

1929.
NEW ZEALAND.

UNEMPLOYMENT IN NEW ZEALAND.

FIRST SECTION OF REPORT OF COMMITTEE APPOINTED BY THE GOVERNMENT ON
17TH OCTOBER, 1928, AND 26TH FEBRUARY, 1929.

Laid on the Table by Leave of the House.

MEMBERS OF COMMITTEE.

W. D. HUNT (Chairman), T. O. BISHOP, representing employers.
JAMES ROBERTS, OSCAR McBRINE, representing workers.
MALCOLM FRASER, O.B.E., F.S.S. (Government Statistician).
F. W. ROWLEY, I.S.O. (Secretary of Labour).
H. D. THOMSON (Under-Secretary for Immigration).

REPORT.

Wellington, 29th August, 1929.

The Hon. the Minister of Labour, Parliamentary Buildings, Wellington.

SIR,—

We have the honour to present a first section of our report on the question of unemployment in New Zealand, which we have been investigating under your direction.

As you were good enough not to tie us down to any order of reference and gave us practically a free hand as to the way in which we should deal with the problem, we think it necessary to commence by stating the nature of our task as we see it.

Unemployment has become one of the difficult problems in civilized countries. In the United States, Great Britain, most European countries, and in all the British Dominions it is a prominent political question. Much consideration is being given to it, and various remedies are being prescribed and applied.

It is not a new problem in New Zealand; in fact, for many years past we have not been entirely free from it except during the war period. It has been dealt with always in the past in the same way—by the undertaking of public works by the State and by local bodies. Sometimes a public-works programme has been speeded up to enable more men to be employed than would normally be required to finish the work economically within the time desired; at other times, when the demand for work has been greater, special works have been undertaken, not because there was necessity for them, but with the sole object of providing employment temporarily for those for whom no other employment offered. At such times also charitable-aid expenditure has always been above normal.

The present situation is being met by the Government and by the local bodies in the old way—by a speeding-up of essential public works which would have been carried out more slowly under other circumstances, and by the carrying-out of special works which but for unemployment would not be done.

We wish to make it quite clear that we are not concerned with the immediate provision of relief measures, and we find it necessary to say this because it has been asked when our Committee is going to find work for those who are now in need of it. The duty entrusted to us is to study every phase of the problem, and try, first, to find methods of preventing unemployment as far as possible; and, second, to indicate methods of providing for the unemployed with the minimum of loss to the community. It will be necessary for us to express an opinion as to the merits and demerits of the past and present methods of relieving unemployment, and to that end we are now collecting information which has not been available hitherto.

The immediate cause of unemployment in New Zealand or elsewhere is the failure of the consumption of certain goods to keep pace with the production, or the failure of the demand for certain services to equal the supply. The underlying cause of this failure may be the high cost of the goods or services, or it may be one of several other things which we shall discuss later on. The conditions of trade which