

The remarkable feature of this table is the very heavy drop in entrants into industry, which will become critical in 1947, and will last till approximately 1953. The explanation of this drop, of course, is the very heavy fall in the birth-rate during the five or six years of the depression. This fall in the birth-rate will become very important in industry by 1947, and its influence will extend right through until 1953. In other words, if during the last few years there has been a dearth of young entrants into industry, that dearth will become accentuated in the next seven or eight years. This gap in the birth-rate has had, and will have, very important repercussions on New Zealand's economy. In another place in this report we discuss the influence of this trend on education policies. It will have an important effect upon the birth-rate from the "fifties" to the "seventies" of this century. For the present purposes the important thing to notice is that if the then available adolescent population could not supply the demands of industry in the last few years, then *a fortiori* the very greatly increased demands of industry in the next few years cannot be supplied from a smaller adolescent population. Commenting on this fact, the Industries and Commerce Department state :—

"The present immediate shortage of labour causes a natural question to arise, Do we stop encouraging industry when local available labour is fully utilized ? Reference to the statistics of juveniles given previously clearly shows the probability that the scarcity of juvenile entrants will continue, even on the present factory capacity, till 1954. If we were to defer further encouragement of industry until that time, then not only will we create an immediate cessation in industrial development, but we will at the same time remove the foundation of employment (through the medium of secondary industries) for that expansion in the labour force, which will commence in 1954 and for any additional such expansion which presumably is the objective of this inquiry."

The conclusion of the Industries and Commerce Department is that the demands for operatives for secondary industries in the Dominion in the immediate future can be satisfied only if a definite immigration policy is embarked upon. This contention is supported by the Employers' Federation and the Manufacturers' Federation. The Federation of Labour also argued that certain types of immigrants should be brought into New Zealand, provided always that immigration "should never be sufficient to create unemployment or other economic disruption." They state, "New Zealand's immediate needs . . . are for workers with particular skill to overcome production difficulties," and in this class specify timber-workers, coal-miners, skilled metal-workers, and women for employment in hospitals, factories, and domestic work. Evidence was forthcoming that in some of the clothing fields the dearth of employees, particularly female employees, was so serious as to involve a very heavy reduction in output. In this field again, however, we find ourselves up against the vicious circle of the shortage of labour and the shortage of houses. If it were possible to bring employees into the Dominion, and if there were houses available, then we would have no hesitation in recommending that an immediate immigration policy for staffing secondary industries should be undertaken. Consequently, our recommendations in this field, which are given later, must be greatly influenced by this housing situation.