labour shortages are considerably greater than in any other areas. The proportion of the population engaged in manufacturing in the four main centres is higher than in other cities and, generally speaking, the proportion so engaged tends to decrease with the size of the towns. Thus the smaller towns often provide scope for the attraction of further labour into manufacturing, and, where the locality has been well chosen, decentralized factories have been successfully established even where there was no apparent surplus of labour seeking employment.

(23) The Department has interested itself in decentralization as a further means of augmenting the available labour force and so enabling total production to be increased. Special studies of all towns with over 1,000 population have been made, with a view to locating these reserves of potential labour. This information has been made freely available, and manufacturers who have applied to the Department have been assisted in finding a locality where premises and labour suitable to their needs are obtainable.

## SECTION 2.—CURRENT CHARACTERISTICS OF INDUSTRIAL RELATIONS AND INDUSTRIAL WELFARE

(1) In the Industrial Relations and Industrial Welfare Divisions the year has been one of considerable activity. The stresses of the war years brought into being new forces, new institutions, and new techniques which are now finding a place as permanent features of the industrial scene. In industry, as everywhere else, is illustrated the now accepted truth that the effects of war can never be temporary or passing phenomena, and that during periods of war social evolution proceeds with startling rapidity. At its end the idea of returning to the old ways is quite unreal when set beside the basic and necessarily permanent changes which have occurred.

(2) In so far as New Zealand cannot avoid the effects of world-wide post-war distortion, the retention of some controls has been found necessary, stabilization

measures and price and supply controls being the most important.

(3) The experience of the year has shown the need for the use of tribunals set up under the Strike and Lockout Emergency Regulations. The record of these tribunals and the number of disputes referred to them and settled is impressive. The decisions of tribunals are now published in the "Book of Awards."

(4) The number of strikes during the year (113), while showing a slight increase on the figure for the previous year (102), is lower than that for either 1944 or 1945 and calls

for no special comment.

(5) Further figures have become available for international comparisons of industrial unrest. Figures published previously have been revised by the I.L.O., and of the countries compared below it will be seen that New Zealand has maintained her position of being the country most free from strikes.

Days lost per 1,000 Persons in Mining, Industry,\* and Transport

Year.†				New Zealand.	Australia.	Canada.	Great Britain.	United States
1938				160	1,351	95	136	457
1939				229	445	167	132	957
1940				113	1,482	188	88	330
1941				102	920	294	97	1,096
1942				203	342	296	138	170
1943				57	877	603	162	570
1944				202	789	289	334	342
1945				257	1,787	914	265	1,615

<sup>\*</sup> As defined by I.L.O.