## CHAPTER III.—WAGES AND HOURS.

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

1. **General.**—Particulars regarding the operation of Commonwealth and State Acts for the regulation of wages, hours and conditions of work were first compiled for the year 1913 and particulars for later years have appeared in subsequent issues of the Labour Report.

2. **Laws Regulating Industrial Matters.**—The principal Acts in force regulating rates of wage, hours of labour and working conditions generally in both Commonwealth and State jurisdictions at the end of 1960 are listed below:—

COMMONWEALTH.

Conciliation and Arbitration Act 1904–1960.
Public Service Arbitration Act 1920–1960.
Coal Industry Act 1946–1958.
Stevedoring Industry Act 1949–1957.
Snowy Mountains Hydro-electric Power Act 1949–1958.
Navigation Act 1912–1958.

STATES.

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|---|---|
| New South Wales .. | Industrial Arbitration Act, 1940–1959.<br>Coal Industry Act, 1946–1960. |
| Victoria .. .. | Labour and Industry Acts 1958–1960. |
| Queensland .. | Industrial Conciliation and Arbitration Acts, 1932 to 1958. |
| South Australia .. | Industrial Code, 1920–1958. |
| Western Australia .. | Industrial Arbitration Act, 1912–1952.<br>Mining Act, 1904–1957. |
| Tasmania .. .. | Wages Boards Act 1920–1960. |

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

This Act defines " an industrial dispute " as " (*a*) a dispute (including a threatened, impending or probable dispute) as to industrial matters which extends beyond the limits of any one State ; and (*b*) a situation which is likely to give rise to a dispute as to industrial matters which so extends; and includes (*c*) such a dispute in relation to employment in an industry carried on by, or under the control of, a State or an authority of a State; (*d*) a dispute in relation to employment in an industry carried on by, or under the control of, the Commonwealth or an authority of the Commonwealth, whether or not the dispute extends beyond the limits of any one State; and (*e*) a claim which an organization is entitled to submit to the Commission [*see* page 53] 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. Further amendments were made by Act No. 103 of 1956, Act No. 30 of 1958, Act No. 40 of 1959 and Act No. 15 of 1960. A summary of the provisions of the Conciliation and Arbitration Act 1904–1960 is given in the following paragraphs.

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

Special provision is made concerning the right of audience before the Commonwealth Industrial Court. Briefly, except in proceedings which, in general, involve questions of law or offences against the Act, parties are able to elect whether to appear personally or to be represented by lawyers or officials. Even in proceedings involving questions of law, except appeals from decisions by other Courts to the Industrial Court on matters arising under this Act or the Public Service Arbitration Act 1920–1960, the parties may, if they wish and the Court grants leave, be represented by officials.

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

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

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

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

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.

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

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

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

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

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

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

The Commission may make an award in relation to an industrial dispute when the Public Service Arbitrator refrains from dealing with claims made by a Public Service employee organization or consents to the claims being presented to the Commission, though such an award may be inconsistent with a law of the Commonwealth relating to salaries, wages, rates of pay or terms or conditions of service of employees in the Public Service as defined by section three of the Public Service Arbitration Act 1920-1960, not being the Commonwealth Employees Compensation Act 1930-1959, the Commonwealth Employees' Furlough Act 1943-1959, the Superannuation Act 1922-1959 or any other prescribed Act.

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

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

Special war-time bodies were created to deal with specific aspects of the coal industry, reference to which was made in earlier issues of the Labour Report (*see* No. 40, page 53). Under amending legislation passed jointly by the Commonwealth and New South Wales Parliaments in 1951, the Tribunal was vested with authority to deal with all interstate industrial disputes in the coal mining industry, irrespective of the trade union involved, and, in the case of New South Wales, intra-State disputes also. The Tribunal consists of one person, who may appoint two assessors nominated by the parties to advise him in matters relating to any dispute. Subsidiary authorities are the Local Coal Authorities and Mine Conciliation Committees, who may be appointed to assist in the prevention and settlement of certain disputes. An amendment to the Commonwealth Coal Industry Act, passed in 1952, makes it obligatory for the Tribunal to use conciliation and arbitration to settle industrial disputes.

(*e*) *Commonwealth Public Service Arbitrator.*—Wages, hours of work and working conditions in the Commonwealth Public Service are regulated by the Commonwealth Public Service Arbitrator, under powers conferred by the Public Service Arbitration Act 1920–1960. The system of arbitration commenced to operate in 1912, cases being heard by the Commonwealth Court of Conciliation and Arbitration as part of the ordinary work of that Court. In 1920, however, the control was transferred to the Arbitrator, who is appointed by the Government for a term of seven years, and who need not have legal qualifications.

Provision is now made for an organization of employees in the Public Service to submit a claim to the Commonwealth Conciliation and Arbitration Commission with the consent of the Public Service Arbitrator or where the Arbitrator has, other than on the ground of triviality, refrained from hearing or determining the claim. Also, appeals from decisions of the Arbitrator may be made to the Commission.

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

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

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

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

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

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

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

The Western Australian Coal Industry Tribunal, established under the Mining Act, has power to determine any industrial matter in the coal mining industry. It consists of a chairman and four other members (two representatives each of employers and employees). Boards of reference may be appointed by the Tribunal and decisions of the Tribunal may be reviewed by the Court of Arbitration on the application of a party subject to the decision.

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

4. **Awards, Determinations, and Agreements in Force.**—In Labour Reports Nos. 5-36 statistics were published of the number of awards and determinations made and industrial agreements filed, excluding variations, in each State and under Commonwealth legislation dealing with these matters. Statistics were also published, up to and including 1939, showing the number of awards, determinations and industrial agreements in force at the end of each year. These details are not now published because of the difficulty of obtaining precise data.

5. **New Legislation and Special Reports.**—Information concerning the main provisions of various Industrial Acts in force throughout Australia was given in earlier Reports, and brief reviews are furnished in each issue of the more important aspects of new industrial legislation having special application to the terms of awards or determinations. The year 1960 is covered in this issue.

(i) *Commonwealth.*—An amendment (Act No. 15 of 1960) to the Conciliation and Arbitration Act 1904-1959, effective on 14th May, 1960, increased from two to three the number of judges who, together with a chief judge, can comprise the Commonwealth Industrial Court.

(ii) *New South Wales.*—The Coal Industry Act was amended by Act No. 22, 1960, to enable those officers of the Joint Coal Board who were formerly State public servants to derive full benefits from their superannuation contributions. The amendment was effective from 1st February, 1947.

(iii) *Victoria.*—The Labour and Industry Act 1958 was amended on 7th June, 1960, by Act No. 6631.

The amending Act gave the Minister power to intervene in an appeal to the Industrial Appeals Court against a Wages Board Determination. Such intervention, either at the Minister's discretion or on representation to him by an association of consumers of goods or other group with a *bona fide* interest in the operation of the determination, would be for the protection of the public interest. The Court should consider whether the determination appealed against is contrary to the public interest and, in particular, whether it detrimentally affects the interests, convenience or requirements of the public or any substantial section thereof, or whether it may have the effect of restricting reasonable competition in the trade to which it relates, or any associated trade.

The Minister can, in similar circumstances to those in which he has power to intervene in an appeal, refer a determination to the Court for its consideration. Such a reference is to be notified in the Government Gazette, together with the date on which the Court will deal with it. Unlike an appeal, a reference shall not suspend the operation of the determination in whole or in part pending consideration by the Court. The Minister may appear by Council and any person or organization that the Court considers should be heard may appear personally or be represented. In dealing with the reference, the Court is to consider all the matters it is required to consider in an appeal in which the Minister has intervened.

In giving effect to its decision on the appeal or the reference, the Court may exercise in full its power to amend the determination.

Various adjustments were made to the provisions in the Act for the imposition of penalties.

The amendments in relation to intervention in appeals and reference to the Appeals Court by the Minister were proclaimed operative from 1st September, 1960, and those in relation to penalties from 7th June, 1960.

(iv) *Queensland.*—No amendments were made to the Industrial Conciliation and Arbitration Acts during 1960.

(v) *South Australia.*—The Industrial Code was not amended during 1960.

(vi) *Western Australia.*—No amendments to Acts affecting the regulation of wages or conditions of employment were made during 1960.

(vii) *Tasmania.*—(*a*) The Wages Boards Act 1920-1951 was amended by Act No. 67 of 1960, assented to on 19th December, 1960.

The section of the Act which provided for the continuation of determinations made by wages boards appointed under the Wages Board Act 1910 was repealed.

The number of members that may be appointed to a wages board who are officers of either employer or employee organizations or associations in the trade to which the board is related was increased from one to two for each of these groups, but not more than half of the members appointed to a board as representatives of either employers or employees are to be officers of an organization or association. Where there is only one employer in the State in a trade covered by a wages board, one member of the board may be an officer of an organization or association of employers, irrespective of whether he has experience in the trade in accordance with the Act's usual requirements.

A person who is not ordinarily a resident in the State is not eligible for appointment as a member of a board, and a member of a board who ceases to reside in the State shall vacate his position. Any member of a board who is removed from his office on the ground that he has been absent from two or more consecutive meetings of the board without sufficient reason shall not be re-appointed within five years of his removal. Questions on which a board is evenly divided shall be resolved by the board chairman only after he has exhausted all means of obtaining a decision from among board members. A member of a board may appoint a person as his proxy to attend a board meeting. Such a person would have to be eligible for appointment to the board, and would have the same rights at the meeting as the member.

A new section provided for the appointment of a secretary of a board. The secretary, who shall be an officer of the Department of Labour and Industry, is to record the decisions made at a meeting and the chairman shall, if the board agrees that the record is correct, sign this record. A copy is subsequently to be sent to each board member, and copies are to be held by the secretary for inspection by any member of any board.

A board is to fix the date from which a determination is to operate, but this date is to be not earlier than fourteen days before the making of the determination. Any determination of a board made subsequent to an adjournment of a meeting shall have the same date as the first day of the meeting on which a quorum of the board was present. A determination of a board may provide for the settlement of a dispute by either the Chief Inspector of Factories or the chairman of the board, and may, in respect of any matter to which the determination relates, require anything to be done to his satisfaction or prohibit anything being done without his consent.

The sections of the Act under which apprenticeships were regulated were repealed. The term " industrial matters " was redefined to confine it to matters in relation to which a wages board determination had been or could be made. A new section was added under which a person presiding at a compulsory conference convened to prevent or settle an industrial dispute may direct, by order in writing, that any action shown by the conference to be necessary be taken. Such an order cannot require any person to contravene a wages board determination or to make him liable to legal proceedings. The penalty for contravening or failing to comply with the order is £100.

(*b*) The Stevedoring Industry Long Service Leave Act of 1960, dated 19th December, 1960, was proclaimed to operate from 1st February, 1961.

The Act created a fund, administered by the Treasurer, called the Stevedoring Industry Long Service Leave Fund. Into it all amounts recovered or otherwise appropriated under the Act are to be paid, and from it payments required by the Act are to be made. The Treasurer may invest moneys standing to the credit of the Fund in the same way that Trust Fund money may be invested under the Public Account Act 1957.

When a waterside worker, registered at a port in the State, is employed, the employer is to pay a charge at the rate of 3d. for each hour that he is employed. Payments of such charges are to be made to the Treasurer within the time fixed for submitting returns in respect of the employment, but, subject to the approval of the Chief Inspector of Factories, the time in which they are to be made may be extended, or they may be paid in instalments. Within fourteen days after the end of each month, an employer shall furnish to the Chief Inspector a return showing the hours worked during each pay-period ending in the month by registered waterside workers whom he has employed.

A worker is entitled to thirteen weeks' long service leave on ordinary pay after completion of twenty years of continuous registration as a waterside worker, and six and a half weeks' leave for each subsequent ten years. Rights to *pro rata* leave are specified in cases of termination of registration through illness, incapacity, death or other reason not arising from misconduct.

On application by a waterside worker, the Chief Inspector shall determine the period during which leave may be taken, and in determining this period the requirements of the port at which the worker is registered are to be taken into consideration. Leave is to be granted as early as practicable after the application has been made, or at a later date agreed upon by the worker, and it may be taken in one complete period or, by agreement, in two separate periods. No leave is to be taken until three years after the commencement of the Act.

Payments for leave are to be made in weekly instalments except when otherwise agreed between a worker and the Chief Inspector. On termination of service a worker is to be paid on the day following that on which he ceased to be registered. If a worker was registered on the day before his death, his legal personal representative shall be paid on the day following his death for his leave entitlement.

(viii) *Territories.*—No industrial legislation affecting only the Northern Territory or the Australian Capital Territory was passed in 1960.

## § 2. Rates of Wage and Hours of Work.

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

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

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

2. **Indexes of Minimum Weekly and Hourly Wage Rates and Standard Hours of Work.**—This section contains indexes (with base: year 1954 = 100) of minimum weekly and hourly rates of wage and standard hours of work for

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

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

The industrial classification used in the current indexes, shown in the table on page 60, does not differ basically from the previous classification, the alterations being largely in the arrangement of classes. A comparison was given in Labour Report No. 47, page 23. The former 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 new indexes are for representative occupations within each industry. They have been derived entirely from representative awards, determinations and agreements in force at the end of each quarter, commencing with 31st March, 1939, for adult males and 31st March, 1951, for adult females. The index for adult males includes rates for 3,406 award designations. However, as some of these designations are operative within more than one industry, or in more than one State, the total number of individual award occupations is 2,314. For adult females the corresponding numbers are 1,120 and 522. By use of the industry and occupation weights derived from the surveys described above, these rates and hours were combined to give weighted averages for each industrial group for each State and Australia. Weighted averages of the components of the total minimum wage rate, i.e., basic wage, margin and loading, were calculated separately for employees covered by Commonwealth awards, etc., and for those covered by State awards, etc. *See* page 60.

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

The particulars given in this chapter show variations in minimum weekly and hourly rates of wage and standard hours of work from year to year in each State and in various industrial groups. The amounts should not be regarded as actual current averages but as indexes expressed in money and hour terms, indicative of trends. Tables showing particulars of wage rates and index numbers as at the end of each quarter from 31st March, 1939 (for adult males), and 31st March, 1951 (for adult females) to 31st December, 1960, will be found in Sections IV. and V. of the Appendix.

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

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

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

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

| Date. | N.S.W. | Vic. | Qld. | S.A. | W.A. | Tas. | Aust. |
|---|---|---|---|---|---|---|---|
| **RATES OF WAGE.(*b*)** | | | | | | | |
| | s. d. | s. d. | s. d. | s. d. | s. d. | s. d. | s. d. |
| 31st December, 1939 | 100 1 | 97 1 | 99 5 | 94 1 | 100 6 | 92 2 | 98 4 |
| " " 1945 | 122 6 | 121 1 | 118 1 | 116 0 | 120 4 | 115 7 | 120 7 |
| " " 1950 | 206 2 | 201 9 | 195 2 | 197 11 | 200 7 | 198 0 | 202 0 |
| " " 1951 | 250 2 | 240 6 | 229 11 | 236 0 | 241 6 | 238 3 | 242 5 |
| " " 1952 | 280 2 | 270 8 | 258 6 | 270 10 | 275 6 | 272 3 | 273 2 |
| " " 1953 | 287 4 | 278 7 | 264 8 | 273 6 | 283 8 | 283 4 | 280 2 |
| " " 1954 | 293 3 | 284 10 | 275 7 | 281 7 | 287 2 | 287 8 | 286 10 |
| " " 1955 | 305 3 | 295 7 | 283 6 | 285 0 | 300 1 | 293 7 | 297 0 |
| " " 1956 | 322 9 | 309 7 | 302 9 | 296 4 | 312 10 | 313 11 | 313 0 |
| " " 1957 | 324 6 | 316 0 | 304 4 | 306 11 | 321 7 | 318 6 | 317 5 |
| " " 1958 | 329 3 | 319 8 | 317 10 | 312 5 | 324 0 | 323 7 | 322 11 |
| " " 1959 | 350 3 | 344 2 | 334 4 | 339 11 | 340 9 | 347 0 | 344 8 |
| 31st March, 1960 | 354 9 | 349 2 | 338 11 | 341 4 | 345 3 | 347 11 | 348 11 |
| 30th June, 1960 | 356 6 | 349 5 | 344 8 | 341 9 | 350 4 | 349 7 | 350 11 |
| 30th September, 1960 | 358 7 | 349 8 | 347 4 | 342 0 | 355 10 | 351 2 | 352 8 |
| 31st December, 1960 | 362 8 | 349 10 | 350 8 | 342 1 | 358 1 | 351 11 | 354 11 |
| **INDEX NUMBERS.** | | | | | | | |
| *(Base: Weighted Average Weekly Wage Rate, Australia, 1954 = 100.)* | | | | | | | |
| 31st December, 1939 | 35.4 | 34.4 | 35.2 | 33.3 | 35.6 | 32.6 | 34.8 |
| " " 1945 | 43.4 | 42.9 | 41.8 | 41.1 | 42.6 | 40.9 | 42.7 |
| " " 1950 | 73.0 | 71.4 | 69.1 | 70.1 | 71.0 | 70.1 | 71.5 |
| " " 1951 | 88.6 | 85.2 | 81.4 | 83.6 | 85.5 | 84.4 | 85.8 |
| " " 1952 | 99.2 | 95.8 | 91.5 | 95.9 | 97.5 | 96.4 | 96.7 |
| " " 1953 | 101.7 | 98.6 | 93.7 | 96.8 | 100.4 | 100.3 | 99.2 |
| " " 1954 | 103.8 | 100.9 | 97.6 | 99.7 | 101.7 | 101.9 | 101.6 |
| " " 1955 | 108.1 | 104.7 | 100.4 | 100 9 | 106.3 | 104 0 | 105.2 |
| " " 1956 | 114.3 | 109.6 | 107.2 | 104.9 | 110.8 | 111 2 | 110.8 |
| " " 1957 | 114.9 | 111.9 | 107.8 | 108.7 | 113.9 | 112 8 | 112.4 |
| " " 1958 | 116.6 | 113.2 | 112 5 | 110.6 | 114.7 | 114.6 | 114.3 |
| " " 1959 | 124.0 | 121.9 | 118.4 | 120.4 | 120.7 | 122.9 | 122.0 |
| 31st March, 1960 | 125.6 | 123.6 | 120.0 | 120.9 | 122.2 | 123.2 | 123.5 |
| 30th June, 1960 | 126.2 | 123.7 | 122.0 | 121.0 | 124.0 | 123.8 | 124.3 |
| 30th September, 1960 | 127.0 | 123.8 | 123.0 | 121.1 | 126.0 | 124.3 | 124.9 |
| 31st December, 1960 | 128.4 | 123.9 | 124.2 | 121.1 | 126.8 | 124.6 | 125.7 |

