

Steps have been taken to restrict building operations by confining the supply of building-materials to the erection of houses and to premises for essential industries. Meantime provision will be made for continuing the legislation regarding rent-restriction and affording protection from ejection.

Legislation will also be introduced increasing the limit laid down for each house, and also to enable local bodies to purchase land as well as build houses.

DEPARTMENT OF INDUSTRIES AND COMMERCE.

Under legislation passed last session this Department has been organized for the purpose of carrying into effect the policy of the Government to encourage existing industries in every possible way, to create new ones, and to prevent as far as possible the exploitation of both producers and consumers.

The Department has wide powers, and may hold inquiries, also frame regulations with the object of preventing unfair methods of trading and suppressing practices which are inimical to the interests of the Dominion and to the public welfare. Much useful work has been done, but the Department has been somewhat impeded by the difficulties experienced in connection with the distribution of such essential commodities as sugar, flour, cement, and benzine, for all of which an unprecedented and insatiable demand has existed. By careful allocation of the available stocks, essential requirements have been fairly well met, although at times inconvenience has existed owing to the shortage of supplies, accentuated by shipping difficulties and delays. The provision of full supplies of coal for those engaged in the manufacture of sugar and cement proved difficult, and, while supplies for the sugar-refiners have been well maintained, the position as regards the cement industry is now improving. The use of cement is, by regulations issued on 28th June last under the Board of Trade Act, 1919, restricted to essential works in the order of their national importance.

PRICE-INVESTIGATION TRIBUNALS.

Price-investigation tribunals have been set up in the four main centres to assist the Board of Trade in connection with the work imposed by section 32 of the Board of Trade Act for the prevention of profiteering. The functions of the tribunals have been fully advertised, and the public has taken advantage of their appointment to bring forward cases where prices have been regarded as unreasonably high. Several such cases have already been before the Courts, and other prosecutions are pending.

SUGAR.

Full details of the negotiations and agreement with the Colonial Sugar-refining Company, Limited, have already been placed before honourable members. The agreement, which came into force on the 1st July, should ensure a sufficient supply of sugar during the next twelve months. A considerable increase in price was inevitable on account of the high cost of the raw material. Under the agreement the Government buys the raw sugar f.o.b. Fiji, pays the cost of transportation and refining, and distributes to the consumers through the usual channels of trade at prices sufficient to recoup the total expense incurred.

TIMBER.

I am pleased to inform honourable members that, as a result of the policy that New Zealand timber should be conserved for local use, larger supplies have been available for the local market during the last twelve months than at any time in the history of the Dominion.

COST OF LIVING.

It would be futile to attempt to review the whole of the causes of the increased cost of living, which constitutes a world-wide problem which all Governments are at present actively engaged in attempting to solve.

Where the supply of goods falls short of the demand higher prices are inevitable; and reduced production, from whatever cause it may arise, intensifies the difficulty.