent of employment provided by Government authorities and by private employers respectively. Principal industrial groups shown in the table include both private employees and Government employees, if any. (Current figures are published in the *Monthly Bulletin of Employment Statistics, Quarterly Summary of Australian Statistics* and the *Monthly Review of Business Statistics*). The manufacturing employment figures published in this table comprise (a) the series showing actual monthly employment in factories as recorded at successive annual Censuses of Factories to June, 1961 (see Chapter VI.), with interim estimates for subsequent months, and (b) estimates of the number of employees in industrial establishments outside the scope of the definition of a factory and persons employed by factory proprietors but engaged in selling and distribution, etc.

WAGE AND SALARY EARNERS IN CIVILIAN EMPLOYMENT: INDUSTRIAL GROUPS, AUSTRALIA.

(EXCLUDING RURAL WAGE EARNERS, FEMALE PRIVATE DOMESTICS, PERSONNEL IN DEFENCE FORCES AND NATIONAL SERVICE TRAINEES IN CAMP.)

('000.)

Industrial Group.	June, 1957.	June, 1958.	June, 1959.	June, 1960.	June, 1961.	Dec., 1961.
MALES.						
Mining and Quarrying	56.3	51.6	49.1	49.3	48.6	47.3
Manufacturing, etc.(a)	845.1	857.2	873.6	910.2	882.0	884.7
Building and Construction	207.4	202.4	205.2	206.6	205.3	195.5
Transport(b)	245.1	242.1	241.7	240.5	244.2	239.3
Communication	67.9	69.7	70.9	71.5	72.2	71.7
Property and Finance	64.0	66.0	68.8	73.1	77.0	77.1
Retail Trade	129.6	132.7	133.6	137.3	135.3	141.9
Wholesale and Other Commerce	150.0	150.3	152.7	158.0	158.7	160.5
Public Authority Activity, n.e.i.	101.7	104.0	105.4	105.7	108.5	110.2
Health	27.1	27.5	28.3	29.0	29.9	30.5
Education	43.5	45.4	49.1	52.7	56.2	56.8
Personal Service	54.7	54.9	54.3	54.9	54.6	56.3
Other(c)	93.0	94.1	94.9	98.9	100.2	100.5
<i>Total</i>	<i>2,085.4</i>	<i>2,097.9</i>	<i>2,127.6</i>	<i>2,187.7</i>	<i>2,172.7</i>	<i>2,172.3</i>
Government(d)	609.5	621.8	633.9	633.3	649.9	649.3
Private	1,475.9	1,476.1	1,493.7	1,554.4	1,522.8	1,523.0
<i>Total</i>	<i>2,085.4</i>	<i>2,097.9</i>	<i>2,127.6</i>	<i>2,187.7</i>	<i>2,172.7</i>	<i>2,172.3</i>

NOTE.—For footnotes see next page.

WAGE AND SALARY EARNERS IN CIVILIAN EMPLOYMENT: INDUSTRIAL GROUPS, AUSTRALIA—*continued.*

('000.)

Industrial Group.	June, 1957.	June, 1958.	June, 1959.	June, 1960.	June, 1961.	Dec., 1961.
FEMALES.						
Mining and Quarrying ..	1.2	1.1	1.1	1.1	1.2	1.2
Manufacturing, etc.(a) ..	250.4	251.7	256.8	278.5	253.5	261.2
Building and Construction ..	5.3	5.5	5.6	6.0	6.3	6.2
Transport(b) ..	20.4	20.3	20.6	21.4	22.2	21.8
Communication ..	19.7	19.6	19.7	19.5	19.3	19.1
Property and Finance ..	43.5	45.4	48.0	52.1	54.4	53.9
Retail Trade ..	121.6	125.6	126.5	133.1	133.5	142.1
Wholesale and Other Commerce ..	46.8	46.9	47.3	49.4	49.9	49.6
Public Authority Activity, n.e.i. ..	29.2	29.8	30.7	31.4	32.8	33.4
Health ..	79.4	82.1	87.6	91.5	95.0	95.1
Education ..	53.9	56.3	60.8	64.9	69.5	69.0
Personal Service ..	69.5	68.7	68.3	69.1	67.8	69.0
Other(c) ..	39.3	39.5	40.0	41.6	42.8	42.7
Total ..	780.2	792.5	813.0	859.6	848.2	864.3
Government(d) ..	132.8	136.6	143.9	150.2	157.6	157.0
Private ..	647.4	655.9	669.1	709.4	690.6	707.3
Total ..	780.2	792.5	813.0	859.6	848.2	864.3

PERSONS.

Mining and Quarrying ..	57.5	52.7	50.2	50.4	49.8	48.5
Manufacturing, etc.(a) ..	1,095.5	1,108.9	1,130.4	1,188.7	1,135.5	1,145.9
Building and Construction ..	212.7	207.9	210.8	212.6	211.6	201.7
Transport(b) ..	265.5	262.4	262.3	261.9	266.4	261.1
Communication ..	87.6	89.3	90.6	91.0	91.5	90.8
Property and Finance ..	107.5	111.4	116.8	125.2	131.4	131.0
Retail Trade ..	251.2	258.3	260.1	270.4	268.8	284.0
Wholesale and Other Commerce ..	196.8	197.2	200.0	207.4	208.6	210.1
Public Authority Activity, n.e.i. ..	130.9	133.8	136.1	137.1	141.3	143.6
Health ..	106.5	109.6	115.9	120.5	124.9	125.6
Education ..	97.4	101.7	109.9	117.6	125.7	125.8
Personal Service ..	124.2	123.6	122.6	124.0	122.4	125.3
Other(c) ..	132.3	133.6	134.9	140.5	143.0	143.2
Total ..	2,865.6	2,890.4	2,940.6	3,047.3	3,020.9	3,036.6
Government(d) ..	742.3	758.4	777.8	783.5	807.5	806.3
Private ..	2,123.3	2,132.0	2,162.8	2,263.8	2,213.4	2,230.3
Total ..	2,865.6	2,890.4	2,940.6	3,047.3	3,020.9	3,036.6

(a) Includes employees engaged in selling and distribution, etc., who are outside the scope of the factory employment figures as defined and published in Chapter VI. (b) Includes road transport; shipping and stevedoring; rail and air transport. (c) Includes forestry, fishing and trapping; law and order; religion and social welfare; other professional; amusement, sport and recreation. (d) Includes employees of Commonwealth, State, Local and Semi-Government authorities. See para. 3 (i) below.

