The following figures have been prepared from those given in Table VIII in the Appendix:—

Number of Unemployed.

Industrial Group.					31st Janu	ary, 1935.	31st July, 1935.		Increase July over January.	
					Number.	Per Cent. of Total.	Number.	Per Cent. of Total.	Number.	Per Cent
Agricultural and pastoral					3,497	8.11	4.415	8.72	918	26 · 25
Meat-freezing, butter and cheese, fishing, and trapping					1,047	2.43	1,685	$3 \cdot 33$	638	60.93
Flax and kauri-gum					210	0.49	225	0.45	15	$7 \cdot 14$
Secondary industries					4,380	$10 \cdot 16$	4,800	9.49	420	9.58
Building and associated trades					6,918	$16 \cdot 04$	6,636	$13 \cdot 12$	-282	-4.08
Mining					1,892	$4 \cdot 37$	1,915	$3 \cdot 79$	23	1.22
Waterside and shipping					1,235	2.87	1,482	$2 \cdot 93$	247	20.00
Land transport					2,145	4.97	2,515	4.97	370	17.24
Professional					430	1.00	482	0.95	52	12.09
Commercial					3,808	8.83	4,209	8.32	401	10.53
Sports and personal service					1,138	2.64	1,331	2.63	193	16.95
Miscellaneous (mostly general l	abour	ers)			16,428	38.09	20,895	41.30	4,467	$27 \cdot 19$
Totals				•	43,128	100.00	50,590	100.00	7,462	17.30

- Indicates decrease.

The figures classified by industrial groups lose a great deal of their value by reason of the fact that there are no recent figures available relating to employment under the different headings. This means that the comparative severity of unemployment can, at the best, be only estimated. The outstanding fact is that approximately 40 per cent. of the unemployed are general labourers. The next point of importance is that the building and associated trades account for 16 per cent. of the total. Taking these points together, the conclusion emerges that between 50 per cent. and 60 per cent. of unemployment has originated directly in the constructional industries.

Secondary industries represent 10 per cent., and are just ahead of commercial pursuits and the

agricultural and pastoral industries, which represent approximately 8 per cent. each.

The comparative smallness of the proportions of unemployed for the transport industry (water 2.87 per cent. and land 4.97 per cent.) and the professional class (1 per cent.) are particularly significant for the reason that they appear to indicate that the expansion which is taking place in the productive industries will gradually absorb these men.

The fact that the unemployed who gave their occupations as being connected with the agricultural and pastoral industries numbered only 3,497, or 8 per cent. of the total, and were actually less than those engaged in secondary industries or in commercial pursuits is of especial interest and demonstrates that expanding production in these industries has kept up the level of employment, notwithstanding the advances of science and machinery.

The broad conclusion emerges from the figures that the bulk of the unemployed have come from the constructional industries and that the spearhead of any attack on the unemployment problem should be directed to the revival of these industries (which will spread to the distributive branches) or their replacement by expansion in either the primary or secondary industries. This is a far-reaching decision to make, but it must be made if the Dominion is to rid itself of unemployment.

ASSISTANCE TO SECONDARY INDUSTRIES.

Existing secondary industries have made steady progress during the year, and the benefits of the building-subsidy and other schemes introduced by the Board have spread far beyond the confines of the trades immediately affected. Manufacturers have stated that their employment rolls have been greatly augmented, and the Board is reliably informed that the number of persons employed in secondary industries has increased by approximately 9,000 during the last twelve months. There is no doubt that the activities of the Board have been instrumental in stimulating a considerable volume of employment under normal conditions of hours and wages.

While several important projects are at present under review, it has been a disappointment that there has been no considerable move by private enterprise to establish new industries and take advantage in the early stages of the Board's assistance by grants or loans, in order to hasten their successful establishment and the maximum quantity of employment therein. It does not appear conceivable that, having regard to the successful operation of many existing industries under present conditions of population, protection, and labour, there is no additional scope for private capital and enterprise to play a further