

Mr. Von Dadelszen, ex Registrar-General, framed the following index numbers of money wages and their purchasing-power over food between 1895 and 1907. They have not been continued after that year :—

TABLE 36.—SHOWING CHANGES IN NOMINAL WAGES AND REAL WAGES IN NEW ZEALAND, 1895-1906 (VON DADELSZEN).

Year.				Wages.	Food-prices.	Real Wages.
1895	..	..	..	85	84	101
1896	..	..	..	84	86	98
1897	..	..	..	85	86	98
1898	..	..	..	89	87	102
1899	..	..	..	88	84	105
1900	..	..	..	90	86	105
1901	..	..	..	90	90	100
1902	..	..	..	93	106	89
1903	..	..	..	97	100	96
1904	..	..	..	99	99	100
1905	..	..	..	98	102	96
1906	..	..	..	100	100	100
1907	..	..	..	105	103	101·5

Whilst the former table shows a rise in real wages of 9 per cent. between 1896 and 1907, the latter shows it to be only about 3. The difference is partly explained by the fact that the latter takes into account food-prices only, which have risen faster than the prices of commodities in general in New Zealand. Between 1896 and 1907 both index numbers show the money wages to have risen from 21 to 25 per cent. The information on which these numbers are based does not appear to allow of a precise estimate of the rise in the purchasing-power of wages. All that can be said with certainty is that wages and prices have pursued almost parallel courses, and that over the greater part of the last twenty years the rise in wages has been sufficient not only to preserve the old standard of living at the increased prices, but to add considerably to the comforts and common luxuries consumed. In other words, the improvement in the standard of living has been due to the rise in wages having relatively cheapened cost of living at the original standard. The improvement of the standard of living is, therefore, not a cause of the “cost of living” as defined by the Commission, but has been made possible only by the increase in that cost having been outrun by the increase in income. But for the last two years the accelerated rise in the prices of food and some other necessities has probably made it more difficult to maintain this higher standard, for incomes do not appear to have risen in proportion, the wages lagging behind prices even more than has been usual.

Standard of living abroad.
8. The movements abroad have been similar. The per-capita consumption of the common articles has increased greatly during the period of rising prices, and both the money and real wages have also increased. The following table shows the trend :—

TABLE 37.—WAGES AND PRICES ABROAD (HOOKER). (1890-99 = 100.)

United Kingdom.				France.			United States of America.			
	Wages.	Prices.		Wages.	Prices.		Wages.	Full-time Earnings.	Prices.	
		Whole-sale Food.	Retail Food.		Whole-sale Food.	Retail Food.			Whole-sale Food.	Retail Food.
1890-94	95	109	..	94	111	112	94	97	105	..
1895-99	97	99	97	98	101	104	94	96	91	95
1900-04	103	101	103	102	100	96	106	104	109	105
1905-09	105	105	107	107	104	89	117	113	119	114
1910	106	110	111	110	107	96	..	..	131	..

The conclusion drawn from the figures on which the above table is based is that “during the past two decades the rise in wages, in those trades for which we