

REPORT

PART I—THE INDUSTRIAL POSITION OVER THE TWELVE MONTHS

SECTION 1—EMPLOYMENT LEVELS AND TRENDS

(1) The year ended on 31st March, 1949, has again been a period marked by great buoyancy in employment in New Zealand. In some larger industrial countries, however, the same period has been marked by rising levels of unemployment and by other features indicative of at least some loss of buoyancy in the economic situation as a whole. This has been a subject of comment by various overseas authorities, and, while official sources in the countries concerned have not indicated any great anxiety over the position, the United Nations Sub-Commission on Employment and Economic Stability has drawn attention to it and stressed the need for preparedness.

(2) During the twelve months New Zealand's labour force (inclusive of working proprietors) has shown a further expansion from 707,600 in October, 1947, to 717,500 in October, 1948. Increases in the labour force derive from natural increase—*i.e.*, excess of inflow at age fifteen over outflow through retirements or deaths—from immigration, and from increased numbers changing from leisure status to working status. There is evidence that a proportion of the increase recorded has come from the last-mentioned source. (The continuing infiltration of manufacturing industries into smaller centres would contribute to this effect.) Between October, 1947, and October, 1948, the estimated size and distribution of the labour force has changed as follows:—

		October, 1947. (000's.)	October, 1948. (000's.)
(a) Primary industry		173.0	172.7
(b) Secondary industry		218.0	221.6
(c) Transport and communication		67.7	70.7
(d) Distribution and finance		110.2	112.0
(e) Public administration and professional		88.2	89.9
(f) Domestic and personal services		41.4	42.5
Total, in industry		698.5	709.4
(e) Armed Forces		9.0	8.0
(f) Unemployment		0.1	0.1
Total, labour force		707.6	717.5

(Revised figures, including 1945 census data for Maoris.)

(3) It will be seen that, over the twelve months, secondary industries (which include building and construction) made an advance of 3.6 thousands, whereas the four subdivisions of tertiary industries taken together made an advance of 7.6 thousands. On the other hand, primary industries lost slightly, the loss being attributable to the farming industry. In farming, however, the peaks of seasonal fluctuations do not always coincide from year to year, and little significance can be attached to a small change in total taken by itself. Nevertheless, the long-range trend in farming throughout the world has been for increasing levels of farm production to be achieved side by side with steadily decreasing employment of manual labour. This is the effect of increasing mechanization, and New Zealand is no exception to the general pattern.

(4) Concurrently with these expansions in the labour force there has been some easing in the demand for labour, although the shortage remains acute, particularly in the industrial centres. Vacancies recorded by employers in their half-yearly returns, which stood at 29,087 in October, 1947, had reduced to 26,638 in October, 1948. The same downward trend has been seen in vacancies notified month by month, which declined from 25,900 at the end of March, 1948, to 21,168 at the end of March, 1949.