

Australian Mines and Metals Association

(INCORPORATED)

Extracts from Address delivered by the President (Mr. G. C. Klug) at the First Annual Meeting of the Association, held on Tuesday, 26th November, 1918

There is cause for thankfulness that we meet to-day under much happier conditions than those obtaining at the date of our last meeting. The great world war has virtually come to an end, and the advent of peace is confidently expected in the near future. We have witnessed the triumph of right over might, and owe a great debt of gratitude to the men of our Army and Navy, who, with their brave Allies, have sustained and vindicated our cherished ideals of liberty and justice.

Peace brings with it new and difficult problems. The world must bend its energies to the re-weaving of the industrial fabric, and the readjustment and improvement of the relations between employer and employed, involving a careful and complete survey of the industrial position, and compelling a united and general effort to re-establish our industries on such a footing as will conduce to their preservation and expansion, the promotion of a better spirit between capital and labour, and contentment amongst the workers.

The industrial reforms and domestic problems that confront us will require most thoughtful and tactful handling, and the concentration of the best brains on the task of counteracting the wave of industrial unrest and strong tide of Socialism setting in, which, if not arrested and deflected into the proper channels, may lead to anarchy and chaos.

In the work of industrial reorganisation, this Association will probably be called upon to take an important part, and the Government of the country will no doubt look for support and co-operation from the leaders of industry and all students of the social and industrial problems of the day. For that reason, it is particularly desirable that the different sections of industry should be completely organised; and I hope that during the

ensuing year this Association may embrace within its membership practically the whole of the mining, smelting, and refining interests of the Commonwealth, so that in the councils of labour and industry it may exert a strong and beneficial influence. I appeal, therefore, to all members to assist the Board and the officers of the Association in their efforts to extend and build up this organisation.

The Association has during the past year assisted and advised members in connection with industrial arbitration, and negotiations with labour unions; the value of organisation and unanimity of action in these matters is obvious.

Forces are at work in the labour world, however, which will call for much more serious and strenuous work on the part of this Association in the near future. At present one cannot offer any opinion that would be of value with regard to the prospect of success of the "One Big Union" movement, but we cannot treat it with indifference, and must build up our strength, so that when the time and necessity arise, the employers will be fully prepared to deal effectively with the situation.

The pressing and important work of repatriating our returned soldiers demands close and special attention; and I think I can speak for the industry this Association represents when I say that the companies will be only too willing and ready to deal with the subject sympathetically, and will afford every possible opportunity for our soldiers to return to congenial and remunerative civil occupations. As the Prime Minister of England has just recently said, "the men who have fought and made a new world possible are entitled to a full share in its gladness"; and it will be the duty of employer and employee alike to work together to improve the conditions of work and living in our large industrial centres.

The Association can look back on a year of steady and solid work. It is necessarily a somewhat slow process to organise an Association of this kind, representing interests throughout the whole of the Commonwealth, but we have reason to be satisfied with the measure of success so far attained.

Practically all the guarantor companies became members of the Association on its incorporation, and several new members have been admitted during the year. The Chambers of Mines of Western Australia and Victoria have become affiliated with the Association, and the Board is hopeful that in due time the Mine Owners' Association of New South Wales may also be numbered among the members of this Association.

A satisfactory arrangement was made during the year for the housing of the Australasian Institute of Mining Engineers and the Victorian Chamber of Mines in the office of this Association, and there is some advantage in having the technical and industrial sections of the industry housed under the same roof. It may, perhaps, be a somewhat ambitious aspiration, but I hope that at no far distant date the mining interests of this country may be fortunate enough to possess a building of their own.

Apart from and in addition to the important industrial work carried out by the Association during the year, it has been active in the sphere of legislation, more particularly in connection with Federal taxation, and I think I am not overstating the position when I say that the Association may claim to have secured amendments in the Federal Income Tax Act in favour of the mining companies which will save them many thousands of pounds, far outweighing the amount of their subscriptions to this Association; and at this point I wish to give a meed of praise to the Taxation Committee for the very useful work it has performed. Its attention is now being devoted to the War-Time Profits Tax Amending Bill, and no effort will be spared to secure such amendments as will remove existing anomalies in the provisions of the Act, which have operated against the launching of new industrial enterprises.

Very grave objections lie against the administration of the Federal Conciliation and Arbitration Act, and it is unfortunate that the Commonwealth Government has not yet given effect to its promises to amend the law and to sweep away many of the

provisions that hamper and trammel the free course of industry. Apparently, little or nothing will be done in this direction until the return of the Prime Minister from Europe.

Much industrial unrest has been due to the increase in the cost of living during the war period, and in conformity with the doctrine of the President of the Federal Arbitration Court that the living wage must be preserved sacrosanct, the awards of the Court have granted increases of wages commensurate with the increase in the cost of living, as represented by the decreased purchasing power of the sovereign.

Several inquiries have recently been made, both by the Federal and State Courts, into the question of the basic or living wage, but this subject offers a field for careful scientific inquiry, which should be undertaken by the Federal Government. Both the President and Deputy President of the Federal Arbitration Court have repeatedly urged that such an inquiry should be instituted, and this Association is thoroughly in accord with that view, as we believe that with a basic wage moving—say, from year to year—in sympathy with the rise or fall of the cost of living, adjustments can be readily made by representative organisations of employers and employees, without recourse to arbitration tribunals. The regulation of wages would thus be much simpler and less expensive than the present system.

The increase in the cost of living, and the shortage of labour, have provided the unions with the means for exacting considerable concessions from employers, even to the point of menacing the existence of some of the industries of the country, particularly those that have no control over the prices of their products. It is hoped, however, that with the return of our soldiers to civil life, and the stream of immigration that will probably flow from the Old Country to the Dominions, an adequate supply of efficient labour will be forthcoming in the future.

The burden of taxation will be very heavy for some years to come, and it will be necessary for Australia, in common with other countries, to develop its resources to the fullest possible extent, realising that it is only by harder work, greater output, and full co-operation between all sections, that we can hope to pay our way and restore the country to a state of genuine prosperity.

The shortage of efficient labour, and the high cost of production, due to war conditions, have made it very difficult for some of the gold-mining companies to continue operations, particularly those on the border line between profit and loss. The Board has had under consideration proposals for stimulating the production of gold, and the matter has been taken up earnestly by the Victorian Chamber of Mines, who are preparing a case for presentation to the authorities. A Committee has been formed in London, consisting of representatives of gold producers in all parts of the Empire. Australia is well represented on that Committee, which is conferring with the Imperial Treasury officials and members of the banking profession. The matter is in competent hands, and it may be possible to evolve some practical scheme for increasing, or at least maintaining, the output of gold, and reviving the industry, which is at present in a languishing condition.

Before closing, I would like to express the Board's appreciation of the work of the Secretary during the year. Mr. Maughan has dealt with a number of important arbitration cases, and has been able to give valuable advice and assistance to members in connection with industrial and other matters, and I think the Association can take it as a compliment that the Employers' Federations of New South Wales and Victoria requested the Board's permission—which was readily given—for the Secretary to present their case to the Federal Arbitration Court in connection with Mr. Justice Powers' recent inquiry into the cost of living.

I have much pleasure in moving:—

"That the Directors' Report and Statement of Accounts for the year ended 31st August, 1918, be, and they are hereby, adopted."