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

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

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

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

| Industrial Group. | At 31st December— | | | | | | |
|---|---|---|---|---|---|---|---|
| | 1939. | 1945. | 1950. | 1955. | 1958. | 1959. | 1960. |
| **RATES OF WAGE.(b)** | | | | | | | |
| | s. d. | s. d. | s. d. | s. d. | s. d. | s. d. | s. d. |
| Mining and Quarrying(c) .. | 109 11 | 138 8 | 259 7 | 366 10 | 376 2 | 407 1 | 415 8 |
| Manufacturing— | | | | | | | |
| Engineering, Metal Works, etc... | 99 10 | 122 2 | 201 8 | 294 9 | 320 2 | 344 9 | 350 2 |
| Textiles, Clothing and Footwear | 93 1 | 115 10 | 197 5 | 285 0 | 310 11 | 331 10 | 340 5 |
| Food, Drink and Tobacco | 99 1 | 119 11 | 201 5 | 295 9 | 322 5 | 339 8 | 352 2 |
| Sawmilling, Furniture, etc. .. | 97 6 | 117 11 | 196 0 | 288 10 | 314 10 | 335 1 | 346 2 |
| Paper, Printing, etc. .. .. | 104 7 | 127 8 | 214 3 | 312 6 | 343 3 | 365 0 | 378 6 |
| Other Manufacturing . | 96 5 | 118 7 | 197 7 | 291 4 | 316 7 | 335 10 | 347 2 |
| All Manufacturing Groups . | 98 8 | 120 8 | 200 10 | 294 1 | 320 0 | 341 9 | 350 6 |
| Building and Construction | 99 3 | 119 8 | 198 7 | 295 6 | 322 8 | 343 9 | 357 4 |
| Railway Services .. | 94 6 | 117 9 | 195 10 | 290 11 | 316 8 | 336 10 | 346 6 |
| Road and Air Transport . | 99 1 | 121 7 | 197 11 | 294 3 | 319 5 | 340 11 | 352 6 |
| Shipping and Stevedoring(d) .. | 91 0 | 117 7 | 196 7 | 276 11 | 314 6 | 338 5 | 344 7 |
| Communication .. .. | 97 10 | 123 9 | 213 4 | 316 6 | 341 0 | 383 7 | 383 7 |
| Wholesale and Retail Trade .. | 98 6 | 119 5 | 200 10 | 297 9 | 324 11 | 341 2 | 357 1 |
| Public Authority (n.e.i.) and Community and Business Services . | 91 11 | 113 9 | 192 1 | 289 10 | 315 5 | 334 5 | 348 1 |
| Amusement, Hotels, Personal Service, etc. .. .. .. | 94 1 | 115 3 | 192 4 | 283 7 | 308 9 | 328 0 | 337 4 |
| All Industrial Groups(a) .. | 98 4 | 120 7 | 202 0 | 297 0 | 322 11 | 344 8 | 354 11 |
| **INDEX NUMBERS.** *(Base: Weighted Average Weekly Wage Rate, Australia, 1954 = 100.)* | | | | | | | |
| Mining and Quarrying(c) .. | 38.9 | 49.1 | 91.9 | 129.9 | 133 2 | 144.1 | 147.0 |
| Manufacturing— | | | | | | | |
| Engineering, Metal Works, etc... | 35.3 | 43.3 | 71.4 | 104.4 | 113.4 | 122.1 | 124.0 |
| Textiles, Clothing and Footwear | 33.0 | 41.0 | 69.9 | 100.9 | 110.1 | 117.5 | 120.5 |
| Food, Drink and Tobacco .. | 35.1 | 42.5 | 71.3 | 104.7 | 114.2 | 120.3 | 124.7 |
| Sawmilling, Furniture, etc. .. | 34.5 | 41.8 | 69.4 | 102.3 | 111.5 | 118.6 | 122.6 |
| Paper, Printing, etc. .. .. | 37.0 | 45.2 | 75.9 | 110.7 | 121.5 | 129.2 | 134.0 |
| Other Manufacturing .. | 34.1 | 42.0 | 70.0 | 103.2 | 112.1 | 118.9 | 122.9 |
| All Manufacturing Groups .. | 34.9 | 42.7 | 71.1 | 104.1 | 113 3 | 121.0 | 124.1 |
| Building and Construction . | 35.1 | 42.4 | 70 3 | 104.6 | 114.3 | 121.7 | 126.5 |
| Railway Services . .. | 33.5 | 41.7 | 69.3 | 103.0 | 112.1 | 119.3 | 122.7 |
| Road and Air Transport .. | 35.1 | 43.0 | 70.1 | 104.2 | 113 1 | 120.7 | 124.8 |
| Shipping and Stevedoring(d) .. | 32.2 | 41.6 | 69.6 | 98.1 | 111.4 | 119 8 | 122.0 |
| Communication .. .. | 34.6 | 43.8 | 75.5 | 112.1 | 120.7 | 135.8 | 135.8 |
| Wholesale and Retail Trade .. | 34.9 | 42.3 | 71.1 | 105.4 | 115.0 | 120.8 | 126.4 |
| Public Authority (n.e.i.) and Community and Business Services .. | 32.5 | 40.3 | 68.0 | 102.6 | 111.7 | 118.4 | 123.2 |
| Amusement, Hotels, Personal Service, etc. .. .. .. | 33.3 | 40.8 | 68.1 | 100.4 | 109.3 | 116.1 | 119.4 |
| All Industrial Groups(a) .. | 34.8 | 42.7 | 71.5 | 105.2 | 114.3 | 122.0 | 125.7 |

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

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

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

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

Margins are minimum amounts, in addition to the basic wage, awarded to particular classificatcns 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.* Later figures, together with monthly figures from 31st January, 1957, have been published in the 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, 1960, according to jurisdiction.

**WEEKLY WAGE RATES: ADULT MALES, COMPONENTS OF TOTAL WAGE RATE(*a*), 31st DECEMBER, 1960.**

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. | Qld. | S.A. | W.A. | Tas. | Aust. |
|---|---|---|---|---|---|---|---|
| | s. d. | s. d. | s. d. | s. d. | s. d. | s. d. | s. d. |
| *Commonwealth Awards, etc.—* | | | | | | | |
| Basic Wage .. | 283 8 | 275 5 | 266 7 | 271 6 | 276 6 | 284 11 | 278 2 |
| Margin .. .. | 71 7 | 66 4 | 79 11 | 72 6 | 85 10 | 61 6 | 70 0 |
| Loading .. . | 3 7 | 3 1 | 5 1 | 1 4 | 2 10 | 2 0 | 3 2 |
| *Total Wage* .. | *358 10* | *344 10* | *351 7* | *345 4* | *365 2* | *348 5* | *351 4* |
| *State Awards, etc.—* | | | | | | | |
| Basic Wage .. | 293 9 | 275 9 | 276 11 | 271 1 | 293 10 | 282 1 | 285 2 |
| Margin . .. | 67 1 | 79 11 | 69 2 | 55 10 | 60 1 | 66 8 | 68 4 |
| Loading .. | 5 10 | 5 6 | 4 5 | 7 11 | 3 3 | 8 8 | 5 3 |
| *Total Wage* . | *366 8* | *361 2* | *350 6* | *334 10* | *357 2* | *357 5* | *358 9* |
| *All Awards, etc.—* | | | | | | | |
| Basic Wage .. | 288 6 | 275 6 | 275 0 | 271 5 | 291 10 | 283 10 | 281 7 |
| Margin . .. | 69 6 | 70 6 | 71 2 | 67 3 | 63 1 | 63 5 | 69 2 |
| Loading . .. | 4 8 | 3 10 | 4 6 | 3 5 | 3 2 | 4 8 | 4 2 |
| *Total Wage* .. | *362 8* | *349 10* | *350 8* | *342 1* | *358 1* | *351 11* | *354 11* |

(*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 1960.* The components of the total minimum weekly wage rate for Australia, according to jurisdiction, are shown in the following table.

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

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

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

For footnotes *see* table on page 61.

4. **Adult Female Weekly Wage Rates.**—(i) *States.* The following table shows the weighted average minimum weekly rates of wage payable to adult female workers for a full week's work in each State and Australia at the dates specified. Index numbers with the weighted average for Australia for the year 1954 as base (= 100) are also shown. This series has not been compiled for the years prior to 1951.

**WEEKLY WAGE RATES : ADULT FEMALES.**

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

| Date. | N.S.W. | Vic. | Qld. | S.A. | W.A. | Tas. | Aust. |
|---|---|---|---|---|---|---|---|
| | RATES OF WAGE.(*a*) | | | | | | |
| | s. d. | s. d. | s. d. | s. d. | s. d. | s. d. | s. d. |
| 31st December, 1951 | 172 4 | 172 2 | 161 2 | 170 3 | 162 6 | 165 7 | 170 4 |
| " " 1952 | 195 2 | 195 9 | 183 5 | 196 9 | 184 11 | 189 2 | 193 7 |
| " " 1953 | 200 6 | 201 4 | 188 2 | 199 1 | 190 2 | 197 2 | 198 9 |
| " " 1954 | 201 3 | 200 9 | 190 5 | 199 11 | 190 5 | 197 7 | 199 2 |
| " " 1955 | 209 8 | 210 5 | 194 3 | 201 9 | 197 9 | 200 0 | 206 11 |
| " " 1956 | 221 5 | 220 3 | 202 11 | 209 3 | 206 3 | 215 3 | 217 3 |
| " " 1957 | 223 8 | 225 0 | 206 1 | 219 6 | 212 5 | 219 0 | 221 3 |
| " " 1958 | 229 0 | 227 6 | 215 3 | 223 9 | 214 1 | 221 3 | 225 8 |
| " " 1959 | 249 3 | 241 3 | 229 8 | 239 1 | 224 1 | 234 2 | 242 2 |
| 31st March, 1960 | 255 5 | 246 3 | 231 3 | 241 1 | 239 4 | 234 10 | 247 6 |
| 30th June, 1960 | 256 8 | 246 4 | 234 7 | 242 3 | 244 4 | 235 3 | 248 9 |
| 30th September, 1960 | 258 4 | 246 5 | 236 10 | 242 3 | 249 5 | 236 5 | 250 0 |
| 31st December, 1960 | 261 3 | 246 7 | 239 4 | 242 10 | 251 2 | 238 9 | 251 8 |

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

WEEKLY WAGE RATES: ADULT FEMALES—*continued.*

| Date. | N.S.W. | Vic. | Qld. | S.A. | W.A. | Tas. | Aust. |
|---|---|---|---|---|---|---|---|
| **INDEX NUMBERS** (*Base: Weighted Average Weekly Wage Rate, Australia, 1954 = 100.*) | | | | | | | |
| 31st December, 1951 | 86.6 | 86.5 | 81.0 | 85.5 | 81.6 | 83.2 | 85.6 |
| " " 1952 | 98.0 | 98.3 | 92.1 | 98.8 | 92.9 | 95.0 | 97.2 |
| " " 1953 | 100.7 | 101.1 | 94.5 | 100.0 | 95.5 | 99.0 | 99.8 |
| " " 1954 | 101.1 | 100.8 | 95.6 | 100.4 | 95.6 | 99.2 | 100.0 |
| " " 1955 | 105.3 | 105.7 | 97.6 | 101.3 | 99.3 | 100.5 | 103.9 |
| " " 1956 | 111.2 | 110.6 | 101.9 | 105.1 | 103.6 | 108.1 | 109.1 |
| " " 1957 | 112.4 | 113.0 | 103.5 | 110.3 | 106.7 | 110.0 | 111.1 |
| " " 1958 | 115.0 | 114.3 | 108.1 | 112.4 | 107.5 | 111.1 | 113.4 |
| " " 1959 | 125.2 | 121.2 | 115.4 | 120.1 | 112.6 | 117.6 | 121.6 |
| 31st March, 1960 | 128.3 | 123.7 | 116.2 | 121.1 | 120.2 | 118.0 | 124.3 |
| 30th June, 1960 | 128.9 | 123.7 | 117.8 | 121.7 | 122.7 | 118.2 | 124.9 |
| 30th September, 1960 | 129.8 | 123.8 | 119.0 | 121.7 | 125.3 | 118.8 | 125.6 |
| 31st December, 1960 | 131.2 | 123.9 | 120.2 | 122.0 | 126.2 | 119.9 | 126.4 |

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

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

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

| Industrial Group. | At 31st December— | | | | | |
|---|---|---|---|---|---|---|
| | 1951. | 1955. | 1957. | 1958. | 1959. | 1960. |
| **RATES OF WAGE.**(*a*) | | | | | | |
| Manufacturing— | *s. d.* | *s. d.* | *s. d.* | *s. d.* | *s. d.* | *s. d.* |
| Engineering, Metal Works, etc. | 170 11 | 206 6 | 220 9 | 225 4 | 241 4 | 249 9 |
| Textiles, Clothing and Footwear | 171 2 | 200 11 | 217 4 | 221 0 | 237 3 | 240 8 |
| Food, Drink and Tobacco | 165 9 | 206 10 | 215 11 | 220 2 | 236 0 | 246 4 |
| Other Manufacturing | 168 9 | 203 7 | 217 8 | 222 5 | 238 5 | 248 0 |
| All Manufacturing Groups | 169 11 | 203 4 | 217 10 | 222 0 | 238 1 | 244 7 |
| Transport and Communication | 177 6 | 213 10 | 228 3 | 232 3 | 254 11 | 259 10 |
| Wholesale and Retail Trade | 171 1 | 213 0 | 227 2 | 232 2 | 248 0 | 263 7 |
| Public Authority (n.e.i.) and Community and Business Services | 170 1 | 209 8 | 224 7 | 228 0 | 245 4 | 257 9 |
| Amusement, Hotels, Personal Service, etc. | 166 9 | 201 8 | 215 7 | 220 11 | 236 8 | 245 0 |
| All Industrial Groups | 170 4 | 206 11 | 221 3 | 225 8 | 242 2 | 251 8 |
| **INDEX NUMBERS.** (*Base: Weighted Average Weekly Wage Rate, Australia, 1954 = 100.*) | | | | | | |
| Manufacturing— | | | | | | |
| Engineering, Metal Works, etc. | 85.9 | 103.7 | 110.9 | 113.2 | 121.2 | 125.5 |
| Textiles, Clothing and Footwear | 86.0 | 100.9 | 109.2 | 111.0 | 119.2 | 120.9 |
| Food, Drink and Tobacco | 83.3 | 103.9 | 108.5 | 110.6 | 118.5 | 123.7 |
| Other Manufacturing | 84.8 | 102.3 | 109.3 | 111.7 | 119.8 | 124.6 |
| All Manufacturing Groups | 85.4 | 102.1 | 109.4 | 111.5 | 119.6 | 122.9 |
| Transport and Communication | 89.2 | 107.4 | 114.7 | 116.7 | 128.0 | 130.5 |
| Wholesale and Retail Trade | 85.9 | 107.0 | 114.1 | 116.6 | 124.6 | 132.4 |
| Public Authority (n.e.i.) and Community and Business Services | 85.4 | 105.3 | 112.8 | 114.5 | 123.2 | 129.5 |
| Amusement, Hotels Personal Service, etc. | 83.8 | 101.3 | 108.3 | 111.0 | 118.9 | 123.1 |
| All Industrial Groups | 85.6 | 103.9 | 111.1 | 113.4 | 121.6 | 126.4 |

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

5. **Standard Hours of Work.**—(i) *General.* In the fixation of weekly wage rates most industrial tribunals prescribe the number of hours constituting a full week's work for the wage rates specified. The hours of work so prescribed form the basis of the compilation of the weighted averages and index numbers on pages 66 and 69.

The main features of the reduction of hours to 44 and later to 40 per week are summarized below. In considering such changes it must be remembered that even within individual States the authority to alter conditions of work is divided between Commonwealth and State industrial tribunals and the various legislatures, and that the State legislation usually does not apply to employees covered by awards of the Commonwealth Conciliation and Arbitration Commission. However, it may do so in respect of matters not treated in Commonwealth awards.

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

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

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

(iii) *The 40-hour Week.*—(*a*) *Standard Hours Inquiry, 1947.*—Soon after the end of the 1939–45 War, applications were made to the Commonwealth Court of Conciliation and Arbitration for the introduction of a 40-hour week, and the hearing by the Court commenced in October, 1945. Before the Court gave its decision the New South Wales Parliament passed legislation granting

a 40-hour week, operative from 1st July, 1947, to industries and trades regulated by State awards and agreements, and in Queensland similar legislation was introduced in Parliament providing for the 40-hour week to operate from 1st January, 1948.

The Commonwealth Court of Conciliation and Arbitration, in its judgment on 8th September, 1947, granted the reduction to the 40-hour week from the beginning of the first pay-period commencing in January, 1948. The Queensland Act was passed, and was proclaimed on 10th October, 1947. On 27th October, 1947, the South Australian Industrial Court, after hearing applications by unions, approved the incorporation of the 40-hour standard week in awards of that State. The Court of Arbitration of Western Australia on 6th November, 1947, approved that, on application, provision for a 40-hour week could be incorporated in awards of the Court, commencing from 1st January, 1948.

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

(*b*) *Basic Wage and Standard Hours Inquiry*, 1952–53.—In the 1952–53 Basic Wage and Standard Hours Inquiry the employers sought an increase in the standard hours of work per week, claiming that one of the chief causes of the high costs and inflation had been the loss of production due to the introduction of the 40-hour week. This claim was rejected by the Court as it considered that the employers had not proved that the existing economic situation called for a reduction of general standards in the matter of the ordinary working week. (*See also* page 81.)

**6. Weekly and Hourly Rates of Wage and Weekly Hours of Work, 31st December, 1960.**—(i) *General.* The rates of wage referred to in the preceding paragraphs are the minimum rates payable for a full week's work (excluding overtime). However, the number of hours constituting a full week's work differs, in some instances, between various occupations in each State, and between the same occupations in the several States. 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. In the Appendix (Sections VII. and VIII.), details are given of the number of hours worked per week in a large number of occupations. The following tables include the average number of hours per week in industrial groups for each State.

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

(ii) *Adult Males.*—The following table shows the weighted average minimum weekly and hourly rates of wage payable to adult male workers and the standard weekly hours of work at 31st December, 1960.

