

V. TERTIARY INDUSTRIES

We have previously pointed out that the shortage of operatives in tertiary industries is not in the aggregate so serious as the shortage of operatives in the secondary industries. In certain of the service groups, however, there were serious shortages particularly as far as hospital nurses are concerned and for domestic servants. We were pleased to learn from the Prime Minister during the course of our deliberations that the Government had arranged for certain officers of the National Service Department to visit England immediately with a view to arranging, if possible, for some immigration of workers in these classes. We were also informed by the General Manager of the Tourist Department that, provided hotel and other facilities were available, a large increase in our overseas tourist traffic could be anticipated in the relatively near future. This tourist traffic is a very important phase of our external trade, and we think should be encouraged. The need here, however, is primarily for further capital expenditure on hotel accommodation and at tourist resorts, although there will necessarily be a shortage of labour if any major capital developments of this character are undertaken. In any investigation overseas as to the possibility of bringing immigrants to this country the demands of these tertiary industries should obviously be considered. It would appear to us, however, that what is necessary is a statement of policy in regard to the developments of all the types discussed above in order that such an investigation may be as comprehensive as possible. It is obvious that within the next few years New Zealand is theoretically able to absorb effectively a very large increase in population. This does not mean that we think that wholesale immigration should be undertaken without a very close watch on the absorptive capacity of the Dominion for various types of labour required to meet the needs of our industry. At the present time the demands on labour are very heavy. World conditions suggest that the shortages of commodities of all types will continue for some considerable time. On the other hand, once the shortages of capital goods, including housing, are caught up with, there may be some recession in this particular field. In order to avoid potential unemployment, it is obvious that careful planning will be necessary. Planning involves not merely the planning in expenditure, but as to the long-term possibility of the absorptive capacity of the Dominion for labour of all types.

VI. LOCATION OF INDUSTRY

We have previously stated at length our views as to the desirability of the decentralization of certain types of industrial occupations to some of the secondary towns of the Dominion.

We have stated that this involves not only the encouragement of industrialists to set up their factories in these secondary towns, but it implies that housing developments will proceed *pari passu* with any such decentralization. We admit the urgent demands in the larger centres, but in long-term planning of housing development there should be a positive disincentive to certain types of industries congregating in the larger metropolitan areas, and positive incentives, including the provision of houses, together with adequate social amenities, for the working population to live in these other areas. With such an operation there would be a spread of industrial activity, and many of the obvious disadvantages of large, sprawling cities would be avoided.

VII. IMMIGRATION

The above discussion leads naturally to the conclusion that no policy of wholesale immigration should be embarked on by New Zealand at the present time or in the immediate future. We were pleased to learn during the course of our deliberations that the Government was taking immediate steps to secure from Great Britain single women for hospitals and for domestic service. The serious shortages in these occupations is creating a major social problem, and we wholeheartedly endorse the proposal to use every endeavour to secure these immigrants at the earliest possible date. The following discussion is on the assumption that this movement will be carried through.