THE MINIMUM WAGE IN GREAT BRITAIN AND AUSTRALIA

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The legal minimum wage which is beginning to cause so much discussion in the United States is today an accomplished fact in only three countries, Great Britain and two of her colonies, Australia and New Zealand. In matters of legislation and public policy we should expect the colonies to follow the guidance of the mother country. Generally this is the case. In this matter of minimum wage legislation, however, the usual precedents have been reversed and the mother country has been content to take a leaf from the note-book of experience assiduously compiled by her children.

In 1907 the Secretary of State for the Home Department in Great Britain sent Mr. Ernest Aves to Australia and New Zealand to investigate and report on labor conditions, particularly on the operation and results of the minimum wage laws in the colonies. Partly as a result of Mr. Aves' report, Mr. Winston Churchill, president of the Board of Trade, introduced into the House of Commons on March 24, 1909, the trade boards act (9 Edw. 7, Ch. 22), which became law on October 20 of that year and came into operation on the first of January, 1910. This act was based on the wages boards' legislation of several of the Australian states, especially that of Victoria, although it contains many modifications of the Australian plan. Like the early Australian legislation on the subject this act is confessedly experimental and so far has been made applicable to only four trades in which it was known that much sweating existed, although it was provided that the act might be extended to other trades if it seemed wise to the Board of Trade that this should be done.

The four trades to which the British trade boards act applies are: (1) the ready-made and wholesale bespoke tailoring trade; (2) paper-box making; (3) machine-made lace and net finishing and repairing; (4) chain-making of the lighter sort. For each of these

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occupations a trade board is provided which is to be composed of an equal number of employers and employees and a smaller number representing the public interests. In the case of those trades which are carried on in more than one locality, district committees are provided which are to report their recommendations to the central board which may approve or disapprove of them. The trade board has authority to fix a minimum rate of wages and to vary this to suit conditions in the different districts. When this minimum rate has been approved by the Board of Trade it becomes binding on all employers in that trade and any employer who pays a lower rate of pay than that authorized by the board is guilty of an offense and is punishable by fine in the same way as if he had violated the provisions of the factories' act.

The chain-making board and the lace board had to deal only with localized industries. They were therefore the first to be organized and the first to reach a determination under the act. The chain-making trade is largely concentrated at Cradley Heath in the county of Worcester. The wages of the workers—mostly women—who carry on the task of making chains by hand in small workshops have always been notoriously low. The increase in the average rate of pay made by the trade board in this occupation is said to amount to about 60 per cent. In the case of the women workers the increase is even greater; Miss Constance Smith says it varies from 80 to 150 per cent.[1]

The lace board which had to deal with conditions in the Nottingham lace industry could not make such an advance in the rates as was made for the chain-makers, partly because of international competition and partly because of peculiarities in the trade organization. Nevertheless the increases here were considerable and were based on what the best employers in the trade had tried in vain to have adopted by voluntary agreement.

In the other two trades, paper-box making and tailoring, the determinations of the boards have only recently become compulsory. There was a considerable increase in the minimum wages of box workers allowed by the trade board, but in the tailoring trade the workers were much disappointed at the rates fixed by the board. With respect to neither of these trades is it possible to say as yet what will be the

[1] Constance Smith, *The Working of the Trade Boards Act in Great Britain.* Report of the Bureau of the International Association for Labour Legislation, Zurich, 1912, Appendix, p. 3.

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net effect to the workers of the minimum rates fixed by the boards or how effectively the law will be enforced.

In addition to the trade boards provided for by Parliament in 1909, mention should be made of the fact that during the spring of 1912, owing to a prolonged dispute and serious strike in the coal mining industry of the United Kingdom over the question as to whether or not a minimum rate of pay should be provided for all workers in the coal mines, Parliament made a legislative declaration in favor of a minimum wage for all workers underground and provided for a system of joint boards in each of the twenty-two coal mining districts of the country to establish minimum wage scales. These boards were to be composed of an equal number of employers and employees, with an impartial chairman. Owing to the long continuance of collective bargaining in this industry, the machinery for fixing the wage scales was already in existence and was put in motion without delay. The boards met in each district and most of the awards were made during May and June. In spite of some dissatisfaction on the part of the workers, the mines are being operated on the basis of the rates fixed by the boards.

