

The Department feels confident that a very considerable proportion of the imports could be manufactured in New Zealand at competitive prices. If this could be done the danger of an adverse trade balance when prices of primary products fall would be greatly minimized, and the national economy of the Dominion would be stabilized on a broader basis than at present.

SCIENTIFIC INDUSTRIAL RESEARCH.

In last year's report it was shown that manufacturers throughout the Dominion had been working on a scheme for the establishment of a bureau in New Zealand which would be helpful in the development of our secondary industries by providing adequate scientific research organization. The Department has been in close touch with the manufacturers' associations on this matter, and during the year steps were taken to bring about a conference on the subject between representatives of the manufacturers and heads of State Departments. This conference, held on the 3rd April last, discussed fully the whole question of the importance of scientific and industrial research. It was resolved that the meeting should give recognition to the need for organization and prosecution of scientific industrial research, and that a special committee, consisting of Dr. J. S. Maclaurin (Dominion Analyst), Dr. E. Marsden (Assistant Director of Education), and Mr. L. T. Watkins (President, New Zealand Industrial Corporation), be appointed to draft a scheme for consideration by the full committee, and, if approved, for submission to the Government.

During the course of the conference correspondence was read from the High Commissioner in which it was stated that the latter has received a communication from the Director of the Imperial Institute asking whether it would be possible for his Institute to be furnished with reports on New Zealand's economic problems. Should an organization be set up in New Zealand it will be possible to co-operate fully with the Imperial Institute and other similar bodies in different parts of the Empire so that an interchange of opinion and reports may follow. It was made clear at the conference that the expenses of any local organization should be borne partly by Government and partly by the manufacturers.

The Department is of opinion that there is a very wide field of useful work to be performed in this connection, and that the co-ordination of research work throughout the Empire generally, and in the Dominion in particular, would be a distinct national gain.

INDUSTRIAL EXHIBITIONS.

It has been the policy of the Department to encourage New Zealand manufacturers to give frequent practical publicity to the goods manufactured in the Dominion, and with this idea the Department has associated itself closely with local industrial exhibitions held in several centres during the past year. Departmental exhibits, which were most favourably commented upon, were made at Auckland, Hawera, and Wellington.

The annual Dominion Industrial Exhibition, supported by manufacturers throughout New Zealand, is to be held this year at Wellington during the visit of the United States Fleet, and will synchronize with the Wellington Winter Show.

At the New Zealand and South Seas Exhibition, to be held in Dunedin, 1925-26, a special pavilion has been set aside in which nothing but the manufactures of New Zealand will be displayed. It is hoped that by comparison with other countries the Dominion will hold its own for the quality and finish of the manufactured goods produced in New Zealand.

NEW ZEALAND AND SOUTH SEAS EXHIBITION, DUNEDIN.

The Department has continued to co-operate fully with the Directors of this Exhibition, and has acted as the official medium between the Government and the directors. In view of the decision that the Government would continue its representation at Wembley, the question of postponement of the New Zealand enterprise until the summer of 1926-27 was seriously discussed, but, in view of the expenditure and inconvenience of postponement, it was decided to continue as originally arranged. Subsequent events have proved that the undertaking is not likely to be seriously affected by the continuance of the Wembley Exhibition. Applications for space have exceeded expectations, and six months before the opening date it is safe to assert that the whole of the space available in the pavilions erected will be fully taken up. The United Kingdom, Canada, Australia, and Fiji will be officially represented. Seven pavilions, a concert-hall, an art-gallery, and numerous annexes and similar buildings are nearing completion, and cover an area of nearly 13 acres.

The Imperial Government has secured for official displays a space of 28,000 square feet, and a like floor-space in the same pavilion has been allocated for goods manufactured in the United Kingdom. The Commonwealth of Australia and the Dominion of Canada have undertaken the organization of comprehensive displays of their products, manufactures, and arts. The colony of Fiji will, as already indicated, be fully represented. New Zealand products will be shown in satisfactory displays by manufacturers and traders, and in the several provincial courts. The New Zealand Government has undertaken to provide exhibits of a very comprehensive character, a special building of 51,000 square feet being provided entirely for this purpose. Some fourteen Departments of State will participate and will demonstrate their functions and work.

One of the largest buildings is being devoted to the display of motor cars, trucks, and appliances, and it is satisfactory to record that the support received from British sources points to the fact that the display will be the most comprehensive yet held in the Southern Hemisphere. Hitherto the products of the United States of America and Canada have formed 90 per cent. of motor displays at local Exhibitions.