

This means that they are not directly subject to review by the Arbitration Court. The Arbitration Court does directly review and determine the wages of most unionist wage-earners; but a large group of 11,000 unionist railway workers lies outside the scope of the Court. These set off, in part, the unfinancial unionists, apprentices, &c., not included in the returns of trade-unionists. It seems a fair conclusion, therefore, that, as recorded trade-unionists represent 25 per cent. of the wage-earners, the proportion whose conditions are reviewed for the purpose of Court awards is somewhat larger than this, but not more than 30 per cent. Acting largely upon the information obtained in its examination of the conditions of this limited section of the wage-earners, the Court makes decisions which apply not only to trade-unionists, but also to non-unionists in occupations governed by awards, and which are accepted as standards over a wide range of other occupations as well. Consequently the Court exerts a powerful though indirect controlling influence over the wages of a proportion of the wage-earners much larger than the estimated 25 to 30 per cent. who come directly under its examination.

3. WAGE LEVELS AND PRICES.

These conditions exercise a considerable influence upon the wages and conditions prevailing in the various industrial groups, and upon the amount of public attention they secure. The Arbitration Court, dealing directly with the wages of less than 30 per cent. of the wage-earners, determines indirectly the wage standards for a much larger section; while the trade-unions, including only one-fourth of the wage-earners in their financial membership, are often regarded as representing the whole of the wage-earning groups.

Consideration of wage-rates brings out again the disparity noted in previous bulletins between the conditions of sheltered and unsheltered industries. The published information regarding wage-rates is practically confined to manual workers—about one-half of the total wage-earners—and a marked difference appears between recorded wages of manual workers in sheltered and in unsheltered occupations. With the single exception of the agricultural and pastoral group, which is the largest individual group, the official index number of wages is confined to rates for mainly manual workers in sheltered industries—the industrial, transport, and hotel and restaurant groups. In fact, the Year-book states that, with the exception of agricultural wages, obtained from the Labour Department, and railway wages, obtained from the Railway Department, the index number is based almost entirely upon the awards of the Arbitration Court. The official “average wage for all industrial groups combined” is thus representative of special groups rather than of all groups of wage-earners. As given in the *Abstract of Statistics* it indicates that wages in 1926 were 58 per cent. above the 1914 level. This is the figure most commonly quoted, and it is usually regarded as comparable with other pre-war price indexes. But the chief of these indexes, those for wholesale, export, and import prices, are on the broader and safer base of the five pre-war years, 1909–13. The Year-book publishes indexes for wage-rates based on Dominion averages for the same years, which are therefore directly comparable with these price indexes. The comparison is made in the following tables, where figures have been computed from the official indexes:—

Wage Indexes.

(Base weighted average of all groups, 1909–13 = 100.)

—					All Wage Groups.	Unsheltered Agricultural and Pastoral.	Sheltered Manual Workers.
1926	..	..	..	..	170·0	149·4	175·6
Last quarter, 1926	..	..	..	..	170·6	149·4	176·2

Price Indexes.

—					All Wholesale Prices.	Import Prices.	Export Prices.	Animal Products.
1909–13	..	..	..	..	100·0	100·0	100·0	100·0
1926	..	..	..	..	161·9	158·6	152·6	141·0
Average of last quarter, 1926	..	..	..	..	160·7	158·6	138·1	133·2

The wage indexes show a wide disparity in wage-rates, unsheltered agricultural and pastoral wages being about 50 per cent. above the 1909–13 wage-level, and sheltered wages about 76 per cent. above that level. Sheltered wages, too, determined mainly by the Arbitration Court, have been rising since 1923, and are apparently still rising. Wholesale prices have fallen steadily since 1924, import prices since 1920, and export prices, which fell heavily in 1925–26, are at a relatively low level. These low prices are for unsheltered products, sold mainly in competitive overseas markets. It is instructive to compare the price-levels of certain more sheltered products:—

Sheltered Prices.

—					Milled Agricultural Products.	Textile Manufactures.	Wood Products.	Coal.
1909–13	..	..	..	..	100·0	100·0	100·0	100·0
1926	..	..	..	..	192·8	209·4	207·4	187·5
Average of last quarter, 1926	..	..	..	..	194·1	205·9	203·3	188·2

These are the prices of articles having for the most part a sheltered local market. There appears to be a close connection between high prices in these sheltered industries and high wages in the corresponding groups of wage-earners employed in the sheltered industries, and an equally close connection between the lower wages and the low prices of the unsheltered industries.

4. CONCLUSION.

In the absence of fuller information regarding wages among the non-manual wage-earners precise and definite conclusions cannot be drawn regarding the relative positions of all the different groups. There is, however, considerable indication that wages in sheltered industries, and subject mainly to Arbitration Court awards, are relatively high compared with wages in unsheltered industries. These high wages are partly the effect, partly the cause of the high prices received for the products of those industries, and they exert a considerable influence on the cost of living, which is undoubtedly a chief factor considered by the Arbitration Court in making its awards. There is reason, too, for believing that the relatively high wages of workers in sheltered town industries, where the influence of the Court is great, have attracted many wage-earners from the unsheltered rural industries, where the Court's influence is less. But the unsheltered industries provide a large part of the market for the products of the sheltered industries. Wages in the latter industries are 76 per cent. above the pre-war level; prices higher still. It is difficult to see how the