

The purchase of goods on a deferred-payment basis undoubtedly influences the direction in which the income of large sections of the community is spent, and in consequence of this some classes of goods may, to the disadvantage of other goods, secure a sale far greater than would be possible if cash trading were strictly adhered to. Credit trading is clearly not to be regarded as unsound or undesirable trading, and, provided that the buyer is reasonably able to meet his credit obligations, the main factor for consideration is the nature of the goods sold on credit, and the use which the purchaser intends to make of them.

Instalment purchasing as a system cannot be generally condemned; each transaction should be judged upon its merits. There are unquestionably unwise credit purchases, just as there are unwise cash purchases. The system has become an important part of our business structure. It is here to stay, and the Department must concern itself, therefore, with its proper application and guidance.

CONCLUSION.

In this report it is regretted that the Department is unable to say of the manufacturing industries generally that they continue to show a steady and healthy development. In particular cases this development has taken place, but taken in the mass it may be said that progress in industry is not buoyant.

As has been shown in previous chapters in this report, the Department has been closely associated with important economic investigations into the timber and footwear industries. It can be claimed with confidence that these inquiries have definitely shown that much good can be done by an intensive survey of existing conditions. In the case of the timber industry, the Committee has accomplished a most important work in inducing the sawmillers to adopt a new scheme of classification and grading of New Zealand timbers for Government use, and in the case of the footwear industry much useful information has been gleaned which should materially assist the manufacturers in the direction of the adoption of more efficient methods of manufacture.

The methods of marketing and marketing requirements have also been closely studied by the Committees, and it is felt that important assistance can be given to the industries concerned, particularly in bringing about closer co-operation between those engaged in manufacture and those concerned with distribution. The call, however, made upon the time of the officials and representatives of the industries concerned has been rather greater than anticipated, and if quicker results are to be obtained it will be necessary that the work should be done by men appointed for the particular purpose, who will be able to concentrate upon the collection of evidence, the making of the necessary inspections of factories and plant, and the drawing-up of reports and recommendations.

With the check experienced to the expansion of industry recently, the Department urges that the time has arrived for a general investigation to be made into the industries of New Zealand, and that this investigation should be conducted by a mission comprising in its personnel gentlemen of wide experience in industry, finance, and economics. Side by side with the setting-up of this mission, it is further recommended that a delegation from our own Dominion should be appointed, under the auspices of Government, to visit the Mother-country, and perhaps Canada, to study industrial enterprises, and, above all, to interchange views with the leaders of industry in those countries. New Zealand manufacturers are undoubtedly desirous of keeping up to date in their methods, and many enterprising manufacturers have already paid visits to the Mother-land and have greatly benefited thereby. New factory equipment has been purchased and new ideas incorporated, but it is felt, in the Department's view, that a well-organized delegation could in the short period of six to eight months make the tour indicated, and could prepare a report for general publication which would be invaluable both to the Government, the manufacturers, and the people generally.

Our isolation from the great manufacturing countries of the world may have given us a false idea of our strength and a lack of appreciation of the problems of the present and of the future. The proper perspective can only be obtained by the work of such a delegation.

Three questions of outstanding domestic importance are involved in the investigations—the questions of unemployment, apprenticeship, and lack of investment in industry. That industry could absorb a very much larger number of men and young people is unquestionable, provided stability could be given. It can be claimed that such employment, with few exceptions, runs over the whole year, and that it is, therefore, not subjected to the seasonable fluctuations of farm-work. It is also unquestionable that from the apprenticeship point of view alone the need for the investigation is very necessary. One of the outstanding features of industry during the last three years has been its inability to employ the lads who are leaving school, many of them possessing valuable training gained at our technical schools. The applications for work by lads, particularly at the close of the school year, have increased greatly, and the parents are much perturbed by their inability to secure useful employment for their boys. It is most desirable, therefore, that the opportunities for boys and girls leaving school should be widened. These opportunities can be afforded by extension of existing industries and the creation of new ones. The lack of investment in industry is a matter which has brought forth a good deal of public comment, especially in view of the fact that there appears to be so much capital available awaiting investment. In particular cases there is no lack of financial support, but it is considered that the reasons why some industries, sadly lacking capital, cannot secure it readily should be one of the main matters for investigation by the mission suggested.

For the Department of Industries and Commerce,
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