A graph showing wage and salary earners in civilian employment in the main industrial groups appears on page 413.

(iii) *States.* Statistics of total employment of wage and salary earners (excluding rural wage earners, female private domestics and defence forces) since 1957 are shown for each State and Territory in the following table.

WAGE AND SALARY EARNERS IN CIVILIAN EMPLOYMENT.

(EXCLUDING RURAL WAGE EARNERS, FEMALE PRIVATE DOMESTICS, PERSONNEL IN DEFENCE FORCES AND NATIONAL SERVICE TRAINEES IN CAMP.)

('000.)

Year and Month.	N.S.W.	Vic.	Q'land.	S. Aust.	W. Aust.	Tas.	N.T.	A.C.T.	Aust.
MALES.									
1957—June ..	810.2	586.0	282.6	186.4	138.4	66.0	5.8	10.0	2,085.4
1958—June ..	813.9	592.9	282.8	186.0	138.6	67.0	5.6	11.1	2,097.9
1959—June ..	819.0	603.4	287.8	192.0	140.0	67.6	5.9	11.9	2,127.6
1960—June ..	846.8	623.4	290.4	196.6	141.7	69.4	6.3	13.1	2,187.7
1961—June ..	841.6	619.4	284.8	195.7	142.2	69.1	6.4	13.5	2,172.7
1961—December	846.9	620.5	275.0	196.0	143.5	69.6	6.5	14.3	2,172.3
FEMALES.									
1957—June ..	309.3	240.4	95.8	62.4	44.5	22.9	1.2	3.7	780.2
1958—June ..	314.4	244.5	95.9	63.4	45.6	23.5	1.3	3.9	792.5
1959—June ..	320.4	252.8	97.9	65.9	47.0	23.3	1.4	4.3	813.0
1960—June ..	340.1	268.1	101.8	69.8	49.2	24.2	1.6	4.8	859.6
1961—June ..	335.5	261.5	100.4	69.4	49.9	24.3	1.8	5.4	848.2
1961—December	344.6	266.2	100.6	70.8	50.7	24.2	1.7	5.5	864.3
PERSONS.									
1957—June ..	1,119.5	826.4	378.4	248.8	182.9	88.9	7.0	13.7	2,865.6
1958—June ..	1,128.3	837.4	378.7	249.4	184.2	90.5	6.9	15.0	2,890.4
1959—June ..	1,139.4	856.2	385.7	257.9	187.0	90.9	7.3	16.2	2,940.6
1960—June ..	1,186.9	891.5	392.2	266.4	190.9	93.6	7.9	17.9	3,047.3
1961—June ..	1,177.1	880.9	385.2	265.1	192.1	93.4	8.2	18.9	3,020.9
1961—December	1,191.5	886.7	375.6	266.8	194.2	93.8	8.2	19.8	3,036.6

(iv) *Factories.* Actual monthly factory employment derived from the results of annual factory censuses is published in the *Bulletin Secondary Industries*, issued by this Bureau.

Additional tables regarding employment in factories may be found in Chapter VI.—Manufacturing Industry, of this Year Book.

3. *Government Employees.*—(i) *States and Territories.* The numbers of civilian employees of Commonwealth Government, State, Local and Semi-Government authorities in each State and Territory at June, 1961, are shown in the following table. These include all employees of government authorities on services such as railways, tramways, banks, post office, air transport, education, broadcasting, television, police, public works, factories and munitions establishments, migrant hostels, etc., as well as administrative employees, within Australia.

CIVILIAN EMPLOYEES OF GOVERNMENT AUTHORITIES, JUNE, 1961.

('000.)

State or Territory.	Commonwealth Government.(a)			State Government.(a)			Local Government.			Total.		
	Males.	Fe-males.	Persons.	Males.	Fe-males.	Persons.	Males.	Fe-males.	Persons.	Males.	Fe-males.	Persons.
N.S.W. . .	59.7	16.3	76.0	138.5	33.5	172.0	31.3	3.7	35.0	229.5	53.5	283.0
Vic. . .	52.9	15.1	68.0	107.3	31.4	138.7	14.7	2.1	16.8	174.9	48.6	223.5
Qld. . .	18.7	5.0	23.7	55.1	9.3	64.4	20.0	1.1	21.1	93.8	15.4	109.2
S.A. . .	19.2	4.0	23.2	42.0	13.8	55.8	3.9	0.4	4.3	65.1	18.2	83.3
W.A. . .	9.9	2.3	12.2	38.6	8.6	47.2	3.7	0.4	4.1	52.2	11.3	63.5
Tas. . .	4.4	1.4	5.8	14.9	4.5	19.4	2.5	0.2	2.7	21.8	6.1	27.9
N.T. . .	3.1	1.0	4.1	..	..	..	0.1	..	0.1	3.2	1.0	4.2
A.C.T. . .	9.4	3.5	12.9	..	..	..	..	..	9.4	3.5	12.9	..
Australia	177.3	48.6	225.9	396.4	101.1	497.5	76.2	7.9	84.1	649.9	157.6	807.5

(a) Includes Semi-Government authorities. See explanation on previous page.

(ii) *Australia*. The following table shows at June in each of the years 1957 to 1961, and at December, 1961, the number of civilian employees of Commonwealth, State, Local and Semi-Government authorities.

CIVILIAN EMPLOYEES OF GOVERNMENT AUTHORITIES: AUSTRALIA.

('000.)

Date.	Commonwealth Government.(a)			State Government.(a)			Local Government.			Total.		
	Males.	Fe-males.	Persons.	Males.	Fe-males.	Persons.	Males.	Fe-males.	Persons.	Males.	Fe-males.	Persons.
June—												
1957 ..	165.6	45.6	211.2	378.1	80.8	458.9	65.8	6.4	72.2	609.5	132.8	742.3
1958 ..	169.8	45.6	215.4	384.4	84.3	468.7	67.6	6.7	74.3	621.8	136.6	758.4
1959 ..	172.7	46.8	219.5	391.3	90.1	481.4	69.9	7.0	76.9	633.9	143.9	777.8
1960 ..	174.1	47.6	221.7	386.2	95.3	481.5	73.0	7.3	80.3	633.3	150.2	783.5
1961 ..	177.3	48.6	225.9	396.4	101.1	497.5	76.2	7.9	84.1	649.9	157.6	807.5
Dec—												
1961 ..	178.3	48.8	227.1	394.0	100.1	494.1	77.0	8.1	85.1	649.3	157.0	806.3

(a) Includes Semi-Government authorities. See explanation on previous page.

