

which most of our imports have their origin have been able to collate data on consignments requiring transport to this country and to assist in assigning priorities to them, while in New Zealand its officers have been directly concerned in the discharge, transshipment, storage, or distribution of cargoes. A most valuable effect of our close working contact with the industry during wartime activities in these respects is that members of the Department's staff have acquired close knowledge of shipping problems and of the manner in which our efforts can be best directed towards their solution. In the reconstitution of the Department to meet the post-war requirements of industry and commerce, the experience gained and the personal contacts established are proving invaluable in helping to overcome the shipping difficulties confronting this country. The Department's problem, of course, is confined to matters relating to the movement of goods as distinguished from such matters as, for instance, the surveying of ships.

In the past year our difficulties continued because of substantial tonnage losses during the war years and because of the heavy demands for troop movements and for services on routes serving enemy areas as well as Allied countries. These factors delayed release by the British Ministry of War Transport of important vessels normally engaged in the New Zealand trade. Its consequences were particularly evident in the inter-colonial and the trans-Pacific services. The difficulties thus occasioned were further accentuated by the steel strike in Australia and by certain delays on the New Zealand coast. The drought in the North Island in the late summer, too, had the effect of imposing an added strain on the already depleted tonnage serving this country by requiring the diversion of coastal and inter-colonial shipping to carry fodder from the South Island ports.

These factors have caused accumulations of substantial backlog cargoes for New Zealand in Australia and at certain New Zealand ports for shipment to other ports on our coast. In attempts to meet the problems our overseas offices, particularly in Australia, and the New Zealand Shipping Controller have continued the untiring efforts characteristic of the war years to maintain steady movement of cargoes. In this respect, too, a feature of the Department's experience has been the ready and whole-hearted co-operation of the shipowners. They have continued to show their willingness to serve the national interest, even though at times it has been at considerable inconvenience to themselves. However, until the deficiency in shipping tonnage is overtaken and ancillary services regain normality we can expect that there will be difficulties in the movement of goods by sea.

The present and potential problems affecting post-war shipping were such that early in the year the Government set up an inter-departmental committee under the Chairmanship of the Secretary to the Treasury to take action in respect of them. The survey, as far as New Zealand is affected, of shipping tonnages, the routes followed, and the periods of coverage on those routes, contrasting 1939 with the present, shows how far the position changed in the war years. It shows too, the relevance of the Department's concern to protect and even to regain for local shipowners their recognized pre-war trades, which, in many instances, were of necessity passed over to other companies and even to other flags during the war.

In Australia the Government has established a Commonwealth Shipping Board, on which representatives of Government and non-Government interests sit, to exercise a supervisory function in relation to shipping there. In Britain, too, there is close association between the Government and shipping interests. Viewpoints in those countries thus appear to be similar to what are held here that collaboration between the Government and the shipping interests will be to mutual advantage and in the public interest if it is continued in the post-war years. An efficient and progressive shipping industry is of unusual importance to a country with our geographical characteristics, and, as an industry, the shipping interests are entitled to enjoy as much assistance as any other industry enjoys from this Department in furthering the public interest. As it now appears, the problems of the future facing our shipping organizations will require the full co-operation of the operators and the Government.