

results not only in the present time of war, but will be of much permanent good, and it is believed that the organization now set up will be of material use and great benefit to the Dominion, and can be utilized in many ways in the interests of national efficiency and economy.

CLASSIFICATION OF INDUSTRIES AND CLASSES OF EMPLOYEES.

Classification of Industries.

The Board has devoted considerable time in drafting and has submitted a classification of most of the industries and occupations in the Dominion to the Government. These have been divided into four groups—"Most essential," "essential," "partially essential," and "non-essential." It is believed that this classification when adopted will materially assist the Military Service Boards in arriving at a just appreciation of the relative importance of each industry and occupation, as well as prove of value to the community generally. Where necessary evidence has been obtained from experts in the trades or industries concerned.

Schedule of Classes of Employees.

The Board is at present engaged upon the cognate task of preparing a schedule of the classes of persons employed in all industries and occupations, but this schedule is impossible of completion until the Government advises the Board of its approval or otherwise of the classification of industries and occupations submitted to it by the Board on the 6th June.

Modification of Awards.

Section 24 of the Order in Council appointing the Board empowers the Commissioners to inquire as to the necessity or otherwise of modifying or suspending any of the provisions of any award of the Court of Arbitration. It is anticipated that the present and the threatened increased shortage of labour will necessitate the modification of existing awards.

National Industrial Service.

Having in view the necessity during the war for the working-power of the Dominion to be utilized to the best possible advantage both in respect of industries and occupations arising from the continued operation of the Military Service Act, the Board recommended the Government that legislation should be enacted under which powers should be vested in the Government for the direction and control of all persons. It was recommended that such powers should provide for the employment of any person in any trade, industry, or occupation, and should include the transfer to or from any trade, industry, or occupation of any person, and generally should provide in the fullest degree for the exercise over both the individual and the community of such powers as may be deemed essential by the Government for the public good. In making this recommendation the Board had in view that it may be necessary through the continued operation of the ballot to place certain essential industries for the time being under national control, and in such cases to provide the labour necessary for their continuance. The recommendation must not be construed that any labour could be transferred from any trade, industry, or occupation to any other for the purpose of private gain. The Board was informed that the consideration of this suggestion had been postponed until the return to the Dominion of the Right Hon. the Prime Minister and the Right Hon. the Minister of Finance.

Strain on Industries.

It has become evident that under the operations of the Military Service Act the number of workers of the First Division that have been called up has placed a severe strain upon some of the industries, especially in the country districts. Although the organization of the National Efficiency Board has so far assisted the carrying-on by private arrangement of soldiers' farms and businesses, it is quite clear that some other method must be adopted to meet the situation when numbers of men in the Second Division are removed.

Government Approval of Classification.

The Board is of the opinion that the time has arrived when it has become necessary to provide for the possibility of national industrial service in some form or other. Nothing, however, can be done in this direction until the Government makes known its decision with regard to the relative position in national importance which industries bear one to another. This classification should be immediately approved and made public and followed by the necessary legislation, and if this be done promptly it may be possible to make the unavoidable changes without any serious dislocation of industry.

National Register.

The Board is of the opinion that a National Register of persons employed in trades, industries, and occupations should be made, but not with any view to compulsory national industrial service except in *bona fide* Government works for war purposes. The Board is of opinion that the Government must make it very clear that such a register shall not be used in any way for the purpose of compulsorily transferring any labour to occupations for the benefit of any trading enterprise or private gain. The National Register, however, will be of great value in enabling appeals to be made for voluntary service for the maintenance of the industries of the Dominion, dealing primarily with those that are essential and thereafter with those which have been classified in the other schedules as being of less importance to the community.