I have dealt briefly with the English legislation before taking up the Australian because Americans are more likely to be interested in the English experiments. We have borrowed so frequently and freely from England in the way of labor legislation, and her industrial conditions seem to us to be so much like our own that we cannot but be influenced by her example. On the other hand, Australia is so far away and most Americans know so little concerning social and industrial conditions there that they are inclined to attach little importance to social experiments in that part of the globe.

In this matter of minimum wage legislation, however, we must give far more attention to the Australian experiments, particularly the Victorian, than we do to those of England, if we are to have safe guidance and are to profit at all by the results of experience. For English experience with the minimum wage is too brief to be as yet of much importance. The difficulties which must inevitably arise during the years of initial legislation and administration of so complicated a matter as wage regulation, England is now grappling with, and the outcome can not yet be forecast with certainty. In a measure this is true of most of the Australian states. It seems safe to predict that a minimum wage upheld by law has become a permanent part of

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legislation in both Australia and New Zealand, but it would hardly be safe to make predictions as to the machinery by which it is ultimately to be secured.

There are, it may be said at once, two methods by which the minimum wage has been established throughout Australasia. In New Zealand, in New South Wales, in West Australia, and in the commonwealth of Australia, so far as concerns "disputes extending beyond the limits of any one state," minimum wages are fixed by the arbitration courts. This is purely incidental to their main task of settling industrial disputes. But although the chief purpose which the framers of the acts which provided for compulsory arbitration had in mind was the prevention of strikes and lock-outs, the chief significance which compulsory arbitration today has in Australasia is that it is a powerful weapon by the use of which the state asserts its right to interfere in the making and enforcing of the labor contract. For whatever one's conclusions may be as to the success or failure of compulsory arbitration in Australasia, no unbiased investigator can well doubt Mr. J. S. MacGregor's contention[2] that compulsory arbitration must be judged not by its success in preventing disputes but by its success in regulating trade and industry and as a natural consequence of this regulation we have the fixing of the minimum wage as perhaps the most important task of the courts.

Since compulsory arbitration in private industries could hardly be introduced into the United States at present without amending our federal and state constitutions and since the suggestion that we use it is today hardly more than an academic proposition, we shall not attempt here to describe the ways in which it has been used in New Zealand and Australia to secure the minimum wage but shall turn at once to the simpler method of the wages boards which are to be found today in Victoria, South Australia, Queensland and Tasmania. In New South Wales, too, such boards have existed since 1908 in connection with or supplementary to the court of arbitration.

It is doubtful whether any state, except Victoria, has had a sufficiently long experience with the wages boards' system of fixing minimum wages to warrant any final conclusion as to the effects of this system on wages and industrial development. In Victoria, however, the amendments to the factories act which provided for wages

[2] J. S. MacGregor, *Industrial Arbitration in New Zealand.* Dunedin, 1902.

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boards were passed in July, 1896, and the first boards completed their determination early in 1897, so that we have had sixteen years of experience of this method of fixing wages. It must also be remembered that we have had minimum wages established by means of compulsory arbitration in New Zealand since 1896[3] and in New South Wales and Western Australia since 1902.[3] It would seem therefore that sufficient time had elapsed to allow us to judge the success of wage legislation in these colonies.

In Victoria, as indeed in all the other states in which the wage board system, as contrasted to compulsory arbitration, was adopted, the motive leading to this legislation was the desire to put an end to sweating. By "sweating," I mean, of course, what has come by common consent to be the ordinarily accepted definition of that term, viz., "the payment by an employer to his work people of a wage which is insufficient to purchase for them the necessaries of life."[4] Associated with these low wages we usually find long hours and unsanitary work places. In every country in which sweating has been found to exist, some of the worst cases have been among the home workers, especially those who undertake to finish at their homes garments put out by large wholesale houses. To a large extent the low wages paid for this work have been due to the fact that competition takes place between those who depend upon this work for a living and those who use it only to supplement incomes received from other sources. Sweating is not, however, confined to home-work nor to those working in any one occupation. Each country and each community is likely to have a class of occupations suited to its own environment in which sweating exists. In the United States the girls working in our retail stores are known to be "sweated," and probably, when everything is taken into consideration, no class of workers in America is worse sweated than the great mass of unskilled laborers who work in our steel plants. In England we have seen that it was the chain-makers, the workers on lace and the paper-box makers in addition to the garment workers who seemed to be in the worst condition.

Now in Victoria in the last two decades of the nineteenth century, sweating was found to be especially prevalent in the manufacture of

[3] These are the dates when the acts became effective.