## WEEKLY AND HOURLY RATES OF WAGE AND WEEKLY HOURS OF WORK(a): ADULT MALES, INDUSTRIAL GROUPS, 31ST DECEMBER, 1960.

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

| Industrial Group. | N.S.W. | Vic. | Qld. | S.A. | W.A. | Tas. | Aust. |
|---|---|---|---|---|---|---|---|
| **WEEKLY RATES OF WAGE.** | | | | | | | |
| | s. d. | s. d. | s. d. | s. d. | s. d. | s. d. | s. d. |
| Mining and Quarrying (b) .. | 437 6 | 347 11 | 426 0 | 336 6 | 387 9 | 365 10 | 415 1 |
| Manufacturing— | | | | | | | |
| Engineering, Metal Works, etc... | 352 1 | 347 1 | 348 11 | 345 8 | 362 9 | 357 3 | 350 2 |
| Textiles, Clothing and Footwear | 344 9 | 338 9 | 340 9 | 328 3 | 345 1 | 333 6 | 340 5 |
| Food, Drink and Tobacco .. | 355 2 | 358 2 | 343 10 | 336 6 | 359 6 | 344 1 | 352 2 |
| Sawmilling, Furniture, etc. .. | 357 5 | 338 11 | 335 6 | 340 8 | 351 0 | 341 11 | 346 2 |
| Paper, Printing, etc. .. .. | 376 8 | 382 8 | 385 2 | 368 6 | 405 3 | 354 2 | 378 6 |
| Other Manufacturing .. | 355 11 | 340 8 | 337 6 | 338 0 | 347 8 | 343 11 | 347 2 |
| All Manufacturing Groups .. | 354 5 | 347 10 | 345 10 | 343 3 | 358 4 | 349 3 | 350 6 |
| Building and Construction . | 367 10 | 361 4 | 340 0 | 341 3 | 356 3 | 352 11 | 357 4 |
| Railway Services .. . | 358 4 | 326 1 | 355 4 | 329 10 | 344 0 | 357 8 | 346 6 |
| Road and Air Transport .. | 366 8 | 346 1 | 329 2 | 335 11 | 359 10 | 350 9 | 352 6 |
| Shipping and Stevedoring (c) .. | 347 3 | 345 4 | 341 7 | 343 3 | 341 5 | 341 8 | 344 7 |
| Communication .. .. | 386 5 | 382 11 | 381 2 | 380 7 | 381 8 | 377 3 | 383 7 |
| Wholesale and Retail Trade .. | 363 3 | 355 7 | 353 8 | 341 7 | 358 2 | 352 1 | 357 1 |
| Public Authority (n.e.i.) and Community and Business Services .. | 359 9 | 342 5 | 343 7 | 327 0 | 341 10 | 359 5 | 348 1 |
| Amusement, Hotels, Personal Service, etc. .. .. .. | 347 2 | 327 10 | 333 9 | 326 9 | 343 5 | 333 7 | 337 4 |
| All Industrial Groups (d) .. | 362 8 | 349 10 | 350 8 | 342 1 | 358 1 | 351 11 | 354 11 |
| **HOURLY RATES OF WAGE (PENCE).** | | | | | | | |
| Mining and Quarrying (b) .. | 133.18 | 104.38 | 127.80 | 101.69 | 119.98 | 109.75 | 126.07 |
| Manufacturing— | | | | | | | |
| Engineering, Metal Works, etc... | 105.62 | 104.12 | 104.68 | 103.70 | 108.83 | 107.18 | 105.05 |
| Textiles, Clothing and Footwear | 103.43 | 101.63 | 102.23 | 98.48 | 103.52 | 100.05 | 102.13 |
| Food, Drink and Tobacco .. | 106.71 | 107.45 | 103.15 | 100.95 | 107.85 | 103.22 | 105.70 |
| Sawmilling, Furniture, etc. .. | 107 23 | 101.68 | 100.65 | 102.20 | 105.30 | 102.58 | 103.85 |
| Paper, Printing, etc. .. .. | 113.00 | 114.97 | 115.55 | 110.55 | 124.02 | 106 25 | 113.69 |
| Other Manufacturing .. | 106.78 | 102.30 | 101.25 | 101.65 | 104.07 | 103.25 | 104.20 |
| All Manufacturing Groups .. | 106.35 | 104.38 | 103.75 | 103.03 | 107.55 | 104.78 | 105.18 |
| Building and Construction .. | 110.35 | 108.40 | 102 00 | 102.38 | 106.88 | 105.88 | 107.20 |
| Railway Services . .. | 107.50 | 97.92 | 106.60 | 98.95 | 103.20 | 107.30 | 103.98 |
| Road and Air Transport .. | 110.00 | 103.82 | 98.75 | 100.78 | 107.95 | 105.23 | 105.75 |
| Communication .. .. | 115.93 | 114 88 | 114.35 | 115.36 | 114.50 | 114.35 | 115.22 |
| Wholesale and Retail Trade .. | 108.98 | 106.67 | 106.10 | 102.47 | 107.45 | 105.62 | 107.12 |
| Public Authority (n.e.i.) and Community and Business Services .. | 110.04 | 105.55 | 104.32 | 100.03 | 103.64 | 109.16 | 106.42 |
| Amusement, Hotels, Personal Service, etc. .. .. .. | 104.15 | 98.35 | 100.13 | 98.03 | 103.03 | 100 35 | 101.20 |
| All Industrial Groups (e) .. | 109.04 | 105.05 | 105.35 | 102.70 | 107.87 | 105.83 | 106.68 |
| **WEEKLY HOURS OF WORK.** | | | | | | | |
| Mining and Quarrying (b) .. | 39.42 | 40 00 | 40.00 | 39.71 | 38.78 | 40.00 | 39.51 |
| Food, Drink and Tobacco .. | 39.94 | 40.00 | 40.00 | 40.00 | 40 00 | 40.00 | 39.98 |
| Paper, Printing, etc. .. .. | 40.00 | 39.94 | 40 00 | 40.00 | 39.21 | 40.00 | 39.95 |
| Other Manufacturing .. .. | 40.00 | 39.96 | 40 00 | 39.90 | 40 10 | 39.97 | 39.98 |
| All Manufacturing Groups . | 39 99 | 39.99 | 40 00 | 39.98 | 39.98 | 40 00 | 39.99 |
| Railway Services .. .. | 40.00 | 39.96 | 40 00 | 40.00 | 40 00 | 40.00 | 39.99 |
| Communication .. .. | 40.00 | 40.00 | 40.00 | 39.59 | 40.00 | 40.00 | 39.97 |
| Public Authority (n.e.i.) and Community and Business Services | 39.23 | 38.93 | 39.52 | 39.23 | 39.58 | 39.51 | 39.25 |
| Amusement, Hotels, Personal Service, etc. .. .. .. | 40.00 | 40.00 | 40.00 | 40.00 | 40.00 | 39.89 | 40.00 |
| All Other Groups (f) .. .. | 40 00 | 40.00 | 40 00 | 40.00 | 40.00 | 40.00 | 40.00 |
| All Industrial Groups (e) .. | 39.95 | 39.97 | 39.98 | 39.96 | 39.89 | 39.97 | 39.96 |

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

(iii) *Adult Females.*—The following table shows the weighted average minimum weekly and hourly rates of wage payable to adult female workers and the weekly hours of work at 31st December, 1960.

**WEEKLY AND HOURLY RATES OF WAGE AND WEEKLY HOURS OF WORK(*a*): ADULT FEMALES, INDUSTRIAL GROUPS, 31ST DECEMBER, 1960.**

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

| Industrial Group. | N.S.W. | Vic. | Qld. | S.A. | W.A. | Tas. | Aust. |
|---|---|---|---|---|---|---|---|
| **WEEKLY RATES OF WAGE.** | | | | | | | |
| Manufacturing— | s. d. | s. d. | s. d. | s. d. | s. d. | s. d. | s. d. |
| Engineering, Metal Works, etc... | 257 0 | 245 11 | 231 2 | 238 5 | 251 5 | 238 9 | 249 9 |
| Textiles, Clothing and Footwear | 242 8 | 239 1 | 240 2 | 241 2 | 245 2 | 233 3 | 240 8 |
| Food, Drink and Tobacco .. | 260 4 | 240 10 | 235 3 | 237 3 | 233 0 | 234 6 | 246 4 |
| Other Manufacturing .. | 254 9 | 243 11 | 237 5 | 237 2 | 242 7 | 235 9 | 248 0 |
| All Manufacturing Groups .. | 250 7 | 241 2 | 237 6 | 238 8 | 242 6 | 234 10 | 244 7 |
| Transport and Communication .. | 267 5 | 255 1 | 254 3 | 253 0 | 257 11 | 258 11 | 259 10 |
| Wholesale and Retail Trade .. | 281 4 | 258 9 | 241 8 | 249 8 | 251 7 | 237 6 | 263 7 |
| Public Authority (n.e.i.) and Community and Business Services .. | 269 5 | 255 4 | 240 0 | 245 0 | 245 4 | 264 6 | 257 9 |
| Amusement, Hotels, Personal Service, etc. .. .. .. | 252 5 | 238 8 | 228 4 | 229 7 | 266 10 | 234 6 | 245 0 |
| All Industrial Groups .. .. | 261 3 | 246 7 | 239 4 | 242 10 | 251 2 | 238 9 | 251 8 |
| **HOURLY RATES OF WAGE (PENCE).** | | | | | | | |
| Manufacturing— | | | | | | | |
| Engineering, Metal Works, etc... | 77.16 | 74.02 | 69.35 | 71.53 | 75.43 | 71.63 | 75.04 |
| Textiles, Clothing and Footwear | 72.89 | 71.72 | 72 05 | 72.35 | 73.55 | 69.98 | 72.24 |
| Food, Drink and Tobacco .. | 78.10 | 72.25 | 70.58 | 71.18 | 69 90 | 70.35 | 73.90 |
| Other Manufacturing .. | 76 83 | 73.29 | 71.23 | 71.40 | 72.77 | 70 73 | 74.64 |
| All Manufacturing Groups .. | 75.32 | 72.41 | 71.25 | 71.65 | 72.75 | 70 45 | 73.47 |
| Transport and Communication . | 84.36 | 80.68 | 80.69 | 80 23 | 81.71 | 85.59 | 82.25 |
| Wholesale and Retail Trade .. | 85.36 | 77.63 | 72.50 | 74.90 | 75.47 | 71.25 | 79.43 |
| Public Authority (n.e.i.) and Community and Business Services .. | 84.00 | 78.06 | 73.39 | 75.02 | 74.64 | 84.19 | 79.45 |
| Amusement, Hotels, Personal Service, etc. .. . .. | 76.88 | 71.71 | 68.65 | 69.13 | 80.21 | 71.35 | 74.13 |
| All Industrial Groups .. .. | 79.31 | 74.33 | 72.34 | 73.27 | 75.77 | 72.42 | 76.13 |
| **WEEKLY HOURS OF WORK.** | | | | | | | |
| Manufacturing— | | | | | | | |
| Engineering, Metal Works, etc... | 39 97 | 39.87 | 40.00 | 40.00 | 40.00 | 40.00 | 39.94 |
| Textiles, Clothing and Footwear | 39 95 | 40.00 | 40.00 | 40.00 | 40.00 | 40.00 | 39.98 |
| Food, Drink and Tobacco .. | 40 00 | 40.00 | 40.00 | 40.00 | 40.00 | 40.00 | 40.00 |
| Other Manufacturing .. .. | 39 79 | 39.94 | 40.00 | 39.86 | 40.00 | 40.00 | 39.87 |
| All Manufacturing Groups .. | 39 92 | 39.97 | 40.00 | 39.97 | 40.00 | 40.00 | 39.95 |
| Transport and Communication .. | 38.04 | 37.94 | 37.81 | 37.84 | 37.88 | 36 30 | 37.91 |
| Wholesale and Retail Trade .. | 39.55 | 40.00 | 40.00 | 40.00 | 40.00 | 40.00 | 39.82 |
| Public Authority (n.e.i.) and Community and Business Services .. | 38.49 | 39.25 | 39.24 | 39.19 | 39.44 | 37.70 | 38.93 |
| Amusement, Hotels, Personal Service, etc. .. .. .. | 39.40 | 39.94 | 39.91 | 39.85 | 39.92 | 39.44 | 39.66 |
| All Industrial Groups .. .. | 39.53 | 39.81 | 39.70 | 39.77 | 39.78 | 39.56 | 39.67 |

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

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

## HOURLY WAGE RATES : ALL GROUPS.(a)

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

| At 31st December— | N.S.W. | Vic. | Qld. | S.A. | W.A. | Tas. | Aust. |
|---|---|---|---|---|---|---|---|
| **ADULT MALES—RATES OF WAGE.(b)** (Pence.) | | | | | | | |
| 1939 | 27.48 | 26.44 | 27.49 | 25.45 | 27.15 | 25.14 | 26.91 |
| 1945 | 33.64 | 33.05 | 32.63 | 31.72 | 32.83 | 31.71 | 33.05 |
| 1950 | 61.96 | 60.58 | 58.60 | 59.44 | 60.35 | 59.42 | 60.70 |
| 1955 | 91.89 | 88.87 | 85.22 | 85.68 | 90.50 | 88.45 | 89.36 |
| 1957 | 97.57 | 94.90 | 91.32 | 92.17 | 96.87 | 95.75 | 95.37 |
| 1958 | 99.00 | 96.02 | 95.45 | 93.79 | 97.57 | 97.25 | 97.05 |
| 1959 | 105.28 | 103.35 | 100.35 | 102.08 | 102.56 | 104.35 | 103.55 |
| 1960 | 109.04 | 105.05 | 105.35 | 102.70 | 107.87 | 105.83 | 106.68 |
| **ADULT MALES—INDEX NUMBERS.** (*Base: Weighted Average Hourly Wage Rate, Australia*, 1954 = 100.) | | | | | | | |
| 1939 | 32.4 | 31.1 | 32.4 | 30.0 | 32.0 | 29.6 | 31.7 |
| 1945 | 39.6 | 38.9 | 38.4 | 37.4 | 38.7 | 37.3 | 38.9 |
| 1950 | 73.0 | 71.4 | 69.0 | 70.0 | 71.1 | 70.0 | 71.5 |
| 1955 | 108.2 | 104.7 | 100.4 | 100.9 | 106.6 | 104.2 | 105.3 |
| 1957 | 114.9 | 111.8 | 107.6 | 108.6 | 114.1 | 112.8 | 112.3 |
| 1958 | 116.6 | 113.1 | 112.4 | 110.5 | 114.9 | 114.5 | 114.3 |
| 1959 | 124 0 | 121.7 | 118.2 | 120.2 | 120.8 | 122.9 | 122.0 |
| 1960 | 128.4 | 123.7 | 124.1 | 121.0 | 127.1 | 124.7 | 125.7 |
| **ADULT FEMALES—RATES OF WAGE.(b)** (Pence.) | | | | | | | |
| 1951 | 52.30 | 51.90 | 48.72 | 51.37 | 49.02 | 50 23 | 51.51 |
| 1955 | 63.65 | 63.43 | 58.72 | 60.88 | 59.65 | 60.67 | 62.59 |
| 1957 | 67.90 | 67.82 | 62.29 | 66.23 | 64.08 | 66.43 | 66.93 |
| 1958 | 69.52 | 68.58 | 65.06 | 67.51 | 64.58 | 67.11 | 68.26 |
| 1959 | 75.66 | 72.72 | 69.42 | 72.14 | 67.57 | 71.03 | 73.26 |
| 1960 | 79.31 | 74.33 | 72.34 | 73.27 | 75.77 | 72.42 | 76.13 |
| **ADULT FEMALES—INDEX NUMBERS.** (*Base: Weighted Average Hourly Wage Rate, Australia*, 1954 = 100.) | | | | | | | |
| 1951 | 86.9 | 86.2 | 80.9 | 85.3 | 81.4 | 83.4 | 85.6 |
| 1955 | 105.7 | 105.3 | 97.5 | 101.1 | 99.1 | 100.8 | 104.0 |
| 1957 | 112.8 | 112.6 | 103.5 | 110.0 | 106.4 | 110.3 | 111.2 |
| 1958 | 115.5 | 113.9 | 108.1 | 112.1 | 107.3 | 111.5 | 113.4 |
| 1959 | 125.7 | 120.8 | 115.3 | 119.8 | 112.2 | 118 0 | 121.7 |
| 1960 | 131.7 | 123.5 | 120.1 | 121.7 | 125.8 | 120.3 | 126.4 |

(a) All industrial groups except rural, and shipping and stevedoring. The former is not included in the Minimum Wage Rate Index, and for the latter definite particulars for the computation of hourly wage rates are not available. (b) *See* note (a) to table on page 66.

8. **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. 5 (iii), page 64). However, as stated in para. 6 (i) above, the number of hours constituting a full week's work (excluding overtime) differs between occupations and/or between States. The following table shows, for each State and Australia, the weighted average standard hours (excluding overtime) prescribed in awards, determinations and agreements for a full working week, in respect of adult males for the period 31st March, 1939, to 31st December, 1960, and of adult females for the period 31st March, 1951, to 31st December, 1960. Index numbers are given for each State with the weighted average hours of work for Australia for the year 1954 as base (= 100).