§ 2. Unemployment.

The total number of persons "unemployed" has been recorded only at the dates of the various Censuses. At Censuses prior to 1947, persons who were "unemployed" were requested to furnish particulars of the cause and duration of unemployment, but from 1947 onwards the inquiry was broadened to include all persons (usually engaged in industry, business, trade, profession or service) who were out of a job and "not at work" at the time of the Census for whatever reason, including any not normally associated with unemployment. Persons included covered (1) those unable to secure employment; (2) those temporarily laid off their jobs; and (3) those not actively seeking work at the time of the Census on account of sickness or accident, industrial dispute, resting between jobs or for any other reason. This change in the form of the questionnaire probably resulted in some variation in response. The following table sets out the number of persons recorded within these categories at the Censuses of 1933 to 1954. The percentage of "unemployed" at each date to all wage and salary earners, comprising those estimated to be in employment and those unemployed, is also shown. The proportions shown, however, must be regarded as approximate, since the figures for "unemployed" do not necessarily comprise wage and salary earners only. Figures available from the 1961 Census are shown in the Appendix to this volume.

UNEMPLOYMENT (ALL CAUSES): AUSTRALIA, CENSUSES, 1933, 1947 AND 1954.

Date.	Wage and Salary Earners Unemployed. ('000.)			Proportion of Wage and Salary Earners Unemployed. (Per Cent.)		
	Males.	Females.	Persons.	Males.	Females.	Persons.
June, 1933(a) ..	405.4	75.8	481.2	25.4	14.5	22.7
June, 1947(b) ..	66.6	16.9	83.5	3.5	2.5	3.2
June, 1954(b) ..	41.0	14.0	55.0	1.8	1.9	1.8

(a) As recorded at the Census. In addition, there were considerable numbers of youths and young women of working ages who had never been employed at the time of the Census. (b) Persons in the work force who were "not at work" (see explanation above) at the time of the Census.

The following table shows the numbers of males and females "unemployed" or "not at work" classified according to cause of unemployment at the Censuses of 1933, 1947 and 1954. The change in the form of questionnaire after 1933 should be borne in mind.

CAUSES OF UNEMPLOYMENT: AUSTRALIA, CENSUSES, 1933, 1947 AND 1954.

Year.	Unable to Secure Employment.	Temporarily Laid Off.	Illness.	Accident.	Industrial Dispute.	Other.	Total.
MALES.							
1933 ..	374,569	(a)	18,083	4,702	1,595	6,483	405,432
1947(b) ..	17,314	12,458	14,639	2,985	475	(c) 18,743	66,614
1954(b) ..	9,912	4,423	11,879	2,804	344	(c) 11,652	41,014
FEMALES.							
1933 ..	62,630	(a)	9,193	434	95	3,465	75,817
1947(b) ..	2,254	2,449	4,396	280	24	(c) 7,512	16,915
1954(b) ..	3,685	1,386	4,310	318	17	(c) 4,284	14,000

(a) Not available. (b) See note (b) to previous table. (c) The majority of these persons were resting between jobs or changing jobs.

Details of the number of persons receiving unemployment and sickness benefits and the payments made are shown in Chapter XVIII.—Welfare Services. Current figures are included in the *Monthly Bulletin of Employment Statistics*, *Quarterly Summary of Australian Statistics*, *Monthly Review of Business Statistics* and *Digest of Current Economic Statistics*.

§ 3. Commonwealth Employment Service.

Statutory warrant for the Commonwealth Employment Service (C.E.S.) is to be found in the Re-establishment and Employment Act 1945–1959 (sections 47 and 48). In brief, the main functions of the Service are to assist people seeking employment to obtain positions best suited to their training, experience, abilities and qualifications; and to assist employers seeking labour to obtain employees best suited to the demands of the employers' particular class of work.

The organization and functions of the C.E.S. conform to the provisions of the Employment Service Convention 1948 of the International Labour Organization, which was ratified by Australia in December, 1949. In addition, C.E.S. practices follow substantially the provisions of the I.L.O. Employment Service Recommendation, 1948.

The C.E.S. functions within the Employment Division of the Department of Labour and National Service, on a decentralized basis. The Central Office is in Melbourne and there is a Regional Office in the capital city of each State, with 137 District Employment Offices and Branch Offices in suburban and the larger provincial centres and 336 agents in the smaller country centres. The District Employment Offices and Branch Offices are distributed as follows: New South Wales, 53; Victoria, 36; Queensland, 19; South Australia, 11; Western Australia, 12; Tasmania, 4; Northern Territory, 1; Australian Capital Territory, 1.

The C.E.S. provides specialized facilities for young people, persons with physical and mental handicaps, ex-members of the defence forces, migrants, rural workers and persons with professional and technical qualifications. Vocational guidance is provided free of charge by a staff of qualified psychologists. It is available to any person, but is provided particularly for young people, ex-servicemen and the physically handicapped. In New South Wales the State Department of Labour and Industry offers a similar service, mainly to young people leaving school.

The C.E.S. has responsibilities in the administration of the unemployment and sickness benefits provided under the Social Services Act 1947–1962. All applicants for benefits must register at a District Employment Office or agency of the C.E.S., which is responsible for certifying whether or not suitable employment can be offered to them.

The C.E.S. is responsible for placing in employment migrant workers sponsored by the Commonwealth under the Commonwealth Nomination and similar schemes. This includes arranging for them to move to their initial employment and for their admission, if necessary, to Commonwealth migrant hostels. Assistance to obtain employment is provided to other migrants as required. From the inception of the various free and assisted schemes, including the Displaced Persons Scheme, to the end of December, 1961, about 210,500 British and European migrant workers had been placed in employment by the C.E.S. Since 1951, it has been responsible for recruiting Australian experts for oversea service under the Colombo Plan and the United Nations Expanded Programme of Technical Assistance. The principal spheres in which experts have been supplied are agriculture, education, engineering, geology, health and economic and scientific research and development.