[4] Lord Hamilton in debate on the trade boards bill. *British Parliamentary Debates*, Lords, Fifth Series, vol. II, col. 974.

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bread, boots and shoes, clothing and furniture. Practically the same situation was revealed in Adelaide when in the later nineties the factory inspectors were by their investigations and reports preparing the people of South Australia for the introduction of the wage-board system.

Public opinion in Melbourne hostile to sweating began to be aroused about 1882 by reports as to the conditions of the home workers published in *The Age,* then as now perhaps the most influential paper in Australia. A royal commission was appointed in 1884 to investigate conditions and as a result of its findings, some improvements were made in the factories and shops act in 1885 which, however, did not go to the root of the difficulty. A renewal of the agitation against sweating began about 1890. Reports by the factory inspectors and by a special parliamentary committee showed the extent of the evil and led to the organization of the Anti-Sweating League, an aggressive organization composed of some of the best men in Melbourne which helped to crystallize public sentiment against low wages and which henceforth became the center of the agitation for the abolition of sweating. This organization still exists for the purpose of watching the administration of the laws and in order to urge an extension of the wages boards' system into new fields whenever there appears to be a need for it. I have talked with the leaders in this movement and they have told me how much they were inclined, at first, to think that the factory inspectors and the newspapers had exaggerated the evils of the situation in which home-workers were placed, and when they had become convinced as a result of their own investigations that the evils did exist how reluctant the leaders of the government were to credit their reports. Seeing, however, was believing in this case, and the members of the Anti-Sweating League soon convinced the government leaders that a situation existed which demanded a legislative remedy.

To find a remedy, however, was no easy task. England was naturally turned to for a solution but the able studies which had been made in London and elsewhere into the conditions of the workers in the sweated trades had done little more than to show the causes of sweating, and no practicable remedy had been brought forth. The nearest approach to a remedy was the suggestion that home-workers be required to take out a license to carry on manufacturing in their homes in order that in this way the homes of the workers might be

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inspected as to their sanitary conditions. This plan was urged in Victoria by the Chief Factory Inspector and the Anti-Sweating League but it met with bitter opposition on the part of those members of Parliament who were strongly tinged with individualism and who placed great stress on "the sanctity of the home."

In the end Victoria had to devise her own remedy and to work out her own salvation. The author of the wages boards' plan was Mr. (now Sir) Alexander Peacock, a young man then serving his first term as a member of the cabinet, and under whose jurisdiction as chief secretary of the colony was the office of the chief inspector of factories and workshops. Sir Alexander has told me that he and the chief factory inspector, Mr. Harrison Ord, had many conferences on the subject of anti-sweating legislation but neither of them was able to find a remedy until he happened to recall the method by which a disagreement which had arisen between master and men over a proposed reduction in wages in a gold mine near Ballarat had been overcome. The differences had been threshed out at a very informal conference of the employer and his men at which conference Mr. Peacock had served as secretary. The way in which a settlement of the difficulties was reached had made a lasting impression upon Mr. Peacock and he now proposed to adopt a similar plan for fixing wages in the sweated trades. Just what was his plan it may be well to let him describe, for he has left a brief statement of it in a manuscript copy on file in the chief factory inspector's office at Melbourne which I was permitted to copy. He says:

> In 1895, when I was Chief Secretary, I visited the homes of the Out-workers engaged in the manufacture of clothing. I found that these people were working excessive hours at grossly sweated rates of pay, in poor and cheerless homes, and generally under wretched conditions. It was felt that some drastic remedy of this state of things was necessary. With some misgivings, the Government of the day, of which Sir George Turner was the Head, decided on my recommendation to attempt to deal with this evil by means of what are now known as Special Boards. The idea was to bring together an equal number of employers and employees, not exceeding ten on each Board; to provide these ten representatives with a Chairman, and to give the Boards so constituted, power to fix the rates to be paid, whether wages or piece-work as the Board thought fit, for any work done in connection with the trades subject to such Special Boards' jurisdiction.
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> These proposals were received with violent hostility in one quarter, viz., by those who resisted what is known as any interference with the liberty of the subject, and also by those who made a fetich of the law of supply and demand.

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Even those whom the proposals were intended to benefit—while glad to receive any measure of protection—had grave doubts about the issue, as it was alleged, first that all work would be driven out of the country, secondly, that only the best workers would be employed, and thirdly that it would be impossible to enforce such provisions at all.

