

1935.
NEW ZEALAND.

UNEMPLOYMENT BOARD

(REPORT OF).

Presented to both Houses of the General Assembly by Leave.

REPORT.

INTRODUCTORY.

THE period covered by this, the Fifth Annual Report of the Unemployment Board, has been one of steady but sure progress in the general improvement in trade and business activity. We have in New Zealand no surer indicator of improvement in economic conditions than the measure of revenue received from the emergency unemployment taxation. Despite a reduction of 2d. in the pound in the rate of this special tax, which affected the revenue for the second half of the last financial year, coupled with the introduction of a much wider range of exemptions, the annual revenue received during the year exceeded that of the previous year by £183,000. Although there has been, corresponding in some degree with this general improvement, a substantial decrease in the total number requiring assistance directly or indirectly from the Unemployment Fund, the number in receipt of part-time relief (Scheme 5 employment or sustenance), really representing those who are wholly unemployed, was a slightly higher figure at the end of July last than for the corresponding period last year. This the Board ascribes in part to a substantial increase in the number of Natives who have registered for relief, whilst the wider application of sustenance payments without work being performed appears to have induced men to register who previously refrained from registering.

The Board feels impelled to draw attention to the fact that within the number of those registered as wholly unemployed (approximately 40,000 at the end of July last) are some thousands of men who, under normal industrial conditions, would be regarded as unemployable. In the majority of these cases unemployability arises not from any lack of willingness to work but from physical or mental disability. It is clear that were these men ruled as ineligible for unemployment relief they would immediately become a charge on the Hospital Boards.

During the year the Board has pressed forward with its policy of organizing for full-time employment in lieu of intermittent relief work or sustenance. The major difficulty encountered has been to find local bodies or Government Departments willing to undertake work at the present time even with a subsidy slightly greater than the cost to the fund of paying unemployment relief. This difficulty, coupled with the general acceptance by the Government that employment is the only cure for unemployment, promoted the investigation carried on by an Interdepartmental Committee, upon which the Board was represented by the Deputy-Chairman and the Commissioner. It was soon discovered by assembling the jobs classed as suitable for employment of labour, not required in ordinary industry, that few offered sufficient return to warrant any recommendation to the Government for the use of loan-moneys to the full extent of the difference between the cost of relief and the cost of the job. To overcome this difficulty the Board agreed, in respect of the works recommended by the Committee, to