

In New Zealand the mobility of labour is probably greater than in the United Kingdom or Europe, but is still far from being perfect.

Oversupply of labour in unskilled occupations may be a special case arising out of imperfect mobility. Either as the result of poverty, lack of knowledge, or too great an emphasis on the desirability of jobs in which the immediate remuneration is considered high, new entrants into industry do so by means of "blind alley" occupations, thus causing an oversupply of labour in unskilled trades, so that not all can be employed at a wage which is in accordance with humanitarian standards. In this way opportunities are lost for later entry into more skilled, more regular, and better paid crafts.

The causes above set out do not cover the whole ground of unemployment, but most of the factors contributing to unemployment can be brought under one or other of them. It remains to consider to what extent these causes are operative in New Zealand at the present time.

V. UNEMPLOYMENT IN NEW ZEALAND.

While there are many indications that unemployment is especially acute in New Zealand at the present time, it is extremely difficult, with the statistics available, to measure accurately its extent. The only continuously available sources of statistics are (a) the records of the Labour Department's Unemployment Bureau, and (b) the returns obtained from certain selected trade-unions by the Government Statistician during the mid-week of each quarter. The latter are expressed as percentages of unemployed to total unionists. Neither of these sources of information is satisfactory. With regard to the Labour Department's Bureau, those who register here are probably mainly unskilled or semi-skilled, and are therefore not completely representative of all workers. Moreover, the figures cannot accurately be represented as a percentage of the total number of workers. With regard to the trade-union returns, the difficulty also arises that the selected unions may not constitute an entirely fair sample of the conditions amongst wage-earners as a whole. The skilled workers are probably more fully represented. The Government Statistician, however, is of opinion (see 1927 Year-book, p. 875) that the figures, though not representing a complete picture, may be claimed to represent the position with a fair degree of accuracy. And, though neither set of figures is very reliable in ascertaining the absolute amount of unemployment, they are nevertheless valuable in comparing the extent of unemployment at different times—and (though with less accuracy) in comparing changes in unemployment as between different localities or as between different industries—and it may safely be assumed that when both sets of figures show an increase or decrease over a period that there has been a corresponding though not necessarily an exactly proportional increase or decrease throughout industry as a whole. But it must be kept in mind that the figures of the Labour Department probably exaggerate the position in bad times as compared with good, because at such times there is reason to believe a greater proportion register and a smaller proportion rely on other methods, such as answers to advertisements and personal application to employers, than when employment is easier to obtain. The same is perhaps true to a lesser degree and for somewhat similar causes of trade-union figures.

An analysis of the available statistical data discloses the following:—

(1) Unemployment increased considerably from about the middle of 1926, fell towards the end of the year, but has increased still further during 1927. The Labour Department shows 466 outstanding registrations on 15th February, 1926, 711 on 17th May, rising to 2,247 on 22nd June, 1926, and falling to 1,815 on 16th August, 1926. In the third week of July, 1927, the number had risen again—2,388. The trade-union percentage shows a similar movement, though not so marked:—

PERCENTAGE UNEMPLOYED IN CERTAIN TRADE UNIONS.

Mid-week in—	1925.				1926.	1927.
February	..	..	..	..	5.0	9.4
May	..	..	..	..	6.6	9.7
August	..	..	..	..	8.3	11.6
November	..	..	..	5.4	6.7	..

(2) Unemployment in New Zealand is definitely seasonal, attaining a maximum during the winter.

(3) The rate of unemployment fluctuates considerably over a period of several years. It was heavy in the winter of 1922, and high figures were not again recorded until the winters of 1926 and 1927. The unemployment curve moves in close inverse sympathy with, but lags somewhat behind, the curve for export prices.

(4) Unemployment has been more acute in the North Island than in the South Island. This is illustrated by the following table:—

PERCENTAGE OF TRADE-UNIONISTS UNEMPLOYED IN INDUSTRIAL DISTRICTS.

District.	November, 1925.	February, 1926.	May, 1926.	August, 1926.	November, 1926.	February, 1927.	May, 1927.	August, 1927.
Northern	6.6	8.8	9.7	11.6	10.7	15.0	13.0	15.4
Wellington	4.6	3.2	5.1	5.1	5.6	7.4	9.3	11.0
Canterbury	2.8	2.5	2.8	5.4	2.8	4.0	4.6	6.8
Otago-Southland	5.8	3.4	6.8	9.1	5.6	7.5	9.8	10.9
Westland	5.6	4.1	2.9	9.2	5.1	6.5	5.8	7.5
Total for New Zealand	5.4	5.0	6.6	8.3	6.7	9.4	9.7	11.6