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

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

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

| Date. | N.S.W. | Vic. | Qld. | S.A. | W.A. | Tas. | Aust. |
|---|---|---|---|---|---|---|---|
| ADULT MALES—HOURS OF WORK.(b) | | | | | | | |
| 31st March, 1939 .. | 43.81 | 44.46 | 43.55 | 44.62 | 44.57 | 44.32 | 44.10 |
| 30th September, 1941 | 43.76 | 44.02 | 43.51 | 43.92 | 44.12 | 43.95 | 43.85 |
| 30th September, 1947 | 41.83 | 43.82 | 43.48 | 43.83 | 43.95 | 43.73 | 43.00 |
| 31st March, 1948 .. | 40.02 | 40 03 | 40.01 | 40.11 | 40.06 | 40.22 | 40.04 |
| 30th September, 1953 | 39 95 | 39.97 | 39.98 | 39.96 | 39.89 | 39.99 | 39.96 |
| 31st December, 1960 | 39.95 | 39.97 | 39.98 | 39.96 | 39.89 | 39.97 | 39.96 |
| ADULT MALES—INDEX NUMBERS. (*Base: Weighted Average Hours of Work, Australia*, 1954 = 100.) | | | | | | | |
| 31st March, 1939 .. | 109.6 | 111.3 | 109.0 | 111.7 | 111.5 | 110.9 | 110.4 |
| 30th September, 1941 | 109.5 | 110.2 | 108.9 | 109 9 | 110.4 | 110.0 | 109.7 |
| 30th September, 1947 | 104.7 | 109.7 | 108.8 | 109.7 | 110.0 | 109.4 | 107.6 |
| 31st March, 1948 .. | 100.2 | 100.2 | 100.1 | 100.4 | 100.3 | 100.7 | 100.2 |
| 30th September, 1953 | 100.0 | 100.0 | 100.0 | 100.0 | 99.8 | 100.1 | 100.0 |
| 31st December, 1960 | 100.0 | 100.0 | 100.0 | 100.0 | 99.8 | 100.0 | 100.0 |
| ADULT FEMALES—HOURS OF WORK.(b) | | | | | | | |
| 31st March, 1951 . | 39.54 | 39.81 | 39.70 | 39.77 | 39.87 | 39.56 | 39.68 |
| 30th June, 1953 .. | 39 53 | 39.81 | 39.70 | 39.77 | 39.78 | 39.56 | 39.67 |
| 31st December, 1960 | 39.53 | 39.81 | 39.70 | 39.77 | 39.78 | 39.56 | 39.67 |
| ADULT FEMALES—INDEX NUMBERS. (*Base: Weighted Average Hours of Work, Australia*, 1954 = 100.) | | | | | | | |
| 31st March, 1951 .. | 99.7 | 100.4 | 100.1 | 100.3 | 100.5 | 97.7 | 100.0 |
| 30th June, 1953 .. | 99.6 | 100 4 | 100.1 | 100.3 | 100.3 | 99.7 | 100.0 |
| 31st December, 1960 | 99.6 | 100.4 | 100.1 | 100.3 | 100.3 | 99.7 | 100.0 |

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

## § 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. Current figures are published in the *Monthly Review of Business*

*Statistics* and the *Monthly Bulletin of Employment Statistics*. A table showing quarterly and annual figures from September quarter, 1947, will be found in Section VI. of the Appendix.

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

| Period. | N.S.W. (*b*) | Vic. | Q'land. | S. Aust. (*c*) | W. Aust. | Tas. | Aust. |
|---|---|---|---|---|---|---|---|
| AVERAGE WEEKLY TOTAL WAGES AND SALARIES PAID. (£'000.) | | | | | | | |
| 1955–56 .. .. | 19,764 | 14,144 | 6,033 | 4,330 | 3,104 | 1,521 | 48,896 |
| 1956–57 .. .. | 20,943 | 14,925 | 6,457 | 4,507 | 3,177 | 1,635 | 51,644 |
| 1957–58 .. .. | 21,664 | 15,510 | 6,585 | 4,635 | 3,284 | 1,671 | 53,349 |
| 1958–59 .. . | 22,414 | 16,240 | 6,970 | 4,823 | 3,347 | 1,725 | 55,519 |
| 1959–60 .. .. | 24,816 | 18,123 | 7,441 | 5,392 | 3,618 | 1,878 | 61,268 |
| 1960— | | | | | | | |
| March Quarter | 23,878 | 17,658 | 7,086 | 5,288 | 3,487 | 1,842 | 59,239 |
| June „ | 26,356 | 18,994 | 7,614 | 5,609 | 3,764 | 2,016 | 64,353 |
| September „ | 26,296 | 19,029 | 7,977 | 5,640 | 3,877 | 1,888 | 64,707 |
| December „ | 28,276 | 20,204 | 8,188 | 5,868 | 4,003 | 2,002 | 68,541 |
| AVERAGE WEEKLY EARNINGS PER EMPLOYED MALE UNIT.(*d*) (£.) | | | | | | | |
| 1955–56 .. .. | 18.92 | 18.78 | 16.49 | 17.88 | 16.92 | 17.75 | 18.28 |
| 1956–57 .. .. | 19.89 | 19.70 | 17.50 | 18.28 | 17.48 | 18.79 | 19.16 |
| 1957–58 . .. | 20.44 | 20.22 | 17.94 | 18.68 | 18.05 | 18.95 | 19.67 |
| 1958–59 | 21.04 | 20.69 | 18.63 | 19.10 | 18.19 | 19.33 | 20.19 |
| 1959–60 | 22.77 | 22.28 | 19.89 | 20 61 | 19.46 | 20.71 | 21.76 |
| 1960— | | | | | | | |
| March Quarter | 21.78 | 21.52 | 19.08 | 20.09 | 18.73 | 20.10 | 20.94 |
| June „ | 23.84 | 23.30 | 20.23 | 21.22 | 20.11 | 21.98 | 22.66 |
| September „ | 23.63 | 23.22 | 21.02 | 21.30 | 20.54 | 20.71 | 22.65 |
| December „ | 25.14 | 24.42 | 21.88 | 22.05 | 21.07 | 21.78 | 23.85 |

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

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

2. **Average Weekly Earnings Index Numbers.**—The following table shows, for "All Industries" and for "Manufacturing", the movement in average weekly earnings from 1950–51 to the December Quarter, 1960. The "All Industries" index is based on Pay-roll Tax returns and other data. The index for manufacturing industries is based on the average earnings of male wage and salary earners employed in factories as disclosed by annual Factory Censuses.

The index numbers 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.

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

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

SEASONALLY ADJUSTED.

(*Base:* 1953–54 = 100.)

| Year. | All Industries.(*b*) | Manufacturing. | Quarter. | All Industries.(*b*) | Manufacturing. |
|---|---|---|---|---|---|
| 1950–51 .. | 71.1 | 72.0 | 1959—March Qtr. | 124.3 | 125.4 |
| 1951–52 .. | 87.1 | 88.4 | June ,, | 125.5 | 126.8 |
| 1952–53 .. | 95.2 | 95 4 | September ,, | 129.7 | 131.8 |
| | | | December ,, | 130.5 | 132.7 |
| 1953–54 . | **100.0** | **100 0** | | | |
| 1954–55 .. | 105.4 | 106.9 | 1960—March ,, | 135.5 | 137.5 |
| | | | June ,, | 138.5 | 139.5 |
| 1955–56 . | 112.2 | 113.8 | September ,, | 138.2 | 140.2 |
| 1956–57 .. .. | 118.2 | 118.3 | December ,, | 141.3 | 141.7 |
| 1957–58 . .. | 121.3 | 122.0 | | | |
| 1958–59 .. . | 124.5 | 125.6 | | | |
| 1959–60 . .. | 133.6 | 135.4 | | | |

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

## § 4. Survey of Wage Rates and Earnings, September, 1960.

1. **General.**—A statistical survey of the wage structure of Australia was undertaken by this Bureau towards the end of 1960. 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 survey was based on returns from a stratified random sample of most of the private employers subject to Pay-roll Tax. It did not include government or semi-government employment; rural industry; private domestic service; certain business such as accountants, trade associations, consultant engineers, etc.; the shipping and stevedoring industry; and the motion picture industry. Religious, benevolent and other similar bodies, exempt from Pay-roll Tax, were also excluded.

Employers were asked to show separate particulars in respect of employees covered by Commonwealth awards and by State awards, and of those not covered by any award. Completed returns were received from more than 3,000 employers, representing a response rate of about 90 per cent. of those approached. This broad sample, being stratified, provided a representative basis upon which to estimate marginal rates and earnings by groups for all adult male employees within the selected field. These were cross-classified to show the number of employees in size groups by industry and jurisdiction in respect of marginal rates and in size groups by industry in respect of earnings.

Definitions relevant to the survey are as follows:—

(*a*) *Number of employees* refers to adult male employees on the pay-roll on the last pay-day in September, 1960, and includes employees who, although under 21 years of age, were paid at the adult rate prescribed in the appropriate award. Part-time and casual employees and those absent in the defence forces were excluded.

(*b*) The term *awards*, as used herein, denotes awards or determinations of, or agreements registered with, Commonwealth or State industrial tribunals. Employees whose rates of pay and working conditions were not regulated by awards, and employees covered by formal, though unregistered, agreements between employee organizations and employers, are shown as " not covered by awards ".

(*c*) *Margins* are minimum amounts, in addition to the basic wage, awarded to particular classifications of employees for features attaching to their work, such as skill, experience, arduousness or other like factors. For the purposes of this survey the following were not included in margins:—special allowances prescribed in awards, such as shift, dirt and height money, leading hand allowances, etc.; and other payments such as commission, payments above the minimum rate for contract and piece work, etc. (*see* paragraphs (*e*) and (*g*) below) and *also* §6. Wage 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 jursidiction 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. It includes payments for sick leave, proportion of annual leave, special allowances prescribed in awards, etc. (*see* paragraph (*c*) above). For employees not covered by awards, it includes 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* paragraph (*c*) above).

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

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

| Weekly Margin.(*b*) | Manufacturing | | | Building and Construction (*c*) | Wholesale and Retail Trade. | Other Industries. | Total. |
|---|---|---|---|---|---|---|---|
| | Engineering, Metal Works, etc. | Other Manufacturing | Total Manufacturing. | | | | |
| | NUMBER OF EMPLOYEES.(*b*) | | | | | | |
| *Amount above Basic Wage*— | | | | | | | |
| Less than 10s. (incl. nil) | 1,505 | 3,287 | 4,792 | 57 | 1,670 | 2,002 | 8,521 |
| 10s. and less than 20s. .. | 4,616 | 5,687 | 10,303 | 883 | 1,653 | 4,028 | 16,867 |
| 20s. „ „ „ 30s. .. | 32,546 | 21,029 | 53,575 | 4,565 | 4,640 | 9,937 | 72,717 |
| 30s. „ „ „ 40s. .. | 26,268 | 25,661 | 51,929 | 2,879 | 5,516 | 6,465 | 66,789 |
| 40s. „ „ „ 60s. .. | 41,301 | 68,334 | 109,635 | 6,967 | 31,399 | 19,529 | 167,530 |
| 60s. „ „ „ 80s. .. | 37,452 | 54,055 | 91,507 | 12,127 | 48,010 | 21,434 | 173,078 |
| 80s. „ „ „ 100s. . | 65,685 | 51,162 | 116,847 | 11,644 | 30,399 | 28,327 | 187,217 |
| 100s. „ „ „ 120s. .. | 26,935 | 29,448 | 56,383 | 10,518 | 22,870 | 17,889 | 107,660 |
| 120s. and over .. .. | 52,482 | 87,833 | 140,315 | 31,284 | 68,464 | 64,199 | 304,262 |
| **Total .. ..** | **288,790** | **346,496** | **635,286** | **80,924** | **214,621** | **173,810** | **1,104,641** |
| | PROPORTION OF TOTAL. (PER CENT.) | | | | | | |
| *Amount Above Basic Wage*— | | | | | | | |
| Less than 10s. (incl. nil) .. | 0.5 | 0.9 | 0.8 | 0.1 | 0.8 | 1.2 | 0.8 |
| 10s. and less than 20s. .. | 1.6 | 1.6 | 1.6 | 1.1 | 0.8 | 2.3 | 1.5 |
| 20s. „ „ „ 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 | 12.3 | 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 | 37.0 | 27.5 |
| **Total .. ..** | **100.0** | **100.0** | **100.0** | **100.0** | **100.0** | **100.0** | **100.0** |

(*a*) *See* page 71 for particulars of the coverage of the survey. (*b*) For definitions, *see* page 72. (*c*) For some employees, allowances for sick leave, public holidays, etc., have been included in the marginal rates shown

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

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

| Weekly Margin.(b) | Number of Employees.(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 10s. (incl. nil) | 2,461 | 5,043 | 1,017 | 8,521 | 0.5 | 1.1 | 0.6 | 0.8 |
| 10s. and less than 20s. | 9,738 | 6,377 | 752 | 16,867 | 2.2 | 1.3 | 0.4 | 1.5 |
| 20s. " " " 30s. | 42,274 | 29,567 | 876 | 72,717 | 9.3 | 6.2 | 0.5 | 6.6 |
| 30s. " " " 40s. | 32,671 | 32,644 | 1,474 | 66,789 | 7.2 | 6.9 | 0.8 | 6.0 |
| 40s. " " " 60s. | 73,538 | 91,149 | 2,843 | 167,530 | 16.2 | 19.2 | 1.6 | 15.2 |
| 60s. " " " 80s. | 72,030 | 96,719 | 4,329 | 173,078 | 15.9 | 20.4 | 2 5 | 15.7 |
| 80s. " " " 100s. | 110,777 | 71,865 | 4,575 | 187,217 | 24.4 | 15.1 | 2.6 | 17.0 |
| 100s. " " " 120s. | 48,034 | 53,971 | 5,655 | 107,660 | 10.6 | 11.4 | 3.2 | 9.7 |
| 120s. and over | 61,939 | 87,244 | 155,079 | 304,262 | 13.7 | 18.4 | 87.8 | 27.5 |
| Total .. .. | 453,462 | 474,579 | 176,600 | 1,104,641 | 100.0 | 100.0 | 100.0 | 100.0 |

(a) *See* page 71 for particulars of the coverage of the survey. (b) For definitions, *see* page 72.

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

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

| Industrial Group. | Ordinary Time Earnings at Award Rates. (b) | Overtime Earnings (b) | Other Earnings.(b) | Total. |
|---|---|---|---|---|
| | (£'000.) | | | |
| *Manufacturing—* | | | | |
| Engineering, Metal Works, etc. | 5,469 | 1,012 | 724 | 7,205 |
| Other Manufacturing .. | 6,961 | 849 | 700 | 8,510 |
| *Total Manufacturing* .. | *12,430* | *1,861* | *1,424* | *15,715* |
| Building and Construction .. | 1672 ~~1,061~~ | 263 ~~150~~ | 169 ~~92~~ | 2104 ~~1,303~~ |
| Wholesale and Retail Trade .. | 4,521 | 238 | 425 | 5,184 |
| Other Industries .. . | 3837 ~~4,448~~ | 380 ~~493~~ | 475 ~~552~~ | 4692 ~~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 |
| *Total Manufacturing* . | *79 1* | *11.8* | *9.1* | *100.0* |
| Building and Construction .. | 79.5 ~~81.4~~ | 12.5 ~~11.5~~ | 8.0 ~~7.1~~ | 100.0 |
| Wholesale and Retail Trade .. | 87.2 | 4.6 | 8.2 | 100.0 |
| Other Industries .. .. | 81.8 ~~81.0~~ | 8.1 ~~9.0~~ | 10.1 ~~10.0~~ | 100.0 |
| Total .. .. . | 81.1 | 9.9 | 9 0 | 100.0 |

(a) *See* page 71 for particulars of the coverage of the survey. (b) For definitions, *see* page 72.

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

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

| Total Weekly Earnings.(*b*) | Manufacturing. | | | Building and Construction. | Wholesale and Retail Trade. | Other Industries. | Total. |
|---|---|---|---|---|---|---|---|
| | Engineering, Metal Works, etc. | Other Manufacturing. | Total Manufacturing. | | | | |
| | NUMBER OF EMPLOYEES.(*b*) | | | | | | |
| Less than £14(*c*) . | 6,584 | 7,181 | 13,765 | 1,748 | 1,681 | 1,912 | 19,106 |
| £14 and less than £16 | 8,920 | 16,704 | 25,624 | 1,344 | 4,419 | 5,040 | 36,427 |
| £16 " " " £18 | 23,930 | 44,674 | 68,604 | 5,233 | 37,366 | 15,974 | 127,177 |
| £18 " " " £20 | 33,389 | 55,060 | 88,449 | 9,029 | 42,213 | 21,333 | 161,024 |
| £20 " " " £22 | 37,937 | 47,764 | 85,701 | 11,013 | 31,921 | 20,123 | 148,758 |
| £22 " " " £24 | 36,344 | 38,493 | 74,837 | 14,345 | 23,061 | 18,255 | 130,498 |
| £24 " " " £26 | 30,432 | 34,272 | 64,704 | 7,958 | 17,104 | 17,462 | 107,228 |
| £26 " " " £30 | 47,642 | 40,853 | 88,495 | 11,486 | 23,629 | 26,013 | 149,623 |
| £30 " " " £35 | 34,330 | 29,011 | 63,341 | 9,692 | 14,356 | 21,494 | 108,883 |
| £35 and over .. | 29,282 | 32,484 | 61,766 | 9,076 | 18,871 | 26,204 | 115,917 |
| **Total .. ** | **288,790** | **346,496** | **635,286** | **80,924** | **214,621** | **173,810** | **1,104,641** |
| | 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 71 for particulars of the coverage of the survey. (*b*) For definitions, *see* page 72 (*c*) Inquiry indicated that many of the adult males in this group worked less than a full week because of absenteeism, changing jobs, etc.

## § 5. Basic Wages in Australia.

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

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

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

In practice, the Commonwealth Conciliation and Arbitration Commission holds general basic wage inquiries from time to time and its findings apply to industrial awards within its jurisdiction. Prior to the decision of the Commonwealth Court of Conciliation and Arbitration, announced on 12th September, 1953, discontinuing the automatic adjustment of basic wages in Commonwealth awards in accordance with variations occurring in retail price index numbers, the relevant basic wage of the Commonwealth Court of Conciliation and Arbitration was adopted to a considerable extent by the State Industrial Tribunals. In New South Wales and South Australia the State industrial authorities adopted the relevant Commonwealth basic wage. In Victoria and Tasmania, where the Wages Boards systems operate, no provision was included in the industrial Acts for the declaration of a basic wage, although Wages Boards in the past generally adopted basic wages based on those of the Commonwealth Court. In Queensland and Western Australia the determination of a basic wage is a function of the respective State Industrial or Arbitration Courts and, subject to State law, they have had regard to rates determined by the Commonwealth Court. Following the decision of the Commonwealth Court of Conciliation and Arbitration to discontinue automatic quarterly adjustments to the basic wage, the various State industrial authorities determined State basic wages in accordance with the provisions of their respective State industrial legislation. Details of the action taken in each State and subsequent variations in State basic wages are set out in para. 5. (*See also* Sections XI. and XII. of the Appendix.)

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

In §1 of this chapter (pages 49–57) particulars are given of the current Commonwealth and State industrial Acts and the industrial authorities established by these Acts. The powers of these authorities include the determination and variation of basic wage rates.

