

(3) POST-WAR RECONSTRUCTION

The progress thus far made towards the re-establishment of men and women discharged from the forces is regarded by the Board in the light of the abnormal circumstances arising out of war-time industrial activity. That these circumstances will at the Peace give way to widely different ones necessitating a greatly altered and more far-reaching plan of work is evident.

Accordingly, the Board recognizes that the successful rehabilitation of ex-servicemen and ex-servicewomen depends vitally on the post-war reconstruction of New Zealand's economy and social life. Thus the Board sees the plans of the Government for the conversion of industry from a war-time to a peace-time basis and its expansion as the framework within which measures for the rehabilitation of ex-servicemen are to be devised and administered.

While the ultimate issue of the war cannot be in doubt, the actual course which it has yet to run, and hence the world and domestic conditions which will obtain at the Peace, are largely matters of speculation. An attempt, therefore, to formulate in advance a precise programme of post-war industrial management can possess only scant value. However, there are certain premises which may be regarded as a starting-point in post-war reconstruction, and the Board has had regard to them in formulating a number of proposals for the consideration of the Government.

First among the premises accepted by the Board is that which holds industrial activity—primary and secondary—and therefore economic prosperity, to be necessarily limited only by physical resources—namely, materials and man-power. This view, which has had ample demonstration in the present war, destroys the doctrine of inevitable depression, and promises to New Zealand the full fruit of its natural and human resources.

The other premises which have guided the Board are that it will be necessary to ensure employment for all the men and women at present in the three Services as well as for a proportion of the women at present employed in industry who would otherwise be displaced therefrom; that it will be necessary to expand quickly and considerably the supply of both capital and consumption goods and, of course, the materials from which these are to be created; that an appropriate monetary policy to serve these two ends and at the same time avoid inflation will require to be applied; and finally, that an appropriate system of controls—industrial, financial, and distributive—will be necessary.

It would be naive indeed if planning for reconstruction did not go beyond recognition of the above-stated propositions, and the Board recognizes that infinitely detailed and constantly varying prescriptions will be required to act upon its premises. Nevertheless, it is the opinion of the Board that if the interdependence of the premises are kept in mind, those who would plan for reconstruction and hence for the rehabilitation of ex-servicemen will find their task the more easy.

It is evident that reconstruction must be largely a question of stages of development rather than one of immediate transition from a war-time basis to the ideal peace-time industrial organization. In this connection it follows that the policy appropriate to the first twelve months or greater period immediately following the cessation of hostilities will probably differ importantly from the long-term policy to be followed in the period of reconstruction proper.

In the first period emphasis will be on the immediate problems of effecting the change over of manufacturing industries from war-time to peace-time requirements, of providing employment for many thousands of ex-servicemen immediately following demobilization, and of producing the raw materials required to implement the long-term reconstruction policy of the Government. The remarks that follow concerning measures proposed are not to be construed as laying down any blue-prints for action in either point of time or extent. They, instead, relate to work projects which will require to be put into operation in the order and to the degree that full knowledge of all the relevant circumstances decrees.

As to the provision of employment—the first and most obvious major problem—the Board has already implemented a survey and assembled information which will enable the drawing-up of a schedule of necessary works, both State and local body. In addition, it has provided for the trade and occupational training of ex-servicemen so that they can be absorbed into industry as skilled workers immediately materials are available in sufficient quantities.

Included among the State works that will require early attention are important Railways, Post and Telegraph, Forestry, roading, and hydro-electric constructional projects.

Too great importance can scarcely be placed on the role of timber in reconstruction generally and in the housing plans of the Government in particular, and therefore all possible steps are being taken to ensure the maximum supply to the market, compatible with conservation criteria, of timber, both exotic and indigenous. In this connection provision has been made for the establishment of a Forestry personnel training centre, and also an experimental station at Rotorua.

The need for the earliest possible extension to the hydro-electric power resources of the Dominion to meet the growing industrial and residential demand for power is recognized, and the Board has collaborated with the Public Works Department in connection with the plans of this character to be implemented.

As a result of the survey of works carried out by the Board, valuable information has been collected concerning necessary local-body projects of numerous kinds that will absorb quickly a large number of men.

The State and local body works referred to above are not to be regarded as unemployment relief measures. They are instead essential steps to the maintenance and utilization of the natural resources that will be required to support the industrial programme of reconstruction, and with it the increased manufacture of consumption goods.

In addition to employment of the kinds referred to, investigations have been conducted, with the assistance of the Industries and Commerce Department, into industry itself. The result of these has been to reveal a number of industries which will require large additions to their labour force.