

113. It is considered, however, that a gradual return to more stable economic conditions, which should follow when a better equation of supply and demand of capital and consumer goods is achieved, should be reflected in an easier position in the industrial labour market. The recently announced immigration policy for New Zealand should also materially contribute to an improved labour position.

SECTION 11.—INDUSTRIAL BUILDING AND POWER

114. The demand for all classes of building has remained at a high level throughout the year, and with building materials and labour in short supply this has necessitated the continued maintenance of building controls, in order that resources might be conserved for housing, and other essential needs.

115. To this end the Department has continued to act in an advisory capacity to the Building Controller for purposes of determining the relative essentiality and urgency of all industrial and commercial building. The following summarizes the position for the twelve months ended 31st March, 1947 :—

	Permits issued.		Permits deferred.	
	Number.	Value.	Number.	Value.
		£		£
Factory building	659	2,158,000	310	1,923,000
Commercial building	2,334	2,136,000	1,213	3,744,000

These figures in the main cover extensions, repairs, and adjustments to existing buildings.

116. Factory motive power during the year has been subject to certain restrictions. In the North Island, in particular, industry has been somewhat handicapped through the rationing of electrical current and gas. Shortage of coal for industrial use has also been apparent, this being, of course, inter-related with the coastal shipping position. The production of cement and gas have probably been the industries chiefly affected.

SECTION 12.—DECENTRALIZATION OF INDUSTRY AND DEVELOPMENT OF INDUSTRIAL ESTATES

117. The Department continues to support strongly the decentralization of industry within New Zealand from main centres to provincial and country towns. This action is, of course, in line with the development in the United Kingdom and Australia, where a similar movement is being increasingly fostered.

118. There are obvious long-term social and economic advantages that arise from the decentralization of factory production. The provision of employment opportunities in the secondary centres not only helps to preserve the home life, but tends to arrest the drift of population to the more congested city areas. It also provides opportunities for improving factory environment, eases the strain on public amenities, such as electric power, gas, water, transport, and housing, in the main centres, and also, in certain industries, has some strategic significance.

119. An increasing number of industries are now establishing branch factories outside the four main centres of population. Impetus has undoubtedly been given to this movement by the relatively easier labour position existing in the smaller towns.

120. Although a variety of manufacturing has been affected, the increasing decentralization trend has been most apparent in the case of the textile and clothing industries, where factory operations have tended to move into the areas where labour has been more freely available. Units in this sphere of manufacture are now established