It is now somewhat amusing, although it was serious enough for the Government of the day, to read the debates on the Factories and Shops Act, 1896. However the Government managed to carry the bill, and the Wage board system was inaugurated.

There were only six boards created during the five years following the enactment of the wages boards' provisions: these being in the furniture, bread, clothing, boot, shirt and women's underclothing trades. These are all trades in which much sweating was said to exist, and at the time the act was passed it was intended only to apply to the sweated industries.

In view of the fact that in this country the agitation for the minimum wage has special reference to the needs of women workers, it is worth while to note that Mr. Peacock's plan was to fix minimum wages only for women and young persons. When the act was passing through Parliament, however, there were practically-minded men who saw that in the clothing trades, where piece work prevailed, it was impracticable to fix minimum wages for women without at the same time fixing them for men; and although the author of the bill entered a vigorous protest the principle of the minimum wage was applied also to men's work.

In spite of many obstacles encountered by the boards in reaching determinations, and in spite of administrative difficulties which arose in connection with the enforcement of the act, especially among the Chinese in the furniture trade where employees successfully connived with their employers to evade the law, the results of the establishment of a legal minimum wage in the several trades were unquestionably good. There was a considerable increase in the wages paid in each of the six industries. Probably in many factories the act brought no increased pay to the workers but the employers who paid poor wages were forced up to the level maintained by their more enterprising competitors.

In 1900 the government brought in a bill to provide for the extension of the wage board system to other trades. This brought a storm of protest from the Victorian Chamber of Manufactures and this protest was immediately re-echoed in the legislative council, the

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conservative branch of Parliament. It was urged, and with good reason, that the government's proposal meant the extension of the wage board system to trades in which there was no evidence whatever of sweating. The government, however, was able to show that it had received applications in various trades from employers, oftentimes those employing many men, asking for the appointment of special boards in the trades to which they belonged. It was also admitted in the debates that sweating had disappeared in the trades in which the wages boards were established. Parliament therefore decided to permit of the extension of the system.

Since that time the wage board system has been extended year by year by resolution of Parliament until considerably more than one hundred trades now have their wages regulated in this way. At least 125,000 workers employed in these trades have their wages and hours of work more or less affected by wage board determinations. To an American, a German or an Englishman, this number will appear small, but it must be remembered that Victoria has less than one and a half million inhabitants; that its industries are primarily pastoral and agricultural, and in these occupations no boards have been established. Furthermore, the railways are owned and operated by the state and the workers on these roads as well as other public employees are not affected by these determinations.

It is obviously impossible in a brief paper such as this to consider the effects of the wage board determinations in the various trades. I do not desire to leave the impression that there are not many difficulties in reaching determinations and in having them enforced. The boards usually meet about once a week while they are effecting an agreement, and in some cases many weeks will pass before a determination is agreed to. The meetings are often stormy ones and a good deal of ill-feeling is displayed. The chairmen must exercise much tact and patience. Oftentimes they are obliged to cast the deciding vote and it is of course usually the case that the chairman seeks a compromise, but if he is intelligent his compromise vote more adequately meets the economics of the situation than do the claims of either party. Employers and employees through their respective organizations usually nominate their own board members and the government appoints these nominees, unless at least one-fifth of the employers or employees in the trade protest against those nominated to represent them, in which case an election is held. The members

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of the board elect their own chairman. If they can not agree the government appoints the chairman. Whether the chairman is elected or appointed, there is a tendency to select the same men over and over as chairmen of boards, unless there is a feeling that a man has shown bias in his decisions. In Victoria and South Australia there is a strong tendency to appoint police magistrates as chairmen. In New South Wales, where the arbitration court appoints the chairmen, lawyers are usually selected.

The proceedings in a board meeting are usually very informal. A young man from the factory inspector's office usually acts as secretary and records all votes and resolutions. The chief factory inspector impresses upon him and the chairman the necessity of seeing that the various requirements of the law are lived up to and that a workable determination is reached.

The chief factory inspector's office has to see that the determinations are enforced and a large corps of inspectors is needed to investigate complaints of violations as well as to perform the duties usually assigned to factory inspectors. Complaints as to these violations usually come through the reports made by employees to the secretary of their trade union who in turn reports it to the chief factory inspector.

