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estimated number of students required, and on this basis selection is made, having regard to age and existing scholastic performance. Any postponement granted is subject to revocation if the student fails to pursue his studies diligently and effectively.

In so far as persons are liable for direction to work of national importance, students (both male and female) who are pursuing a full-time course of study are, in general, not made subject to direction so long as they continue diligently and effectively with their studies and make satisfactory progress therein. Where a student has completed a course of study he is, in general, expected to make his services available either to the Armed Forces in keeping with his academic qualifications, or similarly to essential industry, rather than that he should proceed to a further course of study. In general, it is only in cases of exceptional merit that a person who already has a qualification can be granted further freedom from direction or postponement from military service to enable him to take a further course of study or to proceed to an Honours course. In so far as law and commerce students are concerned, as lectures are scheduled for evening sessions they are expected to undertake daytime (imployment in keeping with their line of studies.

## (e) Other Points of Interest in Administrative Procedure

While the main features of policy which have been developed during the period under review have been covered above, there are a number of other points which are worthy of brief note. These are summarized as follows:—

(i) Vacancies.—The war has, it should be noted, created a long-period withdrawal from industry of some 154,000 persons plus various short-term withdrawals for Territorial training and other reasons. These withdrawals have, in the main, represented vacancies which employers desire to fill temporarily or permanently. Further vacancies have arisen from the need to expand certain industries and to establish new industries, so that the total real vacancies with which the Department has had to deal from these various causes can be estimated as not less than 200,000. In addition, there are substantial numbers of vacancies arising from two other causes: normal wastage from industry by retirements, changes in marital status, and ill health; and transition vacancies arising from the constantly recurring redistribution of labour to meet changes in priority requirements as they arise.

The Department regularly secures a return of the number of notified vacancies on hand on the 15th of each month throughout the Dominion. This return includes transition vacancies, which are subsequently cancelled out by redistribution of labour (from jobs nearing completion to new jobs) and which are in progress at the time of the return, and also includes other vacancies in process of being filled. In recent months the total of such vacancies has varied between 7,000 and 10,000. As against this total must be offset some 4,000 to 5,000 directions to work of national importance issued by Man-power Officers each month and some 1,000 cases of consent to engage labour each month. The actual lag of man-power resources behind notified vacancies is therefore somewhere in the vicinity of from 2,000 to 3,000, which cannot be regarded as an undue figure under the wartime circumstances existing. It can safely be assumed that all vacancies of any degree of urgency are included in the total of notified vacancies. This total also includes vacancies of less essential and lower priority ratings.

The staffing of mental hospitals has in particular caused the Department great difficulty, largely owing to the rise of a widespread public antipathy to such work. That this antipathy is largely ill-founded is demonstrated by reference to the fact that before the outbreak of war these institutions had no difficulty in obtaining staff and drew their recruits mainly from girls of eighteen to twenty-one years. The conditions of employment are good and the work (particularly that on which wartime recruits are engaged) is much less disagreeable than much of the work required of nurses in ordinary hospitals. Some improvement in the staffing of mental hospitals has been effected, but their needs remain a first priority.

(ii) Man-power Shortages in Certain Districts.—Approximately one-third of notified vacancies are located within the Wellington and Lower Hutt Man-power Districts. Of the remainder, a very substantial proportion are located in the Auckland Man-power District. Vacancies in the Wellington-Lower Hutt areas have arisen mainly from three causes. In the first place, these areas had located in them prior to the outbreak of war certain large plants necessary for munitions-production, and the conversion of these pre-existing facilities has meant the concentration in the area of certain munitions production on a national basis. In the same way, tobacco-manufacturing for the whole of the Dominion's requirements (for civilians, for Armed Forces, and for prisoners of war) is almost entirely located in this area. Thirdly, in both the Wellington - Lower Hutt area and in the Auckland area there has been a great expansion in hospitals to meet military requirements. Thus in the above respects, the Wellington-Lower Hutt area in particular has unavoidably been required to undertake production for the Dominion's requirements as a whole. A further strain has been thrown on both the areas referred to through their use as bases by Allied Forces. As a result, industrial mobilization measures in these areas have had to be pursued with a greater degree of intensity than elsewhere, particularly in respect of calling up for direction and the combing-out of less essential industries.

The position regarding housing and other accommodation in these areas is acute, and the effect of this has been to reduce the possibilities of drawing upon the man-power resources of other areas and consequently to further heighten the disproportionately severe man-power strain already being borne by these areas. Directions from other districts to the classes of work referred to above represent an equitable means of staffing industries which are performing a national job, but owing to accommodation difficulties it has not been possible to thus shift to other districts an equitable share of responsibility for staffing these industries. The establishment of camps and hostels (referred to earlier in this report) which has proceeded during the year has given a valuable measure of relief, but the position will remain acute until housing and other accommodation is available to permit of the supply of a more equitable share of labour from districts whose man-power resources remain less heavily taxed.

(iii) Absenteeism.—While absence from work in an essential undertaking without leave or reasonable excuse is clearly a default in wartime obligations and as such has been made subject to penalty by deductions from wages, the Department is nevertheless satisfied that the only real solution of the