

82. In order to make No. (1) effective it was necessary to fix a guaranteed price, and this has now been accomplished. Millers throughout New Zealand have expressed satisfaction with the measures so far adopted, and particularly in regard to the guaranteed price. It seems reasonably certain that it has already given a needed stimulus to production, and it has definitely kept certain millers in production who otherwise intended to cease operations.

83. Provided No. (2) can be implemented successfully, it can be confidently asserted that the past drift will be checked and production progressively improved. The aim is an annual production of up to 10,000 tons of fibre and tow, as this quantity can be absorbed in manufacture within the Dominion as soon as the labour becomes available. Only approximately 25 per cent. of the machine-capacity of the woolpack-factory is now in operation, equalling 250,000 woolpacks per annum, whereas with labour and material the total Dominion requirements of approximately 1,000,000 woolpacks per annum, can be manufactured there. A considerable expansion in other fibre products merely awaits developments when labour and material are available.

(iii) *Pharmacy*

84. The Committee has met regularly throughout the year. Considerable attention has been given, in collaboration with the Department of Health, to devising a simpler and more equitable method of prescription pricing which will also tend to save time in pricing offices. The liaison which exists between the Committee and the Department is working very smoothly and is appreciated by the contracting chemists.

(iv) *Footwear Industry*

85. The Footwear Plan Industrial Committee has been active and industrious in carrying out its functions in relation to the administration of licensing during the past year. During this period production allocations have been revised and increased. The implementation of the specialization plan is steadily progressing, and its introduction has generally met with the approval of the industry.

86. In common with many other industries, the footwear industry has been hampered by shortages of labour, and modernization after heavy war production has been delayed owing to the slow delivery of new key machines and to the lack of building facilities. Decentralization has been achieved to an appreciable degree, and footwear-factories are now operating in such towns as Invercargill, Gore, Temuka, Ashburton, New Brighton, Leeston, Rangiora, Blenheim, Picton, Wanganui, Dannevirke, Ngaruawahia, Thames, Waihi, and Rotorua. There are at present approximately 4,500 workers engaged in the industry.

87. During the year the industry has maintained an active interest in the licensing issue as affecting the footwear industry, and an unofficial vote revealed that the majority favour delicensing. This has culminated in the Minister's decision to take an official vote on the question of continuation of licensing in the footwear industry on the basis of a revised plan which is now in the course of preparation. There are now 106 licensed units operating in the footwear-manufacturing industry. Value of products from the industry approximates £3,750,000 per annum.

(e) *APPEALS*

88. The Hon. Sir Francis Frazer continued to act as Industrial Efficiency Appeal Authority throughout the year, and a total of 55 appeals were heard. Of these, 19 were allowed, and on 36 occasions the decisions of the Bureau were upheld.