

Zealand over departures, which for many years added substantial numbers to the labour force, have, since 1930, been relatively small. There has also been a serious loss to the adult labour force as a result of casualties sustained during the war. Between 1939 and 1945 casualties in the New Zealand Armed Forces in deaths alone amounted to 10,800. In view of all these factors it is not surprising that New Zealand is at present faced with an extreme shortage of labour which is seriously hampering attempts to overcome shortages of goods and services.

85. This labour shortage is not evenly distributed either industrially or geographically. The most acute shortage has developed round five thickly populated and relatively highly industrialized urban areas—Auckland, Lower Hutt, Wellington, Christchurch, and Dunedin. Over 74 per cent. of all vacancies in October, 1946, were within these areas, where the problem has become acute and is intensified by a lack of sufficient housing accommodation, which makes it difficult for labour in less industrialized areas to move to them. Employers establishing new industries, if they are to secure sufficient labour, must therefore consider the smaller towns where reserve pools of labour can still be found. The question of decentralization of industry becomes particularly important in the light of such geographical unbalances in the overall labour shortage. In the Hutt Valley the labour shortage amounted to 18·3 per cent. of the total employed persons. Over the whole of New Zealand, outside the five areas mentioned, the shortage amounted to only 4·8 per cent.

86. Industrially, labour shortages are most severe for males in engineering and metalworking industries (including Railway workshops), where there is an average of one vacancy for every ten males employed, and for females in textiles, clothing, and leather industries, where there is one vacancy for every three females employed. Shortages of male labour with serious immediate effects also exist in bush sawmilling, coal-mines, and certain industries with heavy work under relatively less attractive conditions. Over industry as a whole, the incidence of vacancies for male labour was only 5·2 per cent. in October, 1946, and if that shortage were evenly distributed no industry would be in an unduly difficult position. In distribution and finance, however, the incidence was less than 2 per cent., whereas in manufacturing industries it was over 7 per cent. Shortages of female labour showed the same tendency towards unbalances as between industries. The overall shortage was more severe than in the case of males, the incidence of vacancies for female labour being 12·1 per cent. Even so, in distribution and finance the incidence was only 4 per cent., whereas in manufacturing as a whole it was over 26 per cent.

87. Acute shortages of labour, by tending to concentrate in particular industries, thus focus attention upon selected immigration, vocational guidance, trade training, and the more complicated question of alteration of basic incentives, as offering means by which the distribution of workers between different industries can be influenced.

88. Also closely linked with labour shortages are problems of labour turnover and other causes of lost time and lowered efficiency and output. The present position has not only placed a premium on recruitment of labour; it has (while increasing the difficulty of doing so) accentuated the need to hold labour successfully and to use it efficiently. Figures for labour turnover can well become momentous under existing circumstances, and interest in this aspect of employment data is increasing. In a number of cases where the data has shown individual firms to be suffering rates of labour turnover far in excess of their competitors in the same locality some success has already been achieved in pin-pointing and remedying the causes.

SECTION III.—LINES OF APPROACH TO THE PROBLEMS

89. Alleviation of the difficulties arising out of acute labour shortage is one of New Zealand's most pressing problems at the present time. Immigration can offer no substantial relief at the moment, although plans now being drawn up are designed to provide a flow of immigrant labour to the more critical points of shortage as soon as possible,