In conclusion I wish to sum up as briefly as possible the results which it seems to me have been attained in Victoria and, so far as their experience extends, in the other Australian states, under the wages boards' system. Perhaps I may be allowed to say that I have reached these conclusions after a thorough study of the reports and records of the departments concerned in the administration of the acts; after attendance on many board meetings; and after interviewing many people, government officials, chairmen of wages boards, employers, trade union officials, social reformers and politicians who have had much to do with wage board legislation and administration.

1. We may say without hesitation, I think, that sweating no longer exists, unless perhaps in isolated instances, in Melbourne or in other industrial centers of Victoria. This is the opinion expressed to me not only by the officials in the factory inspector's office including the women inspectors, but also by Mr. Samuel Mauger, the secretary of the Anti-Sweating League who is constantly on the alert to detect any evidence of sweating and to ask for the appointment of a board in any

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trade in which it is thought to exist. In the board meetings the efforts of the labor representatives are nowadays seldom directed towards securing subsistence wages but they aim rather to secure a standard rate of pay based on the needs of the average worker, and as much above this as is possible.

2. Industries have not been paralyzed nor driven from the state as was freely predicted by extreme opponents of the wages boards' plan. There is one instance of a plant having left Victoria on this account. A brush manufacturer from England, who had recently come to Victoria to establish his business was so enraged at the idea that the wages he was to pay were to be regulated by law that he moved across Bass Strait to Tasmania. That is the only instance of the kind to be found in the records. On the other hand there has been a steady growth of manufactures. In 1896 when the factories act, containing the wages board provisions, was passed, there were in Victoria 3,370 factories; in 1910 there were 5,362. In 1896 the number of workers in factories was 40,814; in 1910 it was 83,053. This I think indicates as great a growth in manufacturing industry as most countries are able to show.

3. In spite of the fact that the law in Victoria does not forbid strikes, as is the case under compulsory arbitration, it would be hard to find a community in which strikes are so infrequent as they are in Victoria. There are, I think, not more than half-a-dozen cases in which a strike has occurred in a trade where the wages and hours were fixed by a wages board. The only serious strike of this sort was in a trade where the court of industrial appeals had lowered the wages fixed by the wages board after these wages had been paid for some weeks. I may add at this point the statement that there are very few cases of appeals from a wages board determination in Victoria, though there seem to be more in South Australia.

4. In spite of the fact that the meetings of the boards are at times the scenes of outbreaks of passion, and angry and insulting words pass back and forth across the table, there can be little doubt but that the representatives of both parties go away from these meetings with an understanding of the problems and difficulties which the other side has to meet, which is usually lacking in trades where collective bargaining is not resorted to. This was repeatedly brought to my attention both in and out of board meetings by men who had taken part in these discussions. It probably goes far towards explaining the infrequency of strikes and lock-outs.

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5. That the minimum wage fixed by the board tends to become the maximum in that trade is often asserted but it would not be easy to prove. Employers have frequently said to me that they believed there was a tendency in that direction, but they have seldom been able to furnish evidence to that effect from their own establishments. At times I have found on inquiry that not a single man in their own plants was receiving the minimum wage. The employers' opinions seemed to be more the result of *a priori* reasoning than the results of actual experience. Nor, on reflection is it easy to see why the minimum should become the maximum. The determinations do not compel an employer to hire or to retain in employment any worker. He is free to dismiss any man whom he believes incapable of earning the minimum wage, or he can send the employee to the chief factory inspector for a permit to work at less than the minimum fixed by the board. There seems to be no reason why under this system there should not be the same competition among employers as under the old system to secure the most efficient and highly skilled workmen and there is no reason why such men should not get wages based on their superior efficiency. Victorian statistics on this point are lacking, but in New Zealand where minimum wages are fixed by the arbitration court, statistics as to wages, tabulated in 1909 by the Labour Department, showed that in the four leading industrial centers of the Dominion the percentage of workers in trades where a legal minimum wage was fixed who received more than the minimum varied from 51 per cent in Dunedin to 61 per cent in Auckland. There is no reason to think that a dissimilar situation would be revealed by a statistical investigation in Victoria.

6. Although the legal minimum wage does unquestionably force out of employment sooner than would otherwise be the case a certain number of old, infirm and naturally slow workers, it is easy to exaggerate the working of the minimum wage in this respect. The opinions of employers differ in regard to this point. Workers who feel that they can not earn the minimum wage may apply to the chief factory inspector for a permit to work at a less rate than the minimum and the officials who have charge of this matter feel pretty certain that in this way practically all cases really needing relief are cared for. The percentage of men with permits is, however, not high, and possibly there are some who are forced out of work who do not apply for a permit.