2. **The Commonwealth Basic Wage.**—(i) *Early Judgments.*—The principle of a living or basic wage was propounded as far back as 1890 by Sir Samuel Griffith, Premier of Queensland, but it was not until the year 1907 that a wage, as such, was declared by a Court in Australia. The declaration was made by way of an order in terms of section 2 (*d*) of the Excise Tariff 1906 in the matter of an application by H. V. McKay that the remuneration of labour employed by him at the Sunshine Harvester Works, Victoria, was "fair and reasonable". Mr. Justice Higgins, President of the Commonwealth Court of Conciliation and Arbitration, discussed at length the meaning of "fair and reasonable", and defined the standard of a "fair and reasonable" minimum wage for unskilled labourers as that appropriate to "the normal needs of the average

employee, regarded as a human being living in a civilized community ".* The rate declared by the President in his judgment (known as the " Harvester Judgment ") was 7s. a day or £2 2s. a week for Melbourne, the amount considered reasonable for " a family of about five ".† According to a rough allocation by the Judge, the constituent parts of this amount were £1 5s. 5d. for food, 7s. for rent, and 9s. 7d. for all other expenditure.

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

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

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

* *Commonwealth Arbitration Reports*, Vol. 2, p. 3. † For particulars of information then available on the average number of dependent children per family, *see* Labour Report No. 41, footnote on page 73. ‡ *C.A.R.*, p. 32. § Ibid., p. 841.

The practice adopted by the Commonwealth Court in 1921 of making automatic quarterly adjustments continued until the Court's judgment of 12th September, 1953. (*See* page 81.)

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

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

(iii) *Basic Wage Inquiry*, 1934.—The "Harvester" standard, adjusted to retail price variations, continued to be the theoretical basis of the basic wage of the Commonwealth Court until the Court's judgment, delivered on 17th April, 1934,§ declared new basic wage rates to operate from 1st May, 1934. The new rates were declared on the basis of the respective "C" Series retail price index numbers for the various cities for the December quarter, 1933, and ranged from 61s. for Brisbane to 67s. for Sydney and Hobart, the average wage for the six capital cities being 65s.

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

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

(*a*) Amounts were added to the basic wage not as an integral, and therefore adjustable, part of that wage, but as "loadings" additional to the rates payable under the 1934 judgment. The wage assessed on the 1934 basis was designated in the new judgment as the "needs" portion of the total resultant basic wage. These loadings, referred to as "Prosperity" loadings, were 6s. for Sydney,

* *Commonwealth Arbitration Reports*, Vol. 30, p. 2. † 31 *C.A.R.*, p. 305. ‡ 32 *C.A.R.*, p. 90. For further particulars *see* Labour Report No. 22, pp. 45–8, and Labour Report No. 23, pp. 45–6. § 33 *C.A.R.*, p. 144. ‖ For a description of the "A", "C" and "D" Series *see* page 5 of this Report. ¶ 37 *C.A.R.*, p 583

Melbourne and Brisbane; 4s. for Adelaide, Perth and Hobart; and 5s. for the six capitals basic wage. "Prosperity" loadings for the basic wage for provincial towns in each State, for combinations of towns and combinations of capital cities, and for railway, maritime and pastoral workers were also provided for in the judgment. (*b*) The minimum adjustment of the basic wage was fixed at 1s. a week instead of 2s. (*c*) The basis of the adjustment of the "needs" portion of the wage in accordance with the variations shown by retail price index numbers was transferred from the "C" Series to a special "Court" Series based upon the "C" Series. (*See* page 6.) (*d*) Rates for female and junior males were left for adjustment by individual judges when dealing with specific awards.

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

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

(vi) *Basic Wage Inquiry*, 1940.—On 5th August, 1940 the Full Court commenced the hearing of an application by the combined unions for an increase in the existing basic wage by raising the value of 1,000 (the base of the "C" Series index upon which the "Court" Series was based) from 81s. to 100s. a week, and the incorporation of the existing "Prosperity" loadings in the new rate. In its judgment of 7th February, 1941† the Court unanimously refused to grant any increase, and decided that the application should not be dismissed but stood over for further consideration after 30th June, 1941. The application was refused mainly because of the uncertainty of the economic outlook under existing war conditions.

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

The Chief Judge suggested that the basic wage should be graded according to family responsibilities and that, notwithstanding the increase in aggregate wages, a reapportionment of national income to those with more than one dependent child would be of advantage to the Commonwealth. The relief afforded to those who needed it would more than offset the inflationary tendency of provision for a comprehensive scheme of child endowment. If a scheme of this nature were established, future fixations of the basic wage would be greatly simplified. (The Commonwealth Child Endowment Act came into operation on 1st July, 1941. *See* § 8 of this chapter for the main features as at 31st December, 1960.)

* *Commonwealth Arbitration Reports*, Vol. 41, p. 520. † 44 *C.A.R.*, p. 41.

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

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

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

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

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

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

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

* *Commonwealth Arbitration Reports*, Vol 57, p. 603. † 68 *C.A.R.*, p. 698.

The Court, on 24th October and 17th and 23rd November, 1950, made further declarations concerning the " Prosperity " and other loadings. The " Prosperity " loading of 1937 (*see* page 78), which was being paid at rates of between 3s. and 6s. a week according to localities, was standardized at a uniform rate of 5s. a week for all localities and was declared to be an adjustable part of the basic wage, the " War " loadings were declared to be not part of the basic wage, and any other loading declared to be part of the basic wage ceased to be paid as a separate entity.

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

Further particulars of the judgment may be found in Labour Report No. 39, p. 81.

(ix) *Basic Wage and Standard Hours Inquiry, 1952–53.*—On 5th August, 1952, the Commonwealth Court of Conciliation and Arbitration began hearing claims by the Metal Trades Employers' Association and other employers' organizations that (*a*) the basic wage for adult males be reduced; (*b*) the basic wage for adult females be reduced; (*c*) the standard hours of work be increased; (*d*) the system of adjusting the basic wages in accordance with variations occurring in retail price index numbers be abandoned; and by the Metal Trades Federation, an association of employees' organizations, that the basic wage for adult males be increased. This would also have resulted in increasing the amount of the basic wage for adult females, though not the proportion it bore to the basic wage for adult males.

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

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

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

function under section 25 of the Act was to prevent or settle specific industrial disputes. However, these must be settled upon terms which seem just to the Court, having regard to conditions which exist at the time of its decision.

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

In accordance with its decision to abolish the automatic adjustment clause from its awards, the Court, commencing on 21st October, 1953, amended all awards listed before it as a result of application by one of the parties to the awards. Afterwards the Court, of its own motion under section 49 of the Commonwealth Conciliation and Arbitration Act, listed those awards not the subject of an application by one of the parties and then proceeded to delete the clauses providing for the automatic adjustment of the basic wage.

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

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

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

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

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

The Court took the view that its decision in 1953 to abandon the system of quarterly adjustments was clearly right and that "so long as the assessment of the basic wage is made as the highest which the capacity of the economy can

sustain, the automatic adjustment of that basic wage upon price index numbers cannot be justified, since movements in the index have no relation to the movements in the capacity of the economy ".* The Court was satisfied " that a basic wage assessed at the highest amount which the economy can afford to pay cannot in any way be arrived at on the current price of listed commodities. There is simply no relationship between the two methods of assessment ".†

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

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

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

(xi) *Basic Wage Inquiry*, 1956–57.—On 13th November, 1956, the Commonwealth Conciliation and Arbitration Commission in Presidential Session commenced to hear claims for alteration of the basic wage prescribed in the Metal Trades Award, as follows:—For the increase of the basic wage to the amount it would have reached if there had remained in the award provisions for automatic quarterly adjustments, and for the re-insertion in the award of the provisions for automatic quarterly adjustments.§ In accordance with past practice this application was treated by the Commission as a general application for alteration of the basic wage in all Federal awards.

The unions' claims were opposed by the respondent employers. The Australian Council of Salaried and Professional Associations intervened in support of the applicant unions. Victoria and South Australia were the only States to appear before the Commission and the Attorney-General of the Commonwealth intervened in the public interest. Victoria neither supported nor opposed the application by the unions. South Australia opposed the unions' claims and suggested that, if an increase in the basic wage were granted, the Commission should decide on the increase to be added to the six capitals basic wage and then apportion that increase amongst the six capital cities on a basis accurately reflecting the differences in their cost of living. The Commonwealth opposed the restoration of the automatic adjustment system, whatever index were used for this purpose.

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

* *Commonwealth Arbitration Reports*, Vol. 84, p. 175. † Ibid, p 176. ‡ Ibid, p. 177.
§ 87 *C.A.R.*, p. 439

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

The Commission, having considered all aspects of the state of the economy, decided that the basic wages in Federal awards should be increased and that the increase to the six capital cities basic wage should be 10s. a week for adult males, to come into effect from the first pay-period to commence on or after 15th May, 1957. The basic wage for adult females was increased by 7s. 6d. with proportionate increases for juniors of both sexes and for apprentices.

The historical background of differential rates of basic wage for 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 29th April, 1957. The Commission advised that it approved an annual review of the basic wage and would be available for this purpose in February, 1958. However, although favouring an annual review of the basic wage, the Commission considered that "it would not be proper for it nor would it wish to curtail the existing right of disputants to make an application at whatever time they think it necessary to do so".†

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

(xii) *Basic Wage Inquiry*, 1958.—On 18th February, 1958, the Conciliation and Arbitration Commission in Presidential Session commenced hearing an application by respondent unions for variation of the Metal Trades Award, by increasing the amounts of basic wage prescribed therein to the figure each would have reached had the quarterly adjustment system based on the "C" Series retail price index numbers been retained, plus an addition of 10s., and by making provision for future adjustment of each of the new amounts at quarterly intervals by the application thereto of the same index numbers.‡

The claims for the restoration of quarterly adjustments and for basic wage increases were opposed by private employers and by the State of South Australia, which also contended that, as the cost of living was much lower in Adelaide than in Melbourne and Sydney, greater disparities in basic wage rates than then existed should be determined if, against its submission, any general increase in the basic wage were decided upon. Tasmania, the only other State represented, made no submissions. The Attorney-General of the Commonwealth intervened in the public interest under section 36 (1.) of the Conciliation and Arbitration Act

* *Commonwealth Arbitration Reports*, Vol. 87, p. 455. † Ibid., p. 459. ‡ 89 *C.A.R.*, p. 287.

and leave to intervene was granted to the Professional Officers' Association of the Commonwealth Public Service, three other organizations of medical and scientific workers employed in the Commonwealth Public Service and the Australian Council of Salaried and Professional Associations.

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

The claim of the unions for the restoration of the 1953 basic wage standard was rejected by the Commission on the same grounds as in its 1957 judgment, 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 continued to be unacceptable to the Commission, as it had been in the three previous inquiries, there should be an immediate decision upon principle and later, if need be, an inquiry in an effort to ascertain a proper price index. He also submitted that there should be, from time to time, additions to wages to afford to workers their proper share of increased productivity and efficiency and that although the unions had never claimed that increments for increased productivity could under present circumstances be made by way of automatic adjustment, the objective of wage increases commensurate with price increases could best be achieved by the use of an automatic adjustment system. After having considered the submissions and without hearing arguments against the proposition, the Commission, on 21st February, 1958, rejected the application for the restoration of automatic adjustments and for a deferred inquiry thereon.

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

After hearing arguments for and against an increase in the basic wage rates and submissions, mainly statistical, on behalf of the Commonwealth, the Commission was unanimously of the opinion that the position of the economy regarded as a whole was such as to justify an increase in the basic wage. Kirby *C.J.* and Gallagher *J.*, considered that it was undesirable in the interests of all to grant an increase higher than 5s.; Wright *J.*, considered that a basic wage level substantially higher than that proposed by the majority was justified.

* *Commonwealth Arbitration Reports*, Vol. 89, p. 288. † Ibid., p. 290.

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

The South Australian Government submitted that economically there was no scope at all for a basic wage increase anywhere in Australia; and, as in the 1957 inquiry, again pursued the question of inter-city differentials in those awards where they applied, as an answer to the union claim that the amount of the basic wage in Adelaide should be calculated by reference to the "C" Series retail price index numbers for that city. It was claimed that the actual cost of living was so much lower in Adelaide than in Melbourne and Sydney that the basic wage for Adelaide should be approximately 10 per cent. below the rate fixed for Sydney instead of approximately 5 per cent. below, as it then was, subject to a stipulation that no reduction should be made in the existing Adelaide rate. In the Commission's view the employers had not spoken on this matter unitedly or unanimously, nor had any one supported the proposal as put to the Commission. It concluded that the claim must be rejected on the ground that it would not be wise or just to apply it in South Australia in view of the fact that it was neither sought nor supported by any other party, and its application to the Government and its instrumentalities alone was not sought.

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

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

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

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

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

The application of the unions was opposed by private employers generally, and by the State of South Australia and two of its instrumentalities. Tasmania was the only other State represented and it appeared in support of the application of the unions in regard to the increase of the basic wage to the amount it would have reached had the adjustment system been retained and the

* *Commonwealth Arbitration Reports*, Vol. 89, p. 285. † 91 *C.A.R.*, pp. 683–4.

restoration of that system. Counsel for the Attorney-General of the Commonwealth, who intervened pursuant to his statutory right, submitted on behalf of the Commonwealth that the application for restoration of the automatic adjustment system should be refused. The Commonwealth again supplied, for the benefit of the Commission and the parties, economic and statistical information and material. In addition the Commonwealth, without making a particular submission as to whether there should be an increase or its amount, made a general submission on the state of the national economy. The Australian Council of Salaried and Professional Associations was granted leave to intervene, and submissions were also presented on behalf of fixed income earners and pensioners generally.

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

On 5th June, 1959, the three Judges delivered separate judgments. On the question of whether the system of automatic quarterly adjustments should be restored the members of the Commission were divided in opinion and therefore the question was decided in accordance with the decision of the majority. The majority decision, namely, that of Kirby *C.J.* and Gallagher *J.*, was that the claim of the unions for restoration of the 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, payable as from the beginning of the first-pay-period commencing on or after 11th June, 1959. Foster *J.* was of opinion that the increase should be 20s. a week, payable as to 10s. as from the first pay-period in July, 1959, and as to the balance by increases of 2s. 6d. for four quarters commencing 1st January, 1960. Gallagher *J.* was of opinion that the increase should be 10s. a week, payable as from the date chosen by the President. Foster *J.*, while holding his opinion, decided to concur in the decision proposed by the President.

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

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

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

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

*Foster J.*—Foster *J.*, in considering the powers and functions of the Commission and the form of the inquiry, questioned whether such inquiries were adequate to achieve their avowed function.† He referred to some of the powers and duties entrusted to the Commission which revealed and emphasized the extraordinary differences between the Commission and a traditional court of law, and to the fact that the matters for the Commission's determination were far wider than the particular points of view of the interests which assumed the roles of contestants before it. In his view, the data made available by the Commonwealth Government, as intervener, were in effect the foundations of the opinions and conclusions of all the expert witnesses as well as of all the contentions of the representatives of the various contestants, and upon this material and interpretation the Commission had ultimately to base its decision. He suggested that experts in consultation with the Commission in the presence of representatives of the economic interests concerned might well bring far more satisfactory results than a proceeding modelled misleadingly upon a civil action at law.

Foster *J.* stated that the purpose of the inquiry was to fix a money sum for a basic wage which, at the time of its pronouncement, would represent a standard of living which the Commission found to be within the capacity of

* *Commonwealth Arbitration Reports*, Vol. 91, p. 685. † Ibid., p. 704.

the economy to sustain throughout the period it determined for the duration of its award. For this reason he considered that the basic wage should be automatically adjustable at quarterly intervals. As to whether such adjustment should be made by the application of a price index, he said that it was, in his opinion, the only satisfactory method of preventing the Commission's awards from becoming to some extent illusory and potentially mischievous.* In his view, the decision in 1953 to abandon the quarterly adjustment system was wrong.

Foster *J.* was of opinion that the basic wage should be increased so as to restore, in part at least, the standard of living awarded in 1950 and maintained by quarterly adjustments until 1953 and to secure to the basic wage earner some share of the increased productivity of the community. The amount of the increase would depend on whether or not the quarterly adjustment system were to be restored. If it were restored, the increase in the basic wage should be 16s. a week payable at the first pay-period in July, 1959, adjustable quarterly by the "C" Series index, the first adjustment to be for the quarter ending 30th June, 1959. If quarterly adjustments were not restored, the ultimate increase should be 20s. a week, the amount of the increase to be spread over a period of eighteen months, payable as to 10s. as from the first pay-period in July, 1959, with an increase of 2s. 6d. on each of the first pay-periods in January, April, July and October, 1960.

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

*Gallagher J.*—On the question of whether there should be a restoration of the quarterly adjustment system, Gallagher *J.* said that he was in complete agreement with Kirby *C.J.*, and with the reasons which the President had given for his conclusion, and added:—"Between December, 1950, and November, 1952, the operation of quarterly adjustments caused the basic wage for Sydney to move from 165s. to 237s. A system which, without any examination of the capacity of the economy to pay, added a sum of £3 12s. weekly to a basic wage in so short a time was quite unsuitable for modern conditions. . . ."† In his opinion the economy of the country could sustain a higher basic wage, but the amount claimed by the unions was too high. He considered that every male employee working under an industrial award almost certainly received something over and above the basic wage, and that this should be taken into account when determining whether he is receiving his proper share of the national wealth.

Taking into account the improved state of the economy, the undoubtedly heavy losses which were suffered by the country because of the combined effect of the 1957 drought and of reduced export prices, and the fact that amongst the employers who would be called upon to meet basic wage increases were farmers who had recently suffered a big loss of income, he was of the opinion that 10s. was the highest weekly increase that the economy could sustain. As to the application for a lower basic wage in the pastoral industry, he said "it would in the absence of the most exceptional circumstances be wholly undesirable and against the interests of industrial peace that there should be for employees in the rural industries a basic wage lower than that which is prescribed for other employees."‡

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

* *Commonwealth Arbitration Reports*, Vol. 91, p. 709. † Ibid., p. 728. ‡ Ibid., p. 734.

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

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

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

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

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

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

* Print No. 7469, p. 1. † Ibid., p. 3.

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

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

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

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

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

* Print No. A7469, p. 3. † Ibid., p. 4.

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

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

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

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

* Print No. A7469, p. 5. † Ibid., p. 6.

Counsel for the unions submitted that, in examining the state of the economy, the Commission should go back to the year 1952–53 as a proper starting point, and that since that year all the indicators customarily used by the Commission had shown significant improvement. However, in view of the Commission's conclusions in the case, it did not find it necessary to discuss the indicators.

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

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

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

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

* Print No. A7469, p. 8. † Ibid., p. 9.

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

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

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

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

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

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

The three cases were treated as matters of general application.

