

these industries are engaged in the finishing processes for primary produce, meat-works, dairy factories, and the timber-mills, and there is an important secondary group engaged in the provision of necessary services, heat, light, and power, publications, and the manifold repair industries. The connection between the primary and secondary industries will be further analysed in the next bulletin of this series.

The analysis of occupations shows a marked trend of population from rural to town employment, and from directly productive to distributive and administrative services, during the last thirty years. The drift is sufficient in itself to occasion concern, and further inquiry will be made into its causes. It is the aim of this bulletin to set out the facts. The analysis of causes must be reserved for later stages in the inquiry.

Economic Organization.

(Canterbury Chamber of Commerce Bulletin No. 24.)

1. PRODUCTION AND OCCUPATIONS.

A preliminary survey of production and occupations was undertaken in Bulletin No. 22 of this series. It showed in brief that, according to the official figures, the total value of net production in New Zealand approximated £106 millions 1923–24, the latest year for which figures are available. The shares of total production contributed by the primary and secondary industries respectively have varied little since the beginning of the present century, the primary industries contributing from 71 to 73 per cent., and the secondary industries from 27 to 29 per cent. of the total. Within the primary industries group the proportion contributed by agriculture, mines, forests, and fisheries has fallen considerably during the past twenty-five years, that of the pastoral industry has fallen slightly, while the share contributed by dairying has increased greatly.

Under the official classification used for estimating the value of production, in which the output of meat-works, dairy factories, &c., is included under primary products, the net factory production was £19 millions. But under the different official classification of secondary industries, the gross product of these industries for 1923–24 was valued at £77 millions, which is the figure most commonly quoted; the net product, or value added at current prices in the manufacturing processes undertaken, was £30 millions.

Analysis of the secondary industries, however, shows that the largest and most important of the secondary industries are engaged in preparing primary products for market—animal foods account for £33 millions of the total gross product—and there is a further important group engaged in supplying essential local services, such as heat, light, and power.

But the initial production, or the creation of economic goods, although fundamental and of first importance, is not the whole of economic life. Production and exchange must both be financed, and the goods produced have to be collected and distributed throughout the community and the world. Hence a considerable part of our resources, both human and material, are devoted to transport and communication, commerce and finance, administrative, professional, and other services, all of which are more or less directly interconnected with production. The distribution of population amongst various occupations varies from country to country, and depends mainly upon marked differences in resources of production. A significant comparison of these variations is presented in the 1921 Census Report, where the New Zealand occupations have been so classified as to make them directly comparable with those of South Africa and of England and Wales.

Industrial Distribution of Population. (Percentages.)

	New Zealand.	South Africa (Europeans only).	England and Wales.
Primary production	27·8	34·0	14·2
Industrial	21·8	18·4	39·8
Transport, commercial, professional, &c.	50·4	47·6	46·0
Total	100·0	100·0	100·0

In each of these countries about half the employed population is engaged in directly productive occupations, the percentages being 49·6 in the case of New Zealand, 52·4 for South Africa, and 54·0 for England and Wales. But South Africa was nearly two-thirds of her producers engaged in primary production, England and Wales has little more than one-fourth, and New Zealand about four-sevenths; the remainder in each case are employed in industrial production. Those engaged in services which are not directly productive, the commercial, transport, and administrative services, &c., number slightly more than half the total in New Zealand, and a little less than half in the other two countries.

2. DISTRIBUTION OF OCCUPATIONS.

The root causes of the differences in industrial organization here revealed lie very deep. They are to be found in geographical differences, in the widely different types of physical resources which are the basis of all production. South Africa's mineral wealth, her sparse population, and her wide expenses of veldt make her mainly a country of extractive industries. Britain's endowment of coal and iron, her unique geographical position at the centre of the world's trading peoples, and her dense population make her mainly a manufacturing and commercial country; New Zealand's wealth of soil and climate, combined with her position remote from centres of world production and trade, and her sparse population, make it inevitable that her chief products should come directly from the soil and be exported in the most concentrated form, such as animal foodstuffs and wool.

The usual broad division of our industries into the primary and secondary industrial groups, though useful and necessary for statistical classification, is unduly simple and is therefore misleading. A much truer picture is presented in the following classification of persons employed in the Dominion (from the 1921 Census Report). Detailed figures are given only where over 5,000, and then to the nearest thousand.

Distribution of Occupations.

	Number.	Percentage of Total.
Primary production (dairying, 58,000; sheepfarming, 32,000; agriculture, 17,000; mixed farming, 11,000; forestry, 10,000; mining, 8,000)	152,000	27·8
Industrial production (building, 25,000; food, drink, and tobacco, 20,000; engineering, 13,000; road and railway construction, 8,000; books and printing, 5,000)	119,000	21·8
Commercial (property and finance, 13,000; textile trades, &c., 14,000; mixed businesses, 10,000)	79,000	14·5
Transport and communication (railways, 15,000; post and telegraph, 10,000; shipping, 8,000; carrying, 6,000; on wharves, 5,000)	55,000	10·1
Professional (local and general government, 9,000; law and order, 5,000; health, 11,000; education, 15,000)	52,000	9·5
Domestic and other groups (domestic service, 22,000; hotels and boardinghouses, 14,000; independent, 32,000; not stated, 13,000)	88,000	16·1
Total breadwinners	546,000	
Dependants	673,000	
Population (excluding Maoris)	1,219,000	