

All these matters have been discussed in the preceding chapters of this report. In their summarized form they may appear to be a serious indictment of the industry as a whole. The Committee, however, is of the opinion that, speaking in general terms, there is, in the circumstances, more to commend than to condemn, and that those engaged in the industry deserve praise for their past and present endeavours to develop the industry in face of extraordinary and frequent changing conditions.

It is undoubted that the footwear manufactured in the Dominion has reached a high standard of quality, and that the manufacturers quickly adapt themselves to changes. The industry is one of the oldest established in the Dominion, and to the official members of the Committee the history of the trade reads almost like an epic story. Some notable successes have been achieved, but there can be no doubt that the majority have suffered severe buffetings, and have carried on year after year, gaining profits for a time and then suffering losses. The same inquiry as has been conducted in New Zealand would probably reveal similar conditions in other manufacturing countries. Neither the manufacturers nor the workers should, therefore, regard this report as a reflection on the industry, but rather treat it, as it is intended to be, as a series of constructive suggestions for the betterment of the industry as a whole.

Briefly summarized, the recommendations for the improvement of the industry are as follows :—

- (a) That " payment by results " systems be installed in factories to reduce unit labour costs :
- (b) That factory layouts be analytically studied, and machinery and equipment rearranged to reduce lost motions between operations to a minimum :
- (c) That routing of orders by a planning-clerk be established in factories in order to deliver work in correct sequence at least cost :
- (d) That the method of settling local differences between employers and employees should be improved as suggested :
- (e) That accurate detail costing of work is essential for manufacturing purposes, and that such methods should be installed :
- (f) That an experienced consulting management engineer be made available to those in the industry and other industries as recommended :
- (g) That, on account of the small size of New Zealand factories as compared with their overseas competitors, the question of amalgamation in respect of the small-order question and multiplicity of design be considered :
- (h) That, as will be shown below, certain manufacturers having been able to operate on a satisfactory paying basis by disposing of their products through retail shops which they control or mainly supply, it is suggested that the question of co-operative action between manufacturers be considered with a view to the reduction of marketing and distribution expenses :
- (i) Co-operative action between New Zealand manufacturers in the establishment of a purchasing centre for materials would reduce stocks of materials, particularly foreign leathers that now frequently become dead stock :
- (j) That the question of manufacturers retailing their own products is indicated as a means of meeting competition from overseas products.

In addition to the above recommendations, the members of the Committee other than the official members unanimously adopted the following resolution :—

" That the recommendations made above in this report cannot be effective without the safeguard of additional Customs tariff of 5 per cent. for a period of five years. The granting of this increased tariff would, it is felt, enable the manufacturers to adopt the recommendations by giving them the necessary increased output, and, furthermore, would enable footwear made in New Zealand to be sold without increase in prices."

Supporting this resolution, the employers and employees representatives submitted a statement commenting on the above recommendations for the improvement of the industry, and this statement has been included on the following page. The official members of the Committee decided that they would prefer to disassociate themselves from this policy matter, feeling that unless a special instruction were given by the Government they were not entitled to express an opinion. The official members, however, feel and have so informed their colleagues on the Committee, that the recommendations outlined above for the betterment of the industry should receive the full and careful consideration of both employers and employees. It has been demonstrated that considerable success has been achieved in at least two instances where boot-manufacturers have adopted a policy of disposing of their productions through retail shops which they control or mainly supply ; in another case a manufacturer has reduced his costs and consequently increased his output by the adoption of piecework.

We have the honour to be,

Sir,

Your obedient servants,

A. TRENWITH
E. T. ARNOTT
H. DUCKWORTH
J. R. LUFF

(Manufacturers' representatives.)

C. A. WATTS
J. W. MOORE
F. M. ROBSON
F. JONES

(Employees' representatives.)

J. W. COLLINS (Chairman)
GEO. CRAIG
E. MARSDEN
E. T. SPIDY
F. JOHNSON (Secretary).

(Official Government representatives.)