

IV. TERTIARY INDUSTRIES

The development of tertiary industries in the Dominion is a result of the development of agricultural and manufacturing industries. Any expansion of population, and all expansion of the agricultural and secondary industries, will, other things being equal, create a demand for the tertiary industries of the service type. The demand for transport, for instance, is definitely related not only to the size of the population, but to its economic activity. The growth in size of the public services has some connection with the prosperity of the country. The shortages now evident in these tertiary industries has quite definitely some relation to the dislocations which took place as a result of the war. While many improvements in existing facilities are desirable, yet from the evidence which we have received it would appear that no major capital works are immediately necessary to cope with potential demands in the immediate future in the tertiary field⁽¹⁾. It has been shown earlier that the Railways Department at least as far as the permanent way is concerned, is capable of coping with a considerable expansion of traffic with little extra capital expenditure in this direction. As far as rolling-stock is concerned, on the other hand, there may be some major expenditure involved. Although it was shown in evidence that there were some serious shortages of staff, the shortages in these industries are not so serious as the shortages in secondary industries, although undoubtedly if secondary industries were fully staffed, and if this activity was producing up to the full demands of the community as a whole, then there would require to be some major extensions of employment possibilities within the tertiary industries. This difficulty, however, has not emerged up to the present time, and we do not think there is any call at the moment to consider immigration to staff the tertiary industries.

V. RACIAL ABSORPTION

Several witnesses who appeared before the Committee, while admitting that the immigration of people of British stock was most desirable, submitted that it may not be possible at the present time to get a large number of such immigrants. They therefore suggested that steps should be taken to encourage other European immigrants to come to this country. On this subject the Committee made certain inquiries and heard evidence, particularly from departmental officers whose duties brought them into contact with aliens during the war. Evidence is not wanting to show that the Norwegian, Swedish, and Danish immigrants who arrived in New Zealand last century did make excellent settlers, and over the years have become almost completely absorbed into the New Zealand population. Practically no problems have arisen in connection with these types. On the other hand, there was some suggestion that certain southern European types have tended to remain segregated into groups, and have not become completely absorbed into New Zealand's population. We think it important to comment that, if it is proposed to encourage the immigration of other European types, they should be of such a character as will, within a relatively short time, become completely assimilated with the New Zealand population and have a distinctly New Zealand point of view. Quite apart from any questions of allegiance to the King's enemies, the emergence of racial islands in such a small country as New Zealand must inevitably lead to serious maladjustments. The southern European tends at times to be merely an itinerant settler in this country, and in many cases retains his roots in the country of his origin. There is some evidence that when such settlers have accumulated a certain amount of wealth they tend to return to the country of their origin, and have no intention whatever of ultimately becoming New Zealand citizens. This is quite apart altogether from any question of naturalization. In some cases naturalization has been obtained for purely selfish reasons without any real feeling of allegiance to this country. We therefore feel that if any positive steps are taken to encourage immigrants other than from Great Britain they should be found in northern European countries.

⁽¹⁾ Hydro-electric supply is classified as a secondary industry. Urgent expansion of output is necessary in this industry.