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very urgent that a detailed and comprehensive survey should be made of the land potential of the Dominion. From every point of view a virile agricultural population is vitally necessary.

While over the Dominion as a whole there has not been a decrease in agricultural population, yet in certain areas actual depopulation has commenced (¹). The situation in Otago, where the rural population is over 13,000 less to-day than in 1936, is a cause for very serious alarm. The decline in population in Canterbury, Hawke's Bay, Nelson, and Taranaki is less than in Otago, but also very serious. New Zealand has not, up to the present, devoted much attention to the problem of rural sociology. We do not know the real facts behind this drift from the rural areas in these places. It is probable that the attractiveness of urban life and the better conditions which obtain in many secondary industries are the most important factors. The rural community are entitled to equal consideration in the matter of social amenities as the urban section. No hastily devised methods will adequately solve the problem. It is a question of long-term study. It is not a question merely of agricultural techniques and the application of science to agriculture, but a sociological question, and we recommend that the Government undertake at an early date a comprehensive and continuous survey of this important problem.

There was some evidence that the lack of adequate housing facilities in rural areas was one of the causes of the drift of married couples from rural areas to the towns. One witness stated that it was the usual thing when a farm worker was married for him to leave rural occupation and seek urban occupation because of the absence of housing. We recognize the steps which have been taken in this direction, and we desire to recommend that further urgent steps be taken.

For the reasons stated in several places in this report, it is obvious that we do not consider that there is any necessity at the moment to discuss the problem of bringing agriculturists or agricultural workers into this country. One witness suggested that there would be scope for European agriculturists used to working small holdings. This may be a very dangerous procedure, as it may lead to the development of peasant holdings on the European model, with all the undesirable features which such a development would cause. This is not an argument against small holdings, but against a depressed agricultural population.

The general problem of the future of agriculture, however, is one which should receive the urgent attention of the Government. The problems at issue are not merely the problems of the scientific improvement of agricultural techniques, and not merely the problems of markets, but, as stated above, the sociological questions of rural life, which have been extensively studied in other countries, and which require immediate study in the Dominion if the important place which agriculture has played in our Dominion is to continue.

III. SECONDARY INDUSTRIES

From all sides there was a consensus among the witnesses who appeared before us as to the acute shortages of labour in practically all secondary industries. This shortage was acute in the woollen-mill and clothing industry, particularly so far as female and juvenile labour is concerned. There were two principal causes for this shortage—the shortage of many consumable commodities, including clothing, is due largely to circumstances connected with the war and to the fact that many operatives were redirected from the production of civilian goods to the production of military requirements. This fact, coupled with the world-wide shortage in consumable goods, has created an immediate demand for increased production to catch up with the shortages. From this point of view, labour deficiencies may be looked on as a short-term problem.

The long-term problem is, however, more serious. Even before 1939 there was, for several causes, a major expansion of many secondary industries in the Dominion as a result of a deliberate policy to encourage secondary industrial development. This trend