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

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

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

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

* Print No. A7469, p. 9. † Print No. A7737, p. 1.

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

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

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

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

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

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

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

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

* Print No. A7737, p. 6 † Ibid., p. 8.

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

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

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

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

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

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

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

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

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

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

(xvi) *Basic Wage Inquiry*, 1961.—The judgment was delivered on 4th July, 1961. Particulars of the claims made by employee organizations and the decision given will be found in Section X. of the Appendix.

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

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

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

(*a*) Operative from the beginning of the first pay-period commencing on or after 7th July, 1961. (*b*) Melbourne rate plus 6s 6d. for males; 75 per cent. of male rate for females. (*c*) Adelaide rate plus 5s. for males; 75 per cent. of male rate for females. (*d*) *See* pp. 103 and 104 regarding special loadings.

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

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

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

> " The Court does not think it is necessary or desirable, at any rate at the present time, to declare any wage as a basic wage for female employees. Generally speaking they carry no family responsibilities. The minimum wage should, of course, never be too low for the reasonable needs of the employee, but those needs may vary in different industries. In the variations now to be made the proportion in each award of the minimum wage for females to that for males will be preserved."*

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

In 1942, National Security Regulations " pegged ", as at 10th February, 1942, all rates of remuneration previously prevailing in any employment. The only exceptions allowed were variations to rectify anomalies, variations resultant from hearings pending prior to 10th February, 1942 and basic wage variations in accordance with movements in retail price index numbers.

Also in 1942, the Commonwealth Government set up the Women's Employment Board, with jurisdiction over terms and conditions of employment, including wage rates, of women engaged during the war in work formerly performed by men or in new work which immediately prior to the outbreak of the war was not performed in Australia by any person. The Commonwealth Court of Conciliation and Arbitration and State Industrial Tribunals continued to determine rates of wage, etc., for those females not coming within the jurisdiction of the Board.

In 1943 a case came before the Commonwealth Court involving determination of general principles as to rates of wage for such females, particularly as affecting female workers at Government small arms ammunition factories. In its judgment of 17th June, 1943,† the Court rejected the claim that the wage rates paid to these women were anomalous when compared with those granted by the Women's Employment Board and it enunciated in full the principles followed by the Court in determining female rates of wage within its jurisdiction. The judgment pointed out that whereas the male basic wage was a family wage the female rate was assessed to provide for the needs of a single woman. The Court said " the man's basic wage is more than sufficient for his personal needs; it purports to provide him with enough to support some family. The woman's, on the other hand, purports to be enough for her to maintain herself only. No allowance is made for the support of any dependants. The man's wage has been measured by this Court with reference to the dominating factor of the productive capacity of industry to sustain it and with due regard consequently to what its application in industry will mean, to the marginal structure which rises above it, and to the consequent wages which will in accordance with established rules and practice be paid to women and to minors."‡

* *Commonwealth Arbitration Reports*, Vol. 33, p. 156. † 50 *C.A.R.*, p. 191. ‡ Ibid., p. 213.

In December, 1943,* Drake-Brockman *J.*, in dealing with women employees in the Clothing (Dressmaking and Tailoring Sections) and Rubber industries, awarded for the duration of the war and for six months thereafter as a " flat rate " for the industry 75 per cent. of the " needs " basic wage, plus the " prosperity " and " industry " loadings ordinarily applicable to adult males. This action was taken to overcome the exceptionally heavy wastage of the employees in the industry which had occurred during the previous three years and to attract women to the industry and thereafter to retain them for some reasonable period of time after they had been trained.

In July, 1944, National Security (Female Minimum Rates) Regulations authorized the Commonwealth Court of Conciliation and Arbitration to make comprehensive investigations into minimum rates of wage payable to females in industries considered by the Government to be necessary for war purposes. The object of these regulations was to remove disparities which were creating discontent and impeding the manpower authority in redistributing female labour to " vital " industries. Wage rates in twelve such industries were referred by the Government for consideration, but in a judgment delivered on 4th May, 1945,† the majority of the Full Court decided that the wage rates were not unreasonably low.

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

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

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

The Commonwealth Conciliation and Arbitration Act 1947 (*see* Labour Report No. 37, page 50) provided amongst other things that " a Conciliation Commissioner shall not be empowered to make an order or award altering . . . . . (*d*) the minimum rate of remuneration for adult females in an industry". Following an inquiry in 1948, it was held by the Full Court of the Commonwealth Court of Conciliation and Arbitration that Conciliation Commissioners had jurisdiction to " fix " the female rates in question under the provisions of the Act, but that the provision referred only to the basic wage element in any prescribed female rates. In December, 1948, the Government amended the Act to authorize the Court—and the Court alone—to fix the basic rate by providing that " a Conciliation Commissioner shall not be empowered to make an order or award . . . (*d*) determining or altering the minimum rate of remuneration for adult females in an industry."

A further amendment in 1949 empowered the Court to determine or alter a " basic wage for adult females " which was defined as " that wage, or that part of a wage, which is just and reasonable for an adult female, without regard to any circumstance pertaining to the work upon which, or the industry in which, she is employed ".

* *Commonwealth Arbitration Reports*, Vol. 51, pp. 632 and 648. † 54 *C.A.R.*, p. 613.

The first major post-war declaration of policy in respect of the female basic wage was made by the Commonwealth Court of Conciliation and Arbitration in the course of its judgment in the 1949–50 Basic Wage Inquiry (*see* page 80). The Court fixed a new basic weekly wage for adult females at 75 per cent. of the corresponding male rate, operative from the beginning of the first pay-period commencing in December, 1950.

In the 1952–53 Basic Wage and Standard Hours Inquiry the employers claimed that the basic wage for females should be 60 per cent. of that for males instead of 75 per cent., on the grounds that the existing ratio was unjust and unreasonable having regard to the principles of male basic wage fixation and that it constituted an additional burden on employers at a time when the economy was adversely affected by the level of wage costs. The Court decided that there was no basis for a review of the existing ratio and ordered that the female basic wage should remain at 75 per cent. of the male basic wage. The Commonwealth Conciliation and Arbitration Commission had, to the end of 1960, made no change in this ratio.

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

4. **Australian Territories.**—(i) *Australian Capital Territory.*—Prior to 1922 the lowest rate payable to an unskilled labourer was not defined as a basic wage, as all wages were paid under the authority of the Federal Capital Commission as a lump sum for the particular occupation in which the worker was employed, but in 1922 an Industrial Board commenced to operate under a local Ordinance (*see* page 53). A summary of the decisions made by the Industrial Board during its period of operation was given in earlier issues of the Labour Report (*see* No. 40, page 89).

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

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

In reviewing the Australian Capital Territory awards, following its decision of 12th October, 1950, in the 1949–50 Basic Wage Inquiry (*see* page 80), the Commonwealth Court of Conciliation and Arbitration fixed the Canberra basic wage at £8 5s. a week for adult males, operative from the beginning of the first pay-period commencing in December, 1950.*

Until August, 1953, the basic wage for the Australian Capital Territory was varied each quarter in accordance with movements in the "C" Series retail price index numbers. However, following a decision of the Commonwealth Court of Conciliation and Arbitration to delete automatic adjustment clauses from its awards (*see* page 81), the basic wage for the Australian Capital Territory remained unchanged from August, 1953, until June, 1956. Since then, the uniform increases made to the basic wage by the Court and the

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

Conciliation and Arbitration Commission have applied. The basic wages for the Australian Capital Territory, under awards of the Commonwealth Conciliation and Arbitration Commission, payable as from the first pay-period on or after 7th July, 1961, were £14 10s. for adult males and £10 17s. 6d. for adult females.

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

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

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

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

In 1927‡ Beeby *J.* also referred to the regimen of 1916, and fixed the basic wage at £5 10s. a week, or 2s. 6d. an hour, including £1 a week district allowance which had been suggested by Powers *J.* in his 1924 award as being a reasonable amount. As there was no adjustment clause in operation in Territory awards, the basic wage of £5 10s. a week remained in operation until 1934, except for the reduction by the Financial Emergency Act 1931 to £4 16s. 3d.

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

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

In 1939 an additional amount was added to the basic wage as a special loading to offset the increase in the cost of living not reflected by the index numbers. The loading was 16s. 3d. for employees on works and 10s. for

* *Commonwealth Arbitration Reports*, Vol. 9, p. 1. † 20 *C.A.R.*, p. 737. ‡ 25 *C.A.R.*, p. 898. § 33 *C.A.R.*, p. 944. ‖ 39 *C.A.R.*, p. 501.

railway employees.* In February, 1940, before an automatic adjustment increase of 2s. became payable, the Court suspended the adjustment clause, pending further inquiry.†

In 1941‡ the Full Court again reviewed the basic wage and, after a full investigation of its past history, awarded £5 12s. 9d., made up of (*a*) £4 10s. 9d. awarded in 1934; (*b*) 4s. in respect of accrued adjustments since 1939; (*c*) 5s. additional allowance for rent; and (*d*) two constant (unadjustable) " loadings " of 3s. and 10s. a week. The Court also restored the adjustment clause based solely on the movement in the Food and Groceries retail price index. This, however, never became effective, because it was superseded early in 1942 by the Blakeley Orders referred to below.

The basis of adjustment was altered by Conciliation Commissioner Blakeley, by Orders dated 29th January, 1942,§ owing to the urgent necessity to provide, over the period of the war, for adjustments in respect of rent, clothing and other miscellaneous items of domestic expenditure. Adjustment by means of the Food and Groceries Index only was no longer doing justice to the workers of the Territory, since the workers elsewhere in Australia were enjoying the benefit derived from the adjustment of their wages by means of the more comprehensive " C " Series retail price index. As there was no " C " Series retail price index for the Territory, and it was not possible to compile one on the basis of prices in Darwin, a composite index, " The Darwin Special ' All Items ' Index " was created. This index was computed on the basis of food and groceries prices in Darwin, combined with Townsville prices for rent, clothing and miscellaneous items.

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

After the bombing of Darwin in 1942, food and grocery prices in the Special Index for Darwin were varied in accordance with fluctuations in food and grocery prices in Alice Springs and Tennant Creek.‖

Following its " Interim " Basic Wage Judgment of 13th December, 1946 (*see* page 80), the Court decided in March, 1947, to postpone any adjustment pending a general review of the basic wage in the Territory. This review was made in 1948, and the Court increased the basic wage for adult males by 8s. a week. It also adopted as from the March quarter, 1948, the new Darwin Special " All Items " Index (containing the restored prices of food and groceries for Darwin proper, plus Townsville prices for rent, clothing and miscellaneous items) and transferred the basis of adjustment to the " Court " Index (2nd Series). The new basic wage, which came into operation from the beginning of the first pay-period commencing after 20th May, 1948, was £7 0s. 9d., including the unadjustable amount of 15s. 9d. (*see* above), and the loadings of 3s. and 10s.

Consequent upon the decision of the Commonwealth Court of Conciliation and Arbitration in the 1949–50 Basic Wage Inquiry (*see* page 80), an interim increase of £1 2s. a week, payable from the first pay-period in December, 1950, was authorized pending a special inquiry into the fixation of a new basic wage

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

for the Northern Territory.* After the inquiry, and as a result of agreement between employers and employees, the Court fixed the basic wage at £10 10s. a week, operative from the beginning of the first pay-period commencing in November, 1951.† The Darwin Special "All Items" index (*see* above) was retained as the basis for quarterly adjustments, Subsequently, a special loading of 10s. a week was added to the wage rates in a number of awards.

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

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

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

Other Commonwealth employees in the Northern Territory south of the 20th parallel of south latitude were paid the Darwin basic wage prior to February, 1935 (*see* page 101). The Full Court, in a judgment issued on 13th November, 1934,‡ fixed a rate of £4 a week for Works and Services employees, which included an amount of 7s. a week to cover the cost of freight on goods purchased from the Railway Stores at Port Augusta. This rate compared with £4 10s. 9d. being paid in areas north of the 20th parallel, and with £3 5s. in Adelaide. Provision was also made for the adjustment of this wage to be made in the manner provided by the Court for railway employees at Alice Springs, namely on the basis of variations in the "Special" retail price index numbers for Port Augusta (inclusive of Railway Stores prices for groceries and dairy produce), but only £3 6s. of the total amount was adjustable.

The 3s. a week "loading" granted by the Court in 1938 (*see* page 101) applied to employees located south of the 20th parallel of south latitude as well as to those engaged north thereof.

At a hearing on 12th and 13th March, 1947, the Full Court granted to workers in this area the amount of 7s. a week consequent upon its "Interim" Basic Wage Judgment of 13th December, 1946, as an addition to the "adjustable" part of the basic wage applicable. The questions raised as to a general review of the basic wage in the Territory as a whole were postponed pending the hearing and finalization of the 1949–50 Basic Wage Inquiry (*see* page 80).

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

* *Commonwealth Arbitration Reports*, Vol. 69, p. 836. † 72 *C.A.R.*, p. 113. ‡ 33 *C.A.R.*, p. 947. § 65 *C.A.R.*, p. 573.

excess over the "needs" rate granted in November, 1934 (*see* page 103). The basic wage payable from the first Sunday in December, 1949, then became £7 14s., made up of a "needs" rate of £6 14s. and the loadings of 7s. for "Freight Costs" and 3s. for "Prosperity" loading. This represented an increase of 6s. over the basic wage calculated on the former basis.

Consequent upon the decision of the Commonwealth Court of Conciliation and Arbitration in the 1949–50 Basic Wage Inquiry (*see* page 80), an interim increase of £1 2s. a week, payable from the first pay-period in December, 1950, was authorized, pending a special inquiry into the fixation of a new basic wage for the Northern Territory.* After the inquiry, and as a result of agreement between employers and employees, the Court fixed the basic wage at £10 10s. a week, operative from the beginning of the first pay-period commencing in November, 1951.† The Port Augusta Special "All Items" Index (*see* page 103) was retained as the basis for quarterly adjustments. Subsequently, a special loading of 7s. a week was added to the wage rates in a number of awards.

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

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

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

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

on the family unit of a man, wife and two children from 1914 to 1925; a man and wife only in 1927, with family allowances for dependent children; and a man, wife, and one child in 1929, with family allowances for other dependent children. However, with the adoption in 1937 of the Commonwealth basic wage (*see* below), the identification of a specified family unit with the basic wage disappeared.

A living wage for adult male rural workers of £3 6s. a week was in force for twelve months from October, 1921 and a rate of £4 4s. operated from June, 1927 to December, 1929, when the power of industrial tribunals to fix a living wage for rural workers was withdrawn. This power was restored by an amendment to the Industrial Arbitration Act made in June, 1951.

Following the judgment of the Commonwealth Court of Conciliation and Arbitration of 23rd June, 1937 (*see* page 78), the State basic wage was brought into line with the Commonwealth rates ruling in the State by an amendment of the Industrial Arbitration Act (No. 9 of 1937) which came into operation from the commencement of the first pay-period in October, 1937. Provision was made for the automatic adjustment of wages in conformity with variations of retail prices as shown by the Commonwealth Court's "All Items" retail price index numbers, and the Commonwealth Court's principle of treating the "Prosperity" loadings as a separate and non-adjustable part of the total basic wage was adopted. The rates for country towns were, with certain exceptions, fixed at 3s. a week below the metropolitan rate; and Crown employees, as defined, received a "Prosperity" loading of 5s. a week, as against the 6s. laid down for employees in outside industry. The basic rate for adult females was fixed at 54 per cent. of the adult male rate, to the nearest sixpence. The provisions of the main Acts for the periodic declaration of the living wage by the Industrial Commission were repealed, but the amending Act placed on the Commission the responsibility of altering all awards and agreements in conformity with the intentions of the new Act; of defining boundaries within which the various rates were to operate;* and of specifying the appropriate "Court" Series retail price index numbers to which they were to be related.

An amendment to the Industrial Arbitration Act, assented to on 23rd November, 1950, empowered the Industrial Commission to vary the terms of awards and industrial agreements affecting male rates of pay, to the extent to which the Commission thought fit, to give effect to the alteration in the basic wage for adult males made by the judgment of the Commonwealth Court of Conciliation and Arbitration of 12th October, 1950. In the case of female rates of pay the Commission was empowered to review the terms of awards and industrial agreements and to vary such terms as in the circumstances the Commission decided proper, but no variation was to fix rates of pay for female employees lower than the Commonwealth basic wage for adult females. The rates for adult males were increased by the same amounts as for the corresponding Commonwealth rates, with special provision to cover the cases of apprentices, casual workers and employees on piecework. In deciding the variation for female employees the Commission prescribed an increase in the total wage rate (i.e., basic wage plus marginal rate) of £1 4s. 6d. a week, subject to the statutory provision that the minimum total rate was to be not less than the basic wage for adult females prescribed in Commonwealth awards, that is, at least 75 per cent. of the corresponding male basic wage rate. For Sydney, the rate was £6 3s. 6d. a week.

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

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

In discussing the composition of the amount of £6 3s. 6d. the Commission stated that it was " reasonable to allocate £1 of the said sum . . . to secondary considerations and to regard the amount of £1 4s. 6d. as an addition proper to be made to the pre-existing basic wage in New South Wales of £3 19s.", and that the total, £5 3s. 6d., therefore became the true female basic wage for Sydney under the State Act.* (This decision of the Commission was superseded by an amendment of the Act in 1958—*see* page 107.)

As a consequence of the overriding statutory requirement that no rate for adult females in State awards shall fall below the Commonwealth basic wage for adult females, the amount of the quarterly adjustments to the female basic wage for changes in the " Court " Series index numbers was the same in Commonwealth and State awards.

By an amendment to the Industrial Arbitration Act in June, 1951, the differentiation in the basic wage rates in different districts and for employees under Crown awards was eliminated as a general rule, making the basic wage throughout most of the State equal to that paid in Sydney. The main exception was the Broken Hill district, where a different basic wage rate prevailed until the Act was amended in 1961 (*see* page 107).

After considering the decision of the Commonwealth Court of Conciliation and Arbitration in September, 1953, to discontinue the system of automatic adjustment of the basic wage, the New South Wales Industrial Commission, on 23rd October, 1953, stated that there had been an alteration in the principles upon which the Commonwealth basic wage was computed and ordered the deletion of the automatic adjustment clauses from awards and agreements within its jurisdiction.† In October, 1955, however, the Industrial Commission was required by the Industrial Arbitration (Basic Wage) Amendment Act to restore, to all awards and agreements within its jurisdiction, quarterly adjustments of the basic wage consequent on variations in the " C " Series retail price index numbers. Subsequently, the basic wage was adjusted as from the beginning of the first pay-period commencing in November, 1955, when the rates for the State, excluding Broken Hill, became £12 13s. for adult males and £9 9s. 6d. for adult females. The new rate for adult males was an increase of 10s. on the rate previously payable from August, 1953, and represented the full increase in the basic wage adjusted in accordance with movements in the " C " Series retail price index numbers between the June quarter, 1953, and the September quarter, 1955.

