The total value of contracts during the year 1947–48 has increased by £464,508 over the preceding year and the tonnage handled is 743,980 tons greater.

In December, 1947, the Commission introduced an incentive-payments scheme for the discharge of bulk phosphate at the ports of Auckland, New Plymouth, Lyttelton, Port Chalmers, and Dunedin, and the results have proved very satisfactory, particularly at Ravensbourne and Dunedin, where there has been a substantial increase in the rate of work. At the end of the financial year under review steps were being taken to introduce an incentive-payments scheme for the discharge of bulk sulphur.

(b) COSTS OF CARGO HANDLING

Tables have now been printed by the Commission and are available to shipping companies and the union showing the stevedoring costs for various cargoes and each class of contract for the four years ended 31st March, 1947. Costs for the year ended 31st March, 1948, are being finalized, and will be printed later.

(c) PROFIT DISTRIBUTION

Included in the Appendix (pages 52–61) is a table summarizing the results of cooperative contract stevedoring and showing the amount of profit distributed at each port and each class of contract and the average profit per winch-hour for the seven-year period 1940–47 and for the year ended 31st March, 1948, and the totals to that date. An amount of £275,251 was distributed during the year at a winch-time rate of 10·9d. per hour, as against an amount of £205,328 distributed for the year ended 31st March, 1947, at a rate of 10·65d. per winch-hour, an increase of £69,923 and an increase of 0·25d. per winch-hour. The total amount of profit distributed from the commencement of contracting until 31st March, 1948, was £1,336,484 at a winch-time rate of profit of 9·64d.

The Commission issued an order during the year providing for the payment of profit distribution to non-union waterside workers as from 1st April, 1947, and since that date non-unionists have participated in the profits earned under the co-operative contracting system.

4. AVERAGE HOURS OF WORK

Published in the Appendix (page 67) is a table showing the average hours of work per man-week (ordinary and overtime) by unionists for the fifty-two weeks ended 27th March, 1948. The average hours per week for all main and secondary ports was $45\frac{1}{2}$ (33½ ordinary time, 12 overtime) for the year ended 27th March, 1948, as against $42\frac{3}{4}$ hours (33¼ ordinary time, $9\frac{1}{2}$ overtime) for the previous year. The ordinary hours of work were increased by an average of a quarter of an hour and overtime hours by an average of $2\frac{1}{2}$ hours, an overall increase of $2\frac{3}{4}$ hours per week as against the previous year. The over-all increase can be mainly attributed to the payment of the guaranteed daily minimum of two hours when work is not available, and the increase in overtime hours can be attributed to the inclusion for the full year of Saturday morning work as overtime. The Saturday morning rate was increased to time and a half as from 1st August, 1946, and during four months of the preceding financial year Saturday morning work was treated as ordinary hours.

5. RATES OF PAY: AVERAGE WAGE

Following the pronouncement of the Court of Arbitration increasing the standard minimum rates of wages for adult workers by 3d. per hour and including the cost-of-living bonuses in the basic rate, the Commission as from 1st October, 1947, increased the basic rate of pay of waterside workers by 3d. per hour. The two cost-of-living bonuses, which were previously paid at a flat rate (irrespective of ordinary or overtime