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7. There is also much difference of opinion as to whether or not the increased wages have been to any considerable extent counterbalanced by an increase of prices due to the increased wages. The probability is that in some occupations higher wages have in this way been passed on to consumers, the laboring classes included. This would be especially true of industries purely local where there was little opportunity to use machinery.

In Melbourne, following close upon a wage board determination which raised the wages of waiters and cooks in hotels and restaurants, the cheap restaurants which had been furnishing meals at 6d (12 cents) by a concerted movement doubled their prices. While the increase of wages in this case was doubtless in part responsible for this increase of prices, in the main the wage increase was the occasion rather than the cause of the increase in prices, which was bound to come sooner or later because of the increase in cost of food supplies.

The New Zealand commission on the cost of living which has recently published its report, carefully considered this question as to the effect of labor legislation on the cost of living and concluded that in the case of staple products whose prices were fixed in the world's markets the local legislation could have had no effect on prices. In other trades, the increased labor costs had served to stimulate the introduction of machinery and labor saving devices; in still other trades it had apparently not increased efficiency and accordingly labor costs had increased. This seems to have been the case in coal mining. Generally speaking the evidence in most trades was not sufficiently definite to show whether or not there had been an increase or a decrease in efficiency due to labor legislation. This is about what we must conclude as a result of the conflicting testimony on this point in Australia as well as in New Zealand. I found that most employers with whom I talked were certain that laborers were less efficient than in former years. Generally they could not explain very satisfactorily how this was due to legislation, and their arguments usually reduced themselves to the assertion that the trade unions were preaching and their members were practicing the doctrine of "go easy" and were in this way restricting the output. Trade union officials, on the other hand, were just as emphatic in their declaration that such a matter had never even been discussed in their meetings. I do not believe that in this respect conditions in Australia differ from what they are in America and I find that the same assertions are made here

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by employers as to the effect of trade unions and that these statements are as vigorously denied by the union officials. Only to the extent therefore that compulsory arbitration and wages boards tend to develop and strengthen unionism, which they undoubtedly do, can we find that the legal minimum wage exerts any appreciable effect on the decline of efficiency and the restriction of output. This must remain therefore a mooted point.

8. Finally, whatever may be the difference of opinion between employers and employees as to the effect of the legal minimum wage in Victoria in producing certain results and whatever criticisms they may make of the administration of the factories act, both sides are now practically unanimous in saying that they have no desire to return to the old system of unrestricted competition in the purchase of labor. I did not find an employer who expressed a desire to see the wages boards abolished. Generally speaking, employers are just now holding tightly to this plan, partly no doubt as a means of saving themselves from an extension of the operations of the commonwealth arbitration act. In the main, however, they have been convinced that the minimum wage has not been detrimental to their businesses, and that it has forced their rivals to adopt the same scale of wages as they are themselves obliged to pay. I have mentioned the fact that the Victorian Chamber of Manufactures led the attack on the wage board system when the government was providing for its extension in 1900. Last April (1912) the president and secretary of that organization, and the president and secretary of the Victorian Employers' Association told me that in spite of the defective administration of the wages boards' act, their members had no longer any desire to have the system abolished. The trade union secretaries also complain of the administration of the act; particularly that the chief factory inspector does not take a more drastic attitude in regard to the prosecution of the violators of the act whom they have reported. This fact that both sides complain of the administration of the act is a pretty fair indication that the administrative officials are doing their work in a conscientious manner without prejudice or favor. The trade unionists generally admit that labor has been greatly benefited by the wages boards' legislation and they do not desire a repeal of these laws, but many of them in Victoria are inclined to think that compulsory arbitration would give them even more. The wages boards deal only with wages, hours, payment for overtime and the number and proportion of appren-

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tices. The arbitration courts, on the other hand, may and sometimes do give preference to unionists and are often called upon to decide many minor matters which can not be considered by wages boards. Furthermore, wages boards established by any one state are bound to consider interstate competition when they fix wages. The commonwealth arbitration court, on the other hand, can regulate wages throughout Australia in the industrial field within which it operates. Hostility to the minimum wage in Australia may therefore be said to have practically died out and the question most discussed today is whether this minimum wage shall be secured by means of wages boards or through the machinery of a federal arbitration court.

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