

PUBLISHED IN AUGUST LABOUR JOURNAL.

NORTHERN (AUCKLAND) INDUSTRIAL DISTRICT.

(1319.) WAIHI GOLD-MINERS' AWARD.

(See page 199, Book of Awards, Vol. viii.)*

WHEN this award was made, Mr. S. Brown, a member of the Court, objected to an increase in wages, his reasons being as follow:—

In making the last award, Mr. Justice Cooper made the following statement, among others: "The fact that two or three companies in the district are obtaining good returns, and that therefore the rate of wages should be based on the profits made by these companies, affords, in our opinion, no sound reason for fixing a high rate of wages in a district where the great majority of the mines are not obtaining payable returns. After the currency of that award had run out, the miners themselves renewed it for a further period of two years. Then the union split up into two unions. The effect of this division of the union was to enable them to single out practically the only dividend-paying company in the district." In the reason above referred to, Mr. Justice Cooper says further, "We have to look at the industry as a whole. We are not justified in increasing the rate of wages because one or two employers are

prosperous unless there are other substantial sound reasons for doing so; and we have also to consider what effect upon the industry as a whole, and upon the workers themselves, an increase would produce."

In the present case we had the evidence of Mr. C. Rhodes, at the hearing, that the conditions were the same or no better than three years ago—that there were only about three paying mines in the whole of the Hauraki Mining District, and only one in Waihi. He further stated that several had been wound up or gone under, and that there was a lot of poor-grade ore, which, if the cost was increased, would probably have to be left behind. Mr. Rhodes's evidence was not contradicted in any particular. The fact that the ores of the Hauraki District are low-grade renders the statement made at Reefton by Mr. Justice Chapman much more applicable to this district: "A little more or less loading may mean the difference between development or shutting down. Whatever may be done with other minerals, the price of gold cannot be increased." In other words, the increased cost cannot be passed on to the public.

In my opinion there has not been substantial reason shown for alteration since the agreement was made by the miners themselves. The evidence of Mr. Rhodes shows that the same conditions substantially hold good now as when the agreement was made. I consider the alteration made may have a detrimental effect on the district, in that it will be more difficult to get foreign capital. Capitalists may feel that there is no certainty in the continuation of awards, and that large sums may be sunk when a change in an award may make it unprofitable to work a mine in this district, where, owing to low-grade ore, the margin is generally very small. If the effect of an increase to certain men means less work in the district, I think the body of men as a whole are not benefited. For these reasons I am of opinion that it would have been better for the whole body of men and the district not to alter the award.