

two purposes—(a) to abolish “sweating,” and (b) to force the greedy employer to adopt more humane conditions, and to safeguard the liberal one from the unfair competition of “cut wages” and their necessary evils. Now it must be remembered—as has been clearly shown here in Chapter VII.—that Australia had been sowing the seeds of financial paralysis between 1883 and 1893, and was stricken prostrate in 1893. The work of reconstruction fully occupied the people of Australia from 1893 to 1896, and every pound of profit was heavily mortgaged towards the work of compensation for losses and the renewal of public and private credit. Profit, in the ordinary sense of the term, was, for the period, unknown to the employer; employment at any cost became the supreme need of the employee. During this period, 1893 to 1896, employer and employee were “brothers in misfortune.” Now it followed that, in 1896, when the first “determinations” of the Wages Boards were made, these should bear some close relation to and often be “standardised” on the necessitous rates paid by the best employers during the three preceding years. Hence the standards were bound to be tentative. It could have been safely assumed *a priori* that as the work of reconstruction became more and more complete, and as it might be aided by the operation of a succession of favourable seasons, the wage rate under legislative control would not only increase, but that there would follow, as cause and effect in no way related to or dependent on legislation, a marked difference between the wage rate prevailing in 1896 and that prevailing in 1906. Viewed from the historic side the facts are these: We were financially paralysed in 1893, had successfully emerged from it by 1896, and since then (with the exception of the years 1901 to 1903, which were years of severe droughts in New South Wales and Queensland) the seasons have been uniformly propitious to us, and in all parts of Australia during the past five years, 1903-1908, we have enjoyed their unprecedented bounties. That is to say, economic and physical conditions have been fighting on the