The movement in the " C " Series retail price index numbers in respect of the September quarter, 1956 was materially affected by the abnormal price movements in potatoes and onions, and the Commonwealth Statistician in the statistical bulletin *The " C " Series Retail Price Index, September Quarter, 1956* showed two sets of index numbers, namely, " Aggregate All Groups " and " All Groups *excluding* price movements of potatoes and onions ". The Industrial Registrar of the Industrial Commission of New South Wales, in accordance with section 61M (2) of the Industrial Arbitration Act, varied

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

awards, etc., under the jurisdiction of that tribunal to incorporate an adjustment of 11s. a week in the basic wage as from the first pay-period in November, 1956, based on the "C" Series retail price index number "Aggregate All Groups" in respect of Sydney. The Metal Trades Employers' Association and others appealed to the Industrial Commission and contended that the basic wage adjustment should be determined by using the Commonwealth Statistician's retail price index number "All Groups *excluding* price movements of potatoes and onions", but the Commission, in its judgment of 5th November, 1956, dismissed the appeal and supported the decision of the Registrar.

The Industrial Arbitration Act was amended by the Industrial Arbitration (Female Rates) Amendment Act (No. 42, 1958) which became operative on 1st January, 1959. The Act defined the existing basic wage for adult females as being 75 per cent. of the male basic wage, notwithstanding anything contained in the 1950 judgment of the Industrial Commission of New South Wales (*see* page 105), and the Commission should, upon application, or might, of its own motion, vary existing awards or industrial agreements to give effect to this definition. Such a variation is not to prescribe a wage rate less than the sum of the newly defined basic wage plus the marginal or secondary amounts applicable immediately prior to this variation, or more than the wage payable to adult males performing similar work.

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

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

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

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

By an amendment to the Factories and Shops Act in 1934, Wages Boards were given discretionary power to include in their determinations appropriate provisions of relevant Commonwealth awards. A further amendment to this

Act in 1937 made it compulsory for Wages Boards to adopt such provisions of Commonwealth awards. This amending Act also gave Wages Boards power to adjust wage rates " with the variation from time to time of the cost of living as indicated by such retail price index numbers published by the Commonwealth Statistician as the Wages Board considers appropriate ". The Wages Boards thus adopted the basic wages declared by the Commonwealth Court of Conciliation and Arbitration and followed that Court's system of adjusting the basic wage in accordance with variations in retail price index numbers.

After the Commonwealth Court of Conciliation and Arbitration discontinued the system of automatic adjustment of the Commonwealth basic wage (*see* page 81), a number of Wages Boards met in September, 1953 and deleted references to these adjustments. However, an amendment to the Factories and Shops Act in November, 1953 required Wages Boards to provide for the automatic adjustment of wage rates in accordance with variations in retail price index numbers.

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

An amendment to the Labour and Industry Act proclaimed on 17th October, 1956 deleted the automatic adjustment provision and directed Wages Boards in determining wage rates to take into consideration relevant awards of, or agreements certified by, the Commonwealth Conciliation and Arbitration Commission. The last automatic quarterly adjustment of the basic wage, based on the variation in retail price index numbers for the June quarter, 1956, became payable from the beginning of the first pay-period in August, 1956. Following the judgment of the Commonwealth Conciliation and Arbitration Commission in the 1961 Basic Wage Inquiry (*see* page 97), Wages Boards met in July and August, 1961, and varied their determinations by incorporating the new Commonwealth rates. The rates for Melbourne were £14 7s. a week for adult males and £10 15s. for adult females.

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

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

The main provisions to be observed by the Commission when making general declarations as to the basic wage are—(*a*) All persons interested must be given an opportunity to be heard before any such general declaration can be made; (*b*) the minimum wage of an adult male employee shall be not less than is sufficient to maintain a well-conducted employee of average health, strength and competence, and his wife and a family of three children in a fair and average standard of comfort, having regard to the conditions of living prevailing among employees in the calling in respect of which such minimum wage is fixed, and provided that the earnings of the children or wife of such employee

shall not be taken into account; (*c*) the minimum wage of an adult female employee shall be not less than is sufficient to enable her to support herself in a fair and average standard of comfort, having regard to the nature of her duties and to the conditions of living prevailing among female employees in the calling in respect of which such minimum wage is fixed; (*d*) the Commission shall, in the matter of making declarations in regard to the basic wage or standard hours, take into consideration the probable economic effect of such declaration in relation to the community in general, and the probable economic effect thereof upon industry or any industry or industries concerned.

The first formal declaration of a basic wage by an industrial tribunal in Queensland was gazetted on 24th February, 1921, when the basic wage was declared at £4 5s. a week for adult males and £2 3s. for adult females. Prior to this declaration the rate of £3 17s. a week for adult males had been generally recognized as the "basic" or "living" wage. Basic wage rates declared during the period 1921 to 1961 will be found in the table in Section XII. of the Appendix.

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

The Court granted increases of 7s. and 5s. to the basic wages for adult males and adult females respectively, payable from 23rd December, 1946, following the "interim" basic wage judgment of the Commonwealth Court of Conciliation and Arbitration announced earlier in December, 1946 (*see* page 80).

Following the decision of the Commonwealth Court of Conciliation and Arbitration to increase the male and female basic wages from December, 1950 (*see* page 80), the Queensland Industrial Court conducted an inquiry as to what change should be made to the State basic wage for Queensland and granted an increase of 15s. a week to both adult males and adult females, thus increasing the metropolitan rates to £7 14s. a week and £5 2s. 6d. a week respectively, operative from 7th December, 1950. The basic wage payable to adult females became approximately 66 per cent. of the male rate.*

In January, 1953 the Queensland Industrial Court departed from the practice (established in 1942) of varying the basic wage in accordance with quarterly variations in the "C" Series retail price index numbers for Brisbane. If the practice had been continued, a reduction of 1s. would have been made in the basic wage for adult males from January, 1953. The Court was not satisfied, however, that the movement in the "C" Series index for Brisbane for the December quarter, 1952 was a true representation or reflex of the economic position for Queensland as a whole and so declined to make any alteration to the basic wage.†

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

* *Queensland Industrial Gazette*, Vol. 35, p. 1253. † *Qld. I.G.*, Vol. 38, p. 137.

Commencing in March, 1954 a Basic Wage Inquiry was conducted by the Court and in its judgment of 11th June, 1954 the Court stated that there would be no change in the basic wage rates declared for February, 1954.* For the following four quarters also the Court decided not to vary the existing basic wage rates. However, after considering the "C" Series index number for the quarter ended 30th June, 1955, and its relation to the index number for the March quarter, 1955, the Court announced that as these figures showed a continued upward trend the basic wage for adult males should be increased to £11 7s. from 1st August, 1955. In this judgment the Court emphasized that it held itself free whether or not to adjust the basic wage upwards or downwards in accordance with movements in the "C" Series retail price index numbers. During the next year increases were granted in three of the four quarters.

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

Consequent on the issue of the index numbers for the December quarter, 1956, the Court announced that there would be no change in the basic wage and stated: "The existing basic wage of £12 1s. for adult males truly reflects the increase in the 'C' Series index as shown between the June quarter and the end of the December quarter".†

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

On 22nd and 23rd April, 1958, the Court heard an application by combined unions for an immediate increase of £1 in the basic wage, on the ground that a state of emergency existed with regard to the cost of living. In its judgment of 30th May, 1958, the Court stated that no emergency had been proved to exist and that there was no justification for discarding the "C" Series retail price index numbers. The application was therefore dismissed.

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

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

Following an inquiry, the Commission, in a decision issued on 24th May, 1961, increased the adult male basic wage by 4s. a week, which was approximately the amount of the increase indicated by the Consumer Price Index for March quarter, 1961.

Subsequently, employer organizations applied to the Commission for a declaration of a general ruling that the basic wage for males and/or females should not be reviewed merely by reason of any change in the Consumer Price

* *Queensland Industrial Gazette*, Vol 39, p. 335. † *Qld I G.*, Vol. 42, p. 167.

Index at intervals of less than 12 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—including Brisbane) adult males in other areas receive district allowances. As from 2nd February, 1959, the allowances have been:—Southern Division (Western District), 10s. 6d., Mackay Division, 9s., Northern Division (Eastern District), 10s. 6d.; and Northern Division (Western District), £1 12s. 6d. From May, 1961, the allowances for adult females were increased from 50 per cent. to 75 per cent. of those for adult males.

(v) *South Australia.*—The Industrial Code, 1920-1958 provides that the Board of Industry shall, after public inquiry as to the increase or decrease in the average cost of living, declare the "living wage" to be paid to adult male employees and to adult female employees. The living wage is defined as "a sum sufficient for the normal and reasonable needs of the average employee living in the locality where the work under consideration is done or is to be done". The family unit is not specifically defined in the Code, but the South Australian Industrial Court in 1920 decided that the "average employee" in respect of whom the adult male living wage is to be declared is a man with a wife and three children. However, the concept of a family unit has disappeared with the adoption of basic wage rates declared by the Commonwealth Conciliation and Arbitration Commission (*see* below).

The Board of Industry has power to fix different rates to be paid in different parts of the State and the Code also provides that the Board shall hold an inquiry for the purpose of declaring the living wage whenever a substantial change in the cost of living or any other circumstance has, in the opinion of the Board, rendered it just and expedient to review the question of the living wage, but a new determination may not be made by the Board until the expiration of at least six months from the date of its previous determination

The Board of Industry consists of a President (who shall be the President or Deputy President of the Industrial Court) and four commissioners, two of whom shall be representatives of employers and two representatives of employees.

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

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

Following the declaration of an "interim" increase in its "needs" basic wage by the Commonwealth Court of Conciliation and Arbitration on 13th December, 1946 (*see* page 80) the South Australian Government made provision through the Economic Stability Act, 1946 for the declaration by the Governor of a living wage based on the Commonwealth basic wage for Adelaide. This action was taken because the Board of Industry had made

a determination on 5th September, 1946 and under the Industrial Code was not able to make a further determination for six months. On 24th December, 1946 the Governor issued a proclamation, declaring a rate of £5 2s. a week for adult males, including the 4s. "Prosperity" loading, to operate from 7th January, 1947. The Act also provided for similar proclamations in respect of adjustments to the living wage; however, the powers of the Board of Industry to declare a living wage which would supersede any wage declared by proclamation were retained.

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

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

Following the decision of the Commonwealth Court of Conciliation and Arbitration in the 1949–50 Basic Wage Inquiry (*see* page 80), the South Australian Industrial Code was amended to provide for declarations of the living wage by proclamation, to prevent unjustifiable differences between the Commonwealth and State basic wages. By proclamation dated 30th November, 1950, the South Australian living wage in the metropolitan area was increased from £6 17s. to £7 18s. for adult males and from £3 14s. 11d. to £5 18s. 6d. for adult females, operative from 4th December, 1950. These new rates were identical with the December rates fixed by the Commonwealth Court of Conciliation and Arbitration for the metropolitan area of South Australia. The female rate was, by the proclamation, increased from approximately 55 per cent. to 75 per cent. of the corresponding male basic wage.

The living wage for Adelaide was adjusted each quarter, as required under the State Industrial Code, in accordance with variations in the Commonwealth basic wage for Adelaide until the August, 1953, adjustment. After the Commonwealth Court of Conciliation and Arbitration announced the discontinuance of quarterly adjustments, the Commonwealth basic wages for Adelaide, and consequently the State basic wages, remained unchanged from the beginning of the first pay-period commencing in August, 1953, until the first pay-period in June, 1956, when an increase of 10s. a week was granted to adult males and an increase of 7s. 6d. to adult females. Subsequent increases have been the same as those made to the Commonwealth rates as the result of Basic Wage Inquiries. From 10th July, 1961, the living wage in the metropolitan area of South Australia was £14 13s. for adult males and £10 12s. for adult females.

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

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

The term " basic wage " is defined in the Act as " a wage which the Court considers to be just and reasonable for the average worker to whom it applies ". In determining what is just and reasonable the Court must take into account not only the needs of an average worker but also the economic capacity of industry and any other matters the Court deems relevant. The family unit in relation to the adult male basic wage is not specifically defined in the Act, but it has been the practice of the Court to take as a basis of its calculations a man, his wife and two dependent children.

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

Prior to 1950 the legislation differed from that outlined above. Particulars of the previous legislation will be found in issues of the Labour Report prior to No. 39, 1950.

The first declaration of the " basic wage " by the Court of Arbitration since the authority to fix one was vested in the Court by the Industrial Arbitration Act, 1925, operated from 1st July, 1926, the rate for adult male employees being £4 5s. a week, and for adult female employees £2 5s. 11d. a week. Since that date the principal inquiries have been those of 1938, 1947, 1950 and 1951.

The declaration of 13th June, 1938 (operative from 1st July) was based on the findings of the Royal Commission on the Basic Wage, 1920 (*see* page 77). For this purpose the Court reduced the amount recommended by the Commission for a five-unit family to the equivalent for a four-unit family and brought the resulting amounts up to their equivalents at the March quarter, 1938, by means of movements in the separate " group " retail price index numbers in respect of the sections for food, clothing and miscellaneous expenditure, and for rent added an amount which was considered fair under ruling conditions.†

The increased basic wage of 26th February, 1947, was granted after an inquiry‡ by the Western Australian Court of Arbitration consequent upon the " Interim " Basic Wage Judgment of the Commonwealth Court of Conciliation and Arbitration in December, 1946 (*see* page 80).

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* *Western Australian Industrial Gazette*, Vol. 9, p. 166. † *W.A.I.G.*, Vol. 18, p. 151.
‡ *W.A.I.G.*, Vol. 27, p. 39.

Following the judgment of the Commonwealth Court of Conciliation and Arbitration in the 1949–50 Basic Wage Inquiry (*see* page 80), the Western Australian Court of Arbitration resumed an inquiry which had been adjourned, to ascertain what change should be made in the State basic wage rates. In its judgment of 7th December, 1950* the Court decided that the basic wage should be increased by £1 a week for adult males and by 15s. a week for adult females. The rates in the metropolitan area then became £8 6s. 6d. for adult males and £4 14s. 1d. for adult females, operative from 18th December, 1950. The unions' claim for a female basic wage equal to 75 per cent. of the male rate instead of the existing 54 per cent. was not granted, but it was intimated that the increase of 15s. should not necessarily be regarded as the Court's final word on the subject.

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

Following the decision of the Commonwealth Court of Conciliation and Arbitration to discontinue quarterly adjustments (*see* page 81) the Western Australian Court of Arbitration exercised its discretionary power and, after reviewing the quarterly statements prepared by the Government Statistician for each quarter from the September quarter, 1953 to the March quarter, 1955, declined to make, where applicable, any adjustment to the basic wage. However, after reviewing the statement submitted by the Government Statistician for the quarter ended 30th June, 1955, the Court decided to increase the basic wage for Perth by 5s. 11d. a week for adult males and to make corresponding increases for the other areas in the State. Subsequently, adjustments were made to the basic wage each quarter, except in February, 1959, and February, 1960, when no change was made.

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

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

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

(vii) *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.

* *Western Australian Industrial Gazette*, Vol. 30, p. 336. † *W.A.I.G.*, Vol. 36, p. 497.

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

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

Following the decision of the Commonwealth Court of Conciliation and Arbitration in the 1956 Basic Wage Inquiry (*see* page 82), the Employers' Federation requested that Wages Boards accept the Commonwealth basic wage and delete automatic adjustment provisions from their determinations. On 3rd July, 1956, the Chairman of Wages Boards issued a statement that he favoured the suspension of automatic adjustments in order to achieve some measure of stability. He added, however, that if prices continued to rise it would be necessary to review the position.

The majority of Wages Boards suspended quarterly basic wage adjustments after the August, 1956 adjustment, and to July, 1959, wage rates remained unchanged. Following the decision of the Commonwealth Conciliation and Arbitration Commission in July, 1961, to increase the basic wage (*see* Section X. of the Appendix), Wages Boards met in July and August, 1961, and incorporated the new rates in their determinations. The rates for Hobart then became £14 14s. for adult males and £11 0s. 6d. for adult females.

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

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

(viii) *Rates Prescribed.*—The " basic wage " rates of State industrial tribunals operative in November, 1960, and 1961 are summarized in the following table. Current figures are published in the *Monthly Bulletin of Employment Statistics.*

STATE BASIC WAGES: WEEKLY RATES.

| State. | November, 1960. | | | | November, 1961. | | | |
|---|---|---|---|---|---|---|---|---|
| | Date of Operation. (a) | Males. | | Females | Date of Operation. (a) | Males. | | Females. |
| | | s. | d. | s. d. | | s. | d. | s. d. |
| New South Wales— | | | | | | | | |
| Metropolitan and Country, excluding Broken Hill .. .. | Nov., 1960 | 294 | 0 | 220 6 | Nov., 1961 | 301 | 0 | 226 0 |
| Broken Hill .. .. .. | Nov., 1960 | 289 | 0 | 216 6 | (b) | .. | | .. |
| Victoria(c) .. .. .. | (d) | 275 | 0 | 206 0 | (e) | 287 | 0 | 215 0 |
| Queensland— | | | | | | | | |
| Southern Division— | | | | | | | | |
| Eastern District, including Brisbane .. . .. | 31.10.60 | 276 | 0 | 191 0 | 29.5 61 | 284 | 0 | 213 0 |
| Western District .. .. | 31.10.60 | 286 | 6 | 196 3 | 29.5.61 | 294 | 6 | 221 0 |
| Mackay Division .. .. | 31.10.60 | 285 | 0 | 195 6 | 29.5.61 | 293 | 0 | 219 9 |
| Northern Division— | | | | | | | | |
| Eastern District .. .. | 31.10.60 | 286 | 6 | 196 3 | 29.5.61 | 294 | 6 | 221 0 |
| Western District .. .. | 31.10.60 | 308 | 6 | 207 3 | 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 .. .. | 24.10 60 | 294 | 7 | 220 11 | 30.10.61 | 298 | 9 | 224 1 |
| South-West Land Division .. | 24.10.60 | 292 | 0 | 219 0 | 30 10.61 | 297 | 3 | 222 11 |
| Goldfields and other areas .. | 24.10.60 | 287 | 1 | 215 4 | 30.10 61 | 291 | 6 | 218 8 |
| Tasmania(c) .. .. .. | (g) | 282 | 0 | 211 6 | (h) | 294 | 0 | 220 6 |

(a) Where dates are not quoted wages rates operate from the beginning of the first pay-period commencing in the month shown. (b) From November, 1961, the Sydney rate applies to the whole of New South Wales. (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 in the Whyalla area, where a loading of 5s. a week is generally payable. (g) Most Wages Boards adopted the Commonwealth basic wage rate from July, 1959. (h) Most Wages Boards adopted the Commonwealth rate from July, 1961.