In association with placement activities, regular surveys of the labour market are carried out, and detailed information is supplied to interested Commonwealth and State Government Departments and instrumentalities and to the public. Employers, employees and other interested persons are advised on labour availability and employment opportunities in various occupations and areas and on other matters concerning employment.

The service completed its fifteenth year of operation in May, 1961. During the year ended 31st December, 1961, there were 970,772 applicants who registered for employment, of whom 513,744 were referred to employers and 350,303 placed in employment. New vacancies notified numbered 457,409 and vacancies unfilled at the end of December, 1961, 24,284.

Prior to the setting up of the Commonwealth Employment Service, State Labour Exchange Organizations existed in several States, but they have been superseded. Details of the organization and administration of these exchanges were given in *Labour Report* No. 30, page 133.

§ 4. Industrial Disputes.

1. **General.**—Detailed information regarding industrial disputes involving stoppage of work is given in the *Labour Report*. A table showing statistics of industrial disputes for each year from 1913 is contained in Section XIII. of the Appendix to *Labour Report* No. 48, 1960.

Particulars of all disputes in progress during the year are included in the annual figures whether the dispute commenced in that year or was in progress at the beginning of the year. Consequently, details of "the number of disputes" and "workers involved" in disputes which commenced in any year and were still in progress during the following year are included in the figures for both years.

2. **Industrial Groups.**—The following table gives, for Australia as a whole, particulars of industrial disputes which were in progress during 1961, classified according to industrial groups. As from 1959, the industrial groups have been rearranged to conform, as nearly as may be, to the order adopted in other tables in this chapter. However, the figures for each industrial group shown are comparable with those published in issues of the Official Year Book prior to No. 46, 1960.

INDUSTRIAL DISPUTES(a): INDUSTRIAL GROUPS, AUSTRALIA, 1961.

Industrial Group.	Num-ber.	Workers Involved.			Working Days Lost.	Esti-mated Loss in Wages. (£).
		Directly.	In-directly. (b)	Total.		
Agriculture, Grazing, etc.						
Coal Mining	235	41,058	39	41,097	70,767	301,890
Other Mining and Quarrying	9	5,861	410	6,271	113,107	724,333
Engineering, Metal Works, etc.	124	42,512	4,275	46,787	148,221	597,505
Textiles, Clothing and Footwear	4	898		898	1,492	4,788
Food, Drink and Tobacco	64	26,831	5,388	32,219	44,616	162,860
Sawmilling, Furniture, etc.	2	3,681	14	3,695	2,024	8,000
Paper, Printing, etc.	8	1,953	213	2,166	2,867	10,544
Other Manufacturing	68	37,653	435	38,088	67,245	257,082
Building and Construction	101	21,381	491	21,872	48,302	229,273
Railway and Tramway Services	13	31,884	557	32,441	21,238	80,213
Road and Air Transport	22	7,111		7,111	11,016	48,274
Shipping	2	39		39	27	110
Stevedoring	151	61,092		61,092	61,467	245,639
Amusement, Hotels, Personal Service, etc. .. .	7	3,765		3,765	3,572	12,735
Other Industries (c)	5	2,807	9	2,816	10,850	40,535
Total	815	288,526	11,831	300,357	606,811	2,723,781

(a) Refers only to disputes involving a stoppage of work of 10 man-days or more. (b) Persons thrown out of work at the establishments where the stoppages occurred but not themselves parties to the dispute. (c) Includes Communication; Finance and Property; Wholesale and Retail Trade; Public Authority (n.e.i.) and Community and Business Services.

A graph showing, for the years 1952 to 1961, the working days lost as a result of industrial disputes in the main industrial groups is shown on page 414.

3. **States and Territories.**—The following table gives particulars of the number of industrial disputes in each State and Territory, together with the number of workers involved and the losses in working days and wages caused by disputes which were current during each of the years 1957 to 1961.

INDUSTRIAL DISPUTES(a): STATES AND TERRITORIES.

State or Territory.	Year.	Number.	Workers Involved.			Working Days Lost.	Estimated Loss in Wages. (£)
			Directly.	Indirectly. (b)	Total.		
New South Wales ..	1957	761	253,041	5,950	258,991	505,910	1,860,101
	1958	624	137,922	3,906	141,828	231,537	832,644
	1959	547	123,558	2,493	126,051	211,352	819,585
	1960	736	289,266	7,646	296,912	416,762	1,731,930
	1961	529	131,661	5,295	136,956	318,629	1,316,110
Victoria ..	1957	47	8,728	453	9,181	13,444	45,576
	1958	66	45,594	1,124	46,718	99,855	340,346
	1959	60	31,134	1,107	32,241	35,890	131,440
	1960	98	86,002	2	86,004	102,805	397,117
	1961	91	51,447	1,300	52,747	72,471	304,745
Queensland ..	1957	221	43,123	4,611	47,734	95,300	348,422
	1958	203	60,208	2,024	62,232	87,866	343,662
	1959	175	50,883	3,996	54,879	90,777	330,653
	1960	173	155,073	3,566	158,639	153,061	594,715
	1961	123	73,442	4,798	78,240	168,958	914,566
South Australia ..	1957	13	6,274	7	6,281	3,703	12,571
	1958	22	8,129	62	8,191	9,338	34,540
	1959	21	5,437	..	5,437	7,487	24,950
	1960	42	25,735	12	25,747	16,568	61,820
	1961	26	17,012	321	17,333	17,256	66,785
Western Australia ..	1957	14	5,352	..	5,352	3,068	10,801
	1958	20	10,847	160	11,007	2,970	10,382
	1959	20	10,864	383	11,247	11,243	39,620
	1960	43	25,684	..	25,684	27,342	106,557
	1961	22	9,588	99	9,687	23,233	94,561
Tasmania ..	1957	36	7,236	..	7,236	5,330	18,294
	1958	24	9,268	..	9,268	4,508	15,066
	1959	34	6,348	..	6,348	6,593	24,375
	1960	40	9,142	..	9,142	6,991	27,553
	1961	14	4,645	16	4,661	4,622	19,053
Northern Territory ..	1957	9	2,183	..	2,183	2,428	9,241
	1958	27	3,535	..	3,535	3,376	12,563
	1959	9	1,007	11	1,018	966	3,537
	1960	9	942	..	942	1,226	5,308
	1961	4	456	..	456	709	4,035
Australian Capital Territory	1957	2	58	27	85	1,030	3,616
	1958	1	70	..	70	440	1,400
	1959	3	238	12	250	731	3,060
	1960	4	209	..	209	352	1,796
	1961	6	275	2	277	933	3,926
Australia ..	1957	1,103	325,995	11,048	337,043	630,213	2,308,622
	1958	987	275,573	7,276	282,849	439,890	1,590,603
	1959	869	229,469	8,002	237,471	365,039	1,377,220
	1960	1,145	592,053	11,226	603,279	725,107	2,926,796
	1961	815	288,526	11,831	300,357	606,811	2,723,781

(a) Refers only to disputes involving a stoppage of work of 10 man-days or more. (b) Persons thrown out of work at the establishments where the stoppages occurred but not themselves parties to the dispute.

4. Duration.—The following table gives particulars of industrial disputes during 1961 in the three groups "Coal Mining", "Stevedoring" and "Other Industries", classified according to duration. This dissection has been made because the pattern of the disputes in coal mining and stevedoring differs significantly from that in other industries.

DURATION OF INDUSTRIAL DISPUTES(a): AUSTRALIA, 1961.

Duration.(b)	Coal Mining.	Steve-doring.	Other Indus-tries.	All Indus-tries.
NUMBER OF DISPUTES.				
1 day and less ..	160	118	208	486
2 days and more than 1 day ..	34	19	68	121
3 days and more than 2 days ..	24	7	57	88
Over 3 days and less than 1 week ..	5	5	40	50
1 week and less than 2 weeks ..	8	2	33	43
2 weeks and less than 4 weeks ..	4	..	15	19
4 weeks and less than 8 weeks ..	..	..	7	7
8 weeks and over ..	..	..	1	1
Total ..	235	151	429	815

(a) Refers only to disputes involving a stoppage of work of 10 man-days or more. (b) One week equals five working days.

DURATION OF INDUSTRIAL DISPUTES(a): AUSTRALIA, 1961—*continued.*

Duration.(b)	Coal Mining.	Stevedoring.	Other Industries.	All Industries.
WORKERS INVOLVED(c).				
1 day and less	20,955	46,831	128,486	196,272
2 days and more than 1 day	12,091	11,538	32,955	56,584
3 days and more than 2 days	5,811	537	9,694	16,042
Over 3 days and less than 1 week	341	621	11,233	12,195
1 week and less than 2 weeks	958	1,565	4,015	6,538
2 weeks and less than 4 weeks	941	..	3,765	4,706
4 weeks and less than 8 weeks .. .. .	..	..	5,640	5,640
8 weeks and over .. .. .	..	..	2,380	2,380
Total	41,097	61,092	198,168	300,357

WORKING DAYS LOST.

1 day and less	19,243	28,445	75,015	122,703
2 days and more than 1 day	17,812	14,874	44,322	77,008
3 days and more than 2 days	15,199	1,433	24,835	41,467
Over 3 days and less than 1 week	1,418	2,375	43,590	47,383
1 week and less than 2 weeks	5,841	14,340	25,465	45,646
2 weeks and less than 4 weeks	11,254	..	50,241	61,495
4 weeks and less than 8 weeks .. .. .	..	..	115,576	115,576
8 weeks and over .. .. .	..	..	95,533	95,533
Total	70,767	61,467	474,577	606,811

(a) Refers only to disputes involving a stoppage of work of 10 man-days or more. (b) One week equals five working days. (c) Includes workers indirectly involved. See note (b) to table at top of p. 458.

5. Causes.—(i) *General.* In issues of the Official Year Book prior to No. 40, the causes of industrial disputes were classified in some detail for all industries combined. As from 1950, however; stoppages have been analysed in three separate groups, "Coal Mining", "Stevedoring" and "Other Industries".

Causes have been grouped under four main headings:—(1) Wages, Hours and Leave; (2) Physical Working Conditions and Managerial Policy; (3) Trade Unionism; (4) Other Causes. The first group is restricted to disputes involving general principles relating to wages, hours and leave; minor questions regarding the claims to pay or leave by individual employees are included under managerial policy. The second group comprises disputes regarding physical working conditions and general questions of managerial policy, which term covers disciplinary action, the promotion of employees, the employment of particular individuals, personal disagreements between employees and supervisory staff and disputes arising from the computation of wages, leave, etc., in individual cases. The third group includes stoppages over employment of non-unionists, inter-union and intra-union disputes, disputes over recognition of union activities, and sympathy stoppages in support of employees in another industry. The last group comprises disputes by way of protest against situations not arising from the usual relationship of employer and employee, e.g., political matters, and cases (occurring mainly in the coal mining industry) where the cause of the stoppage is not officially made known to the management.

(ii) *Industry Groups.* The following table shows particulars of industrial disputes for 1961 classified according to cause in three industry groups.

CAUSES OF INDUSTRIAL DISPUTES(a): AUSTRALIA, 1961.

Cause of Dispute.	Coal Mining.	Stevedoring.	Other Industries.	All Industries.
NUMBER OF DISPUTES.				
Wages, Hours and Leave	7	8	108	123
Physical Working Conditions and Managerial Policy ..	138	120	267	525
Trade Unionism	24	11	31	66
Other	66	12	23	101
Total	235	151	429	815

WORKERS INVOLVED.(b)				
Wages, Hours and Leave	296	19,433	94,396	114,125
Physical Working Conditions and Managerial Policy ..	16,920	23,870	61,335	102,125
Trade Unionism	2,747	4,070	6,980	13,797
Other	21,134	13,719	35,457	70,310
Total	41,097	61,092	198,168	300,357

WORKING DAYS LOST.				
Wages, Hours and Leave	305	19,311	229,248	248,864
Physical Working Conditions and Managerial Policy ..	36,776	18,366	206,312	261,454
Trade Unionism	3,785	16,323	13,913	34,021
Other	29,901	7,467	25,104	62,472
Total	70,767	61,467	474,577	606,811

(a) Refers only to disputes involving a stoppage of work of 10 man-days or more. (b) Includes workers indirectly involved. See note (b) to table at top of page 458.

(iii) *Summary, 1957 to 1961.* The following table gives particulars of industrial disputes according to cause for the years 1957 to 1961.

CAUSES OF INDUSTRIAL DISPUTES(a): AUSTRALIA.

Cause of Dispute.	1957.	1958.	1959.	1960.	1961.
NUMBER OF DISPUTES.					
Wages, Hours and Leave	75	73	105	213	123
Physical Working Conditions and Managerial Policy ..	674	630	556	648	525
Trade Unionism	70	80	86	127	66
Other	284	204	122	157	101
Total	1,103	987	869	1,145	815

WORKERS INVOLVED.(b)					
Wages, Hours and Leave	62,708	15,861	74,327	228,695	114,125
Physical Working Conditions and Managerial Policy ..	151,863	158,729	108,839	154,401	102,125
Trade Unionism	13,612	16,432	21,564	43,321	13,797
Other	108,860	91,827	32,741	176,862	70,310
Total	337,043	282,849	237,471	603,279	300,357

WORKING DAYS LOST.					
Wages, Hours and Leave	181,839	56,214	118,010	254,926	248,864
Physical Working Conditions and Managerial Policy ..	321,422	279,253	185,282	277,755	261,454
Trade Unionism	19,460	23,139	28,826	64,617	34,021
Other	107,492	81,284	32,921	127,809	62,472
Total	630,213	439,890	365,039	725,107	606,811

(a) Refers only to disputes involving a stoppage of work of 10 man-days or more. (b) Includes workers indirectly involved. See note (b) to table at top of page 458.

6. Methods of Settlement.—The following table shows particulars of industrial disputes for 1961 classified according to method of settlement, in three industry groups.

INDUSTRIAL DISPUTES(a): METHODS OF SETTLEMENT, AUSTRALIA, 1961.

Method of Settlement.	Coal Mining.	Stevedoring.	Other Industries.	All Industries.
NUMBER OF DISPUTES.				
By private negotiation	36	9	101	146
By mediation not based on legislation .. .. .	..	..	1	1
State legislation—				
Under State Conciliation, etc., legislation	1	..	84	85
By reference to State Government officials .. .. .	..	..	..	..
Commonwealth and Commonwealth-State legislation—				
Industrial Tribunals under—				
Conciliation and Arbitration Act .. .. .	..	5	80	85
Coal Industry Acts	25	..	..	25
Stevedoring Industry Act .. .. .	..	9	..	9
Other Acts .. .. .	..	..	..	..
By reference to Commonwealth Government officials .. .. .	..	72	..	72
By filling places of workers on strike or locked out .. .. .	..	..	..	..
By closing down establishment permanently .. .. .	..	..	..	..
By resumption without negotiation	173	56	163	392
By other methods .. .. .	..	..	..	..
Total	235	151	429	815

WORKERS INVOLVED.(b)

By private negotiation	2,699	706	16,776	20,181
By mediation not based on legislation .. .. .	..	..	400	400
State legislation—				
Under State Conciliation, etc., legislation	5	..	27,663	27,668
By reference to State Government officials .. .. .	..	..	..	..
Commonwealth and Commonwealth-State legislation—				
Industrial Tribunals under—				
Conciliation and Arbitration Act .. .. .	..	950	11,373	12,323
Coal Industry Acts	3,074	..	..	3,074
Stevedoring Industry Act .. .. .	..	6,853	..	6,853
Other Acts .. .. .	..	..	..	..
By reference to Commonwealth Government officials .. .. .	..	5,638	..	5,638
By filling places of workers on strike or locked out .. .. .	..	..	..	..
By closing down establishment permanently .. .. .	..	..	..	..
By resumption without negotiation	35,319	46,945	141,956	224,220
By other methods .. .. .	..	..	..	..
Total	41,097	61,092	198,168	300,357

WORKING DAYS LOST.

By private negotiation	4,273	301	50,828	55,402
By mediation not based on legislation .. .. .	..	..	400	400
State legislation—				
Under State Conciliation, etc., legislation	75	..	240,538	240,613
By reference to State Government officials .. .. .	..	..	..	..
Commonwealth and Commonwealth-State legislation—				
Industrial Tribunals under—				
Conciliation and Arbitration Act .. .. .	..	3,030	68,790	71,820
Coal Industry Acts	10,816	..	..	10,816
Stevedoring Industry Act .. .. .	..	18,056	..	18,056
Other Acts .. .. .	..	..	..	..
By reference to Commonwealth Government officials .. .. .	..	5,131	..	5,131
By filling places of workers on strike or locked out .. .. .	..	..	..	..
By closing down establishment permanently .. .. .	..	..	..	..
By resumption without negotiation	55,603	34,949	114,021	204,573
By other methods .. .. .	..	..	..	..
Total	70,767	61,467	474,577	606,811

(a) Refers only to disputes involving a stoppage of work of 10 man-days or more. workers indirectly involved. See note (b) to table at top of page 458.

(b) Includes

F. WORKERS' COMPENSATION LEGISLATION.

A conspectus of the principal provisions of Workers' Compensation Acts in force in Australia at 30th June, 1960, will be found in *Labour Report* No. 48, pages 157-65.

G. LABOUR ORGANIZATIONS.

§ 1. Labour Organizations in Australia.

1. Registration.—(i) *Under Trade Union Acts.* In earlier issues of the Official Year Book (see No. 39, p. 448) reference was made to the registration of trade unions under the Trade Union Acts. In general, the available information is inadequate for statistical purposes.

(ii) *Under State Industrial Legislation.* Information with regard to registrations of employers' associations and trade unions under the various State Industrial Arbitration Acts will be found in earlier issues of the Official Year Book (see No. 39, p. 448).

(iii) *Under the (Commonwealth) Conciliation and Arbitration Act.* Under Part VIII. of the Conciliation and Arbitration Act 1904–1960, any association of employers in any industry who have, or any employer who has, employed, on an average taken per month, not less than 100 employees during the six months preceding application for registration, or any association of not less than 100 employees in any industry, may be registered. However, under the Public Service Arbitration Act, an association of less than 100 employees may be registered as an organization, provided that its members comprise at least three-fifths of all persons engaged in that industry in the Service. Such organizations are included in the figures shown below. Registered unions include both interstate associations and associations operating within one State only. Registration under Commonwealth legislation began in 1906. At the end of 1961, the number of employers' organizations registered under the provisions of the Conciliation and Arbitration Act was 64. The number of unions of employees registered at the end of 1961 was 154, with a membership of 1,529,315 representing 81 per cent. of the total membership of all trade unions in Australia.

2. Particulars regarding Trade Unions.—(i) *Types.* The trade unions in Australia are very diverse in character, and range from the small independent association to the large interstate organization, which, in its turn, may be a branch of an international body. Broadly speaking, there are four distinct classes of labour organizations:—(a) the local independent; (b) the State; (c) the interstate; and (d) the Australasian or international; but a number of variations occur from each of these classes. The schemes of organization of interstate or federated unions vary greatly in character. In some unions, the State organizations are bound together under a system of unification with centralized control, while in others the State units are practically independent and self-governing, the federal bond being loose and existing only for one or two specified purposes.

(ii) *Number and Membership.* Returns showing membership by States as at 31st December each year are obtained for all trade unions and employee organizations. The affairs of single organizations are not disclosed in the published results and this has assisted in securing complete information. The Bureau is indebted to the secretaries of trade unions for their co-operation in supplying information. The following table shows the position at the end of each of the years 1959 to 1961.

TRADE UNIONS: NUMBER AND MEMBERSHIP.

State or Territory.	Number of Separate Unions.			Number of Members.			Percentage Increase in Membership.(b)		
	1959.	1960.	1961.	1959.	1960.	1961.	1959.	1960.	1961.
New South Wales ..	234	231	226	741,610	768,458	743,581	1.4	3.6	-3.2
Victoria ..	159	157	156	461,314	479,244	486,760	3.9	3.9	1.6
Queensland ..	129	133	133	322,150	327,416	329,746	2.7	1.6	0.7
South Australia ..	135	136	134	147,093	153,468	151,488	0.0	4.3	-1.3
Western Australia ..	154	155	152	114,497	115,941	115,000	0.0	1.3	-0.8
Tasmania ..	97	101	103	54,136	56,006	56,873	5.1	3.5	1.5
Northern Territory ..	23	25	24	2,552	3,091	2,904	-4.9	21.1	-6.0
Australian Capital Territory ..	29	31	34	7,375	8,768	8,251	13.7	18.9	-5.9
Australia ..	(a)369	(a)363	(a)355	1,850,727	1,912,392	1,894,603	2.2	3.3	-0.9

(a) Without interstate duplication. See below. (b) On preceding year.

NOTE.—Minus sign (-) denotes decrease.

In the preceding table, under the heading "Number of Separate Unions", a union reporting members in a State is counted as one union within that State. The figures by States do not add to the Australian total (shown in the last line) because a union represented in more than one State is included in the figure for each State in which it is represented, but is counted only once in the Australian total.

A table showing the number and membership of trade unions in Australia for the years 1912 to 1960 will be found in Section XIV. of the Appendix to *Labour Report* No. 48.

(iii) *Classification in Industrial Groups.* The following table shows the number of unions and members thereof in Australia at the end of each of the years 1959 to 1961.

The industrial groups have been rearranged to conform, as nearly as may be, to the order adopted in other tables in this chapter. However, the figures for each industrial group shown are comparable with those published in previous issues.

TRADE UNIONS: INDUSTRIAL GROUPS, AUSTRALIA.

Industrial Group.	1959.		1960.		1961.	
	No. of Unions. (a)	No. of Members.	No. of Unions. (a)	No. of Members.	No. of Unions. (a)	No. of Members.
Agriculture, Grazing, etc.	3	62,681	3	63,459	3	61,420
Mining and Quarrying	12	40,795	12	37,724	12	35,288
Manufacturing—						
Engineering, Metal Works, etc.	15	280,848	14	292,355	13	291,541
Textiles, Clothing and Footwear	7	99,381	7	103,848	7	95,273
Food, Drink and Tobacco	34	116,727	34	119,813	34	128,016
Sawmilling, Furniture, etc.	7	46,544	7	43,945	7	41,954
Paper, Printing, etc.	6	48,226	6	51,763	6	51,810
Other Manufacturing	34	88,929	32	92,571	32	82,584
Total Manufacturing	103	680,655	100	704,295	99	691,178
Building and Construction	29	137,231	28	137,825	28	143,923
Railway and Tramway Services	25	136,444	25	139,050	25	133,823
Road and Air Transport	10	55,305	10	56,003	10	58,363
Shipping and Stevedoring	14	36,624	14	36,108	14	35,016
Banking, Insurance and Clerical	20	109,040	20	112,819	19	118,850
Wholesale and Retail Trade	12	77,839	11	81,719	11	75,748
Public Administration(b)	75	318,618	75	331,166	73	341,000
Amusement, Hotels, Personal Service, etc	25	64,926	25	69,571	23	51,393
Other Industries(c)	41	130,569	40	142,653	38	148,601
Total	369	1,850,727	363	1,912,392	355	1,894,603

(a) Without interstate duplication. See para. (ii) above. (b) Includes Communication Municipal, etc. (c) Includes Professional Services.

(iv) *Number of Members and Proportion of Wage and Salary Earners.* The following table shows the estimated percentages of wage and salary earners in employment who are members of trade unions. As current estimates of wage and salary earners in employment do not include employees engaged in rural industry or females in private domestic service, the percentages have been calculated on figures obtained by adding to the end of year estimates the number of employees in rural industry and females in private domestic service recorded at the Census of 30th June, 1954. For this reason, and also because the membership of trade unions includes some persons not in employment, the percentages shown in the table must be regarded as approximations.

TRADE UNIONS: NUMBER OF MEMBERS AND PROPORTION OF TOTAL WAGE AND SALARY EARNERS, AUSTRALIA.

Year.	Number of Members.			Proportion of Total Wage and Salary Earners. (Per cent.)		
	Males.	Females.	Persons.	Males.	Females.	Persons.
1957	1,463,985	346,169	1,810,154	65	42	59
1958	1,465,682	345,536	1,811,218	65	41	58
1959	1,494,669	356,058	1,850,727	65	41	58
1960	1,534,423	377,969	1,912,392	65	41	58
1961	1,521,900	372,703	1,894,603	65	41	59

(v) *Interstate or Federated Trade Unions.* The following table gives particulars of the number and membership of interstate or federated trade unions in 1961.

INTERSTATE OR FEDERATED TRADE UNIONS(a): AUSTRALIA, 1961.

Particulars.	Unions Operating in—					Total.
	2 States.	3 States.	4 States.	5 States.	6 States.	
Number of Unions	13	8	21	32	66	140
„ „ Members	29,939	63,631	183,261	404,810	1,001,917	1,683,558

(a) Certain unions in this group have, in addition to branches in the States, branches in the Northern Territory and/or in the Australian Capital Territory.

3. **Central Labour Organizations.**—Delegate organizations, consisting of representatives from a group of trade unions, have been established in each of the capital cities and in a number of industrial centres elsewhere. Their revenue is raised by means of a *per capita* tax on the members of each affiliated union. In most of the towns where such central organizations exist, the majority of the local unions are affiliated with the central organization, which is usually known as the Labour or the Trades Hall Council. In Western Australia, a unified system of organization extends over the industrial centres throughout the State. In this State, there is a provincial branch of the Australian Labour Party, having a central council and executive, and metropolitan and branch district councils, with which the local bodies are affiliated. The central council, on which all district councils are represented, meets periodically. In the other five States, however, the organization is not so close, and, while provision usually exists in the rules of the central council at the capital city of each State for the organization of district councils or for the representation of the central council on the local councils in the smaller industrial centres of the State, the councils in each State are generally independent bodies.

The table below shows the number of metropolitan and district or local labour councils, together with the number of unions and branches of unions affiliated therewith in each State and Territory at the end of 1961.

CENTRAL LABOUR ORGANIZATIONS: NUMBER, AND UNIONS AND BRANCH UNIONS AFFILIATED, 1961.

Particulars.	N.S.W.	Vic.	Q'land.	S. A.	W.A.	Tas.	N.T.	A.C.T.	Total
Number of Councils ..	12	9	12	6	10	5	..	1	55
Number of Unions and Branch Unions affiliated	335	278	178	155	411	117	..	24	1,500

The figures given in the preceding table concerning the number of unions do not necessarily represent separate unions, since the branches of a large union may be affiliated with the local trades councils in the several towns in which they are represented.

A Central Labour Organization, now called the Australian Council of Trade Unions, came into being during 1927. The Council was created to function on behalf of the trade unions of Australia, and was founded at an All-Australian Trade Union Congress held in Melbourne in May, 1927. The A.C.T.U. consists of affiliated unions and affiliated Metropolitan and/or State Labour Councils and Provincial Councils. The Metropolitan or State Labour Council in each State is the State Branch of the A.C.T.U. and has the right to appoint one representative to act on the executive of the Council. In addition to the representatives of the State Branches of the A.C.T.U., six delegates are elected by and from Congress, one

from each of the following industry groups of unions:—Building, Food and Distributive Services, Manufacturing, Metal, Services, Transport. To this executive are added the four officers, namely, President, two Vice-Presidents and Secretary, who are elected by and from the Australian Congress of Trade Unions.

The ordinary meetings of Congress are held in each alternate year. Special meetings of Congress shall be held whenever deemed advisable by decisions of the executive, as approved by the majority of its branches, or by resolution of unions representing one-third of the total membership of the A.C.T.U.

The objectives of the A.C.T.U. are the socialization of industry, i.e., production, distribution and exchange, and the utilization of the resources of Australia for the benefit of the people—ensuring full employment, with rising standards of living, real security and full cultural opportunities for all. The methods to be adopted are:—the closer organization of the workers by the transformation of the Australian trade union movement from the craft to an industrial basis, by grouping of unions in their respective industries and by the amalgamation of unions with a view to the establishment of one union in each industry; the consolidation of the Australian Labour Movement, with the object of unified control, administration and action; the centralized control of industrial disputes; educational propaganda among unions; and political action to secure satisfactory working-class legislation.

The A.C.T.U. was the first interstate body in Australia with authority to deal with industrial matters of an interstate character affecting the trade union movement generally. It is also the body responsible for submitting to the Commonwealth Government the names of persons suitable for selection as the Australian workers' delegate to the annual International Labour Conference.

All the major unions are affiliated with the A.C.T.U., with the exception of the largest, the Australian Workers' Union, which is itself virtually a central organization of branches catering in the main for employees in rural and constructional pursuits.

Between the trade union and the central organization of unions may be classed certain State or district councils organized on trade lines, and composed of delegates from separate unions whose members' interests are closely connected because of their occupations. Delegate councils of bakers, bread carters and mill employees, or of unions connected directly or indirectly with the iron, steel, or brass trades, or with the building trades, may be so classed.

§ 2. International Labour Organization.

The International Labour Organization (I.L.O.) was established on 11th April, 1919, as an autonomous institution associated with the League of Nations. Its original constitution was adopted as Part XIII. of the Treaty of Versailles and formed part of other treaties of peace. During the years between its establishment and the outbreak of the 1939–45 War, the I.L.O., with headquarters at Geneva, played a leading role in promoting the improvement of labour conditions throughout the world.

In 1940, in order to ensure that the I.L.O. should be able to continue to function freely, a working centre was established at Montreal, Canada. In 1946, the Organization became the first of the specialized agencies of the United Nations. Under the terms of agreement, the United Nations recognizes the I.L.O. as a specialized agency having responsibility in the field defined by its constitution, which embraces labour conditions, industrial relations, employment organization, social security and other aspects of social policy. The Organization has three basic parts. These are the International Labour Conference, its highest authority, which as a rule meets annually; the Governing Body, its executive council, which usually meets three times each year; and the International Labour Office, which provides the secretariat of the Organization. The Conference is composed of delegations from the Member States of the Organization. At the end of 1961, there were 101 Member States, each of which is entitled to be represented by four delegates—two government, one representing employers and one representing workers, together with their advisers. Each delegate speaks and votes independently, so that all points of view in each country are fully expressed. The Governing Body consists of the representatives of twenty governments

and ten employers' and ten workers' representatives. Of the twenty government representatives, half are from the ten countries of major industrial importance and ten are elected by the remaining governments. These latter ten government representatives and the ten employers' and ten workers' titular delegates and the deputy members of the three groups are elected by their groups at the Conference every three years. Since the 1939-45 War, Australia has alternated as a member and deputy member of the government group, and is at present a deputy member. Particulars are given in *Labour Report* No. 48 of the proceedings of International Labour Conferences up to the 44th Session, held in Geneva in June, 1960. For details of I.L.O. conventions ratified by Australia see *Labour Report* Nos. 47 and 48.