## § 6. Wage Margins.

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

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

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

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

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

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

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

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

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

In a judgment delivered on 5th November, 1954* the Court made an order re-assessing the marginal structure in the Metal Trades Award by, in general, raising the current amount of the margin to two and a half times the amount of the margin that had been current in 1937. However, in cases in which the result of that calculation produced an amount less than the existing margin the existing margin was to remain unaltered. In effect, this decision increased the margin of a fitter from 52s. a week to 75s. a week, increased similarly margins of other skilled occupations, and made no increase in margins of what may generally be described as the unskilled or only slightly skilled occupations under the Metal Trades Award. The new rates operated from the beginning of the first pay-period commencing on or after 13th December, 1954.

At the end of its judgment the Court stated that while its decision in this case related immediately to one particular industry, it was expected to afford general guidance to all authorities operating under the Conciliation and Arbitration Act, or under other legislation which provided for tribunals having power to make references, or being subject to appeal, to the Court, where the wage or salary may properly be regarded as containing a margin. The Court added observations for the guidance of these and of other tribunals " which may regard decisions of this Court as of persuasive authority ". Further details were published in Labour Report No. 46, 1958, pages 101–8.

3. **Margins Cases, 1959.**—On 25th August, 1959, the Commonwealth Conciliation and Arbitration Commission began considering a number of applications for increases in marginal rates. The Amalgamated Engineering Union and other employee organizations applied for increases in margins in Part I. of the Metal Trades Award. There were also applications by the Association of Architects, Engineers, Surveyors and Draughtsmen of Australia and the Federation of Scientific and Technical Workers for variation of the

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

Metal Trades Award, Part II, and of the Aircraft Industry Award, Part II., by the Australian Bank Officials' Association regarding the Bank Officials' Award and by the Australian Workers Union regarding the Gold and Metalliferous Mining Award. Finally there was an application by the Metal Trades Employers' Association and others to reduce rates in the Metal Trades Award. All of these matters were references under section 34 of the Conciliation and Arbitration Act from the appropriate Commissioner.

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

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

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

*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, p. 116) from 52s. to 134s. a week and an increase of 157 per cent. in the margins for other classifications. The employers counter-claimed for a reduction in margins of 15s. a week.

Counsel for the unions put broadly a case that in the proper fixation of margins the basic criteria were the market value at the time of the fixation of the wage and the economic capacity of the economy to pay the wages claimed and he alleged that the 1954 Metal Trades decision had departed from these principles. He produced to the Commission material to demonstrate the economic situation which would justify the increases asked for. He also submitted that the true relativities in the Metal Trades Award should be those created by a combination of the 1947 Full Court decision and the second variation order made in 1947 by G. A. Mooney, *C.C.*†

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

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

* Print No. A7072 p. 4. † *Commonwealth Arbitration Reports*, Vol. 59, p. 1272.

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

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

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

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

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

*Principles of Marginal Fixation.*—" In the discharge of our function of settling the particular disputes before us and as this is the first occasion on which this Commission constituted as a full bench has been called upon to deal with a major case concerning general marginal principles we propose to deal with some of the submissions which have been put to us as to general principles. We would, however, emphasize that we do not regard what we have to say as exhausting the subject of marginal fixations."†

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

" A closely related question is whether margins should be increased merely because of the decreased purchasing power of money since last fixed. We were referred to the 1954 Margins Judgment and other judgments on that point (*see* 80 C.A.R. 1 at pp. 30 and 31 and the judgments there cited). If those judgments do no more than reject the automatic or mathematical approach, that is, reject the proposition that a margin should be fixed merely by multiplying an existing margin by whatever is necessary to make up the decrease in purchasing power of money, we agree with

* Print No. A7072, p. 9. † Ibid., p. 10.

them. If those judgments suggest that the decrease in purchasing power is not a factor to be taken into account at all, we find ourselves unable to agree with them. Whenever a margin is fixed, it is fixed in current money terms and if no account at all is taken of the decreased purchasing power of money since the margin was last assessed, then the fixation would not be a real one. Whenever a margin is under review, some account must be taken of the amount at which the margin was originally fixed and of the decrease in purchasing power of money since then, if in fact it has decreased. Although this concept is capable of being expressed shortly, its application in practice is complicated by the lack of any adequate measure of the decreased purchasing power of money. In arriving at the rates we award we have taken into account the fact that there has been a significant fall in real value of the current margins since they were fixed.

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

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

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

"We would think it clear that neither the Court nor the Commission has ever talked in terms of 'exhausting' the capacity of the economy as far as wages generally are concerned when fixing a basic wage. The reference on p. 8 of the 1958 Basic Wage Judgment to marginal claims refutes any suggestion that in that case the Commission believed it was exhausting the capacity of the economy with its basic wage decision."†

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

* Print No. A7072, p. 11. † Ibid., p. 12.

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

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

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

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

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

*Over-Award Payments.*—"The question of over-award payments is a complex one. The material before us is fragmentary and incomplete and it contains difficulties because many of the descriptions used were not defined in advance and may mean different things in different places. From the very nature of things it may not be possible to obtain precise and complete information from Union sources. Nevertheless, we feel that the material put before us by the Unions on this occasion, unanswered by evidence from the employers, is helpful to the extent indicated hereafter. The question of what is in fact being paid in an industry has been regarded as a relevant consideration in wage fixation by the Commonwealth Court of Conciliation and Arbitration. It has been regarded as relevant even when the amounts paid were obtained under pressure. *See* Metal Trades case (37 C.A.R. 176 at p. 182) and Bank Officials' case (34 C.A.R. 843 at p. 849)."†

"We have given earnest consideration to the question whether this Commission should pay regard to payments which have been obtained by duress. From the economic point of view it seems hardly open to question that the means by which over-award payments of sufficient duration were obtained is irrelevant when one is concerned with discovering economic capacity. The mere fact that such amounts are being paid and have been paid over an appreciable period is sufficient to demonstrate capacity. We would point out, however, that the over-award payments with which we are dealing are, in the main, over-award payments which have been built up over the past five years since the 1954 Metal Trades Award was made. If, in that time, the Unions concerned in the applications before us

* Print No. A7072, p. 13. † Ibid., p. 14.

had applied their energies to seeking relief in this tribunal instead of seeking to obtain relief by direct action it may well be that instead of an incomplete and fragmentary picture of over-award payments, identifiable and general increased payments might have been obtained through the processes of arbitration.

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

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

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

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

"We are conscious of the desirability of attempting to maintain the economic stability which this country has achieved. We are also conscious of the desirability of ensuring that wage justice should be done to employees under this Award. We have looked at the increases which we propose to grant in this case in the light of the submissions about economic stability and we do not consider that such increases are so likely to affect that stability that the economy will be adversely affected. If marginal increases cannot be granted in time of economic prosperity such as the present, it is difficult to imagine when they can be granted."†

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

* Print No. A7072, p. 14. † Ibid., p. 20.

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

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

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

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

*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.

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

*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, Dethridge *C.J.*, in granting one week's annual leave with full pay to employees in the industry, said:—" This Court has frequently been asked to award annual leave on full pay but has hitherto not done so except in cases where employees have to work on Sunday, or suffer some other deprivation

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

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 the 14th December, 1960, the application was refused.

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

Counsel for the unions contended that serious anomalies existed because awards of the Commission lagged behind standards of annual leisure increasingly adopted in other jurisdictions, notably in New South Wales, where the Annual Holidays Act of 1958 had, with effect from the beginning of 1959, extended

* *Commonwealth Arbitration Reports*, Vol. 36, p. 738. † 55 *C.A.R.*, p. 595.

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 due to 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 moved to employers to demonstrate lack of capacity to pay for this increased leisure. In these cases, principles for general application had not been laid down.

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

Evidence given on behalf of employers, covering the sheep and cattle industries, had provided the view that, if the application succeeded, direct and indirect labour costs would increase, thereby producing an adverse effect on the industries which would be harmful to the whole economy. Counsel for the employers submitted that at the end of September there was a strong demand for labour. Surveys of overtime taken from time to time in 1960 disclosed that in about 2,400 factories covered, the average weekly hours of overtime per person working overtime were 7.8 and per employee in the survey 2.7. The probability was that any extension in annual leave would result in more overt me 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 is 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.

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.

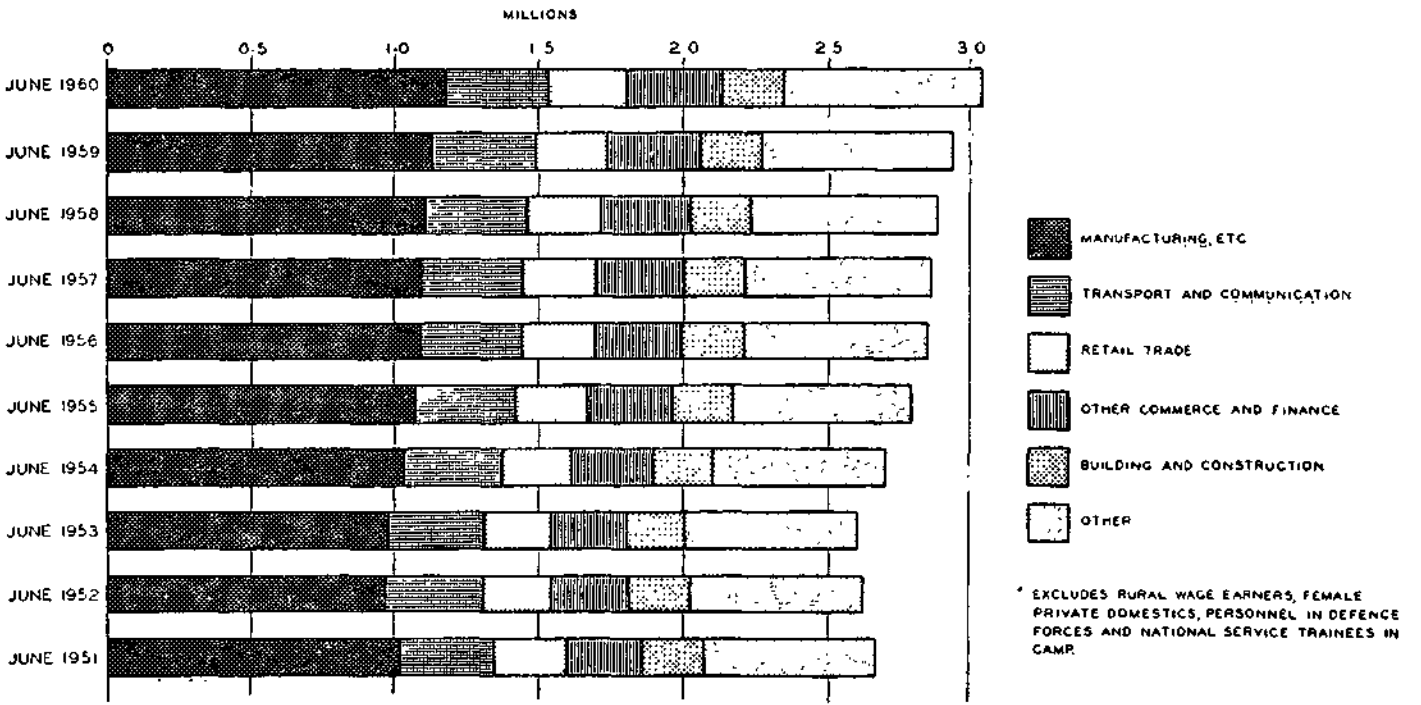
The Stevedoring Industry Act 1961, which came into operation on 6th June, 1961, included provisions granting long service leave to persons who have been continuously registered as waterside workers under Commonwealth stevedoring legislation. Leave provided for is thirteen weeks after the completion of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

### § 8. Child Endowment in Australia.

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

# WAGE AND SALARY EARNERS IN CIVILIAN EMPLOYMENT *

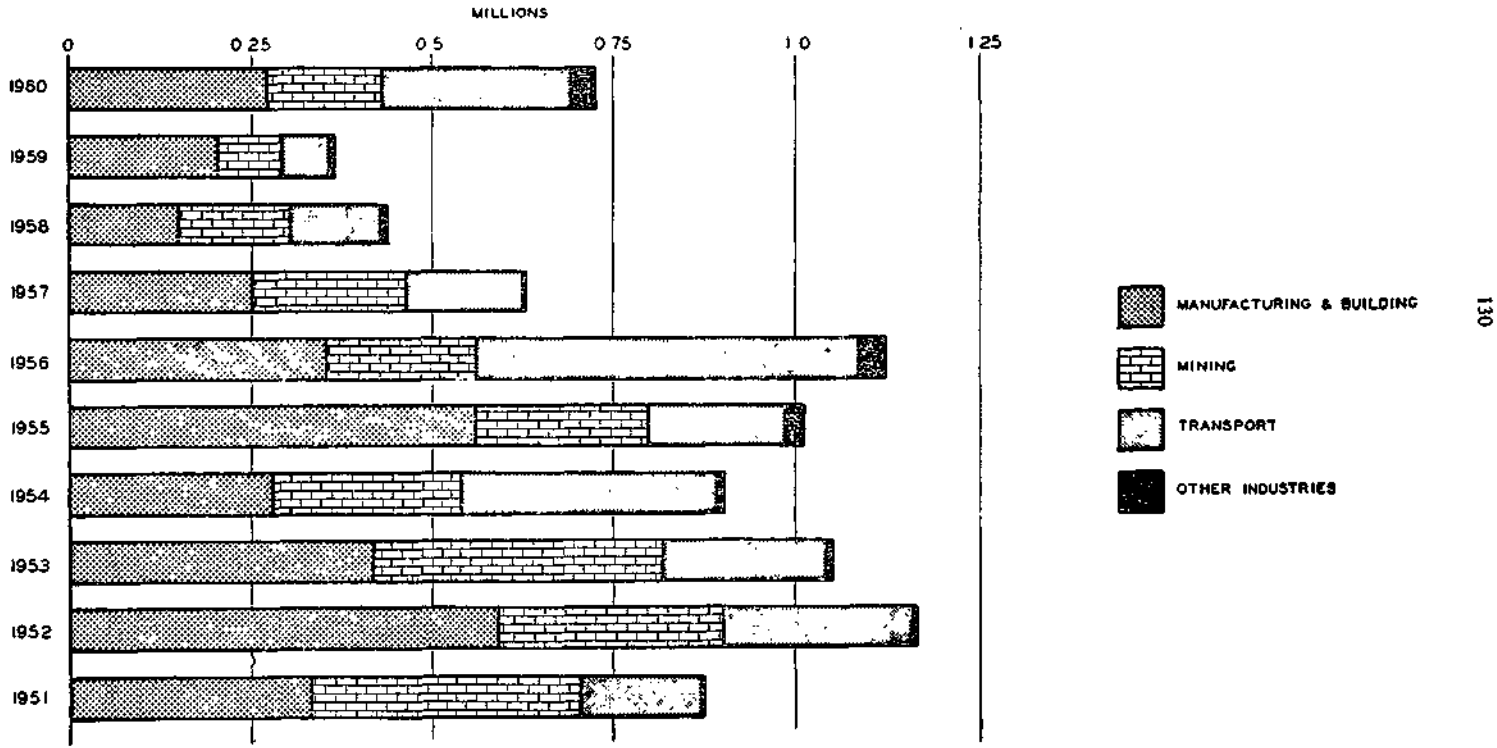
## AUSTRALIA, 1951 TO 1960




* EXCLUDES RURAL WAGE EARNERS, FEMALE PRIVATE DOMESTICS, PERSONNEL IN DEFENCE FORCES AND NATIONAL SERVICE TRAINEES IN CAMP.

# INDUSTRIAL DISPUTES, AUSTRALIA, 1951 TO 1960

## WORKING DAYS LOST – INDUSTRIAL GROUPS



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

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

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

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

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

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

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

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

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

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

* Act No. 8, 1941 (Child Endowment Act) as amended by No. 5, 1942 and Nos. 10 and 41, 1945 (now Part VI. of the Social Services Act 1947-1962).

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

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

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

There is no means test.

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

A summary of the operations of this scheme during each of the years 1955–56 to 1959–60 is given below:—

CHILD ENDOWMENT: AUSTRALIA.

| At 30th June— | Endowed Families. | | Approved Institutions. | | Total Number of Endowed Children. |
|---|---|---|---|---|---|
| | Number of Claims in Force. | Number of Endowed Children. | Number of Institutions. | Number of Endowed Children. | |
| 1956 .. .. | 1,339,807 | 2,854,524 | 392 | 21,140 | 2,875,664 |
| 1957 .. .. | 1,378,169 | 2,957,046 | 397 | 21,145 | 2,978,191 |
| 1958 .. .. | 1,415,378 | 3,051,699 | 415 | 22,246 | 3,073,945 |
| 1959 .. .. | 1,451,516 | 3,149,516 | 421 | 22,307 | 3,171,823 |
| 1960 .. .. | 1,476,835 | 3,228,657 | 421 | 23,487 | 3,252,144 |

| Year. | Amount Paid to Endowees and Approved Institutions. | Annual Liability for Endowment at 30th June. | Average Annual Rate of Endowment per Endowed Family at 30th June. | Average Number of Endowed Children per Endowed Family at 30th June. | Number of Endowed Children in each 10,000 of Population. |
|---|---|---|---|---|---|
| | £ | £ | £ | | |
| 1955–56.. .. | 60,380,685 | 57,349,773 | 42.394 | 2.131 | 3,050 |
| 1956–57.. .. | 57,036,962 | 59,516,769 | 42.786 | 2.146 | 3,088 |
| 1957–58.. .. | 58,733,561 | 61,522,656 | 43.059 | 2.156 | 3,122 |
| 1958–59.. .. | 67,539,615 | 63,597,690 | 43.415 | 2.170 | 3,153 |
| 1959–60.. .. | 62,531,977 | 65,365,889 | 43.841 | 2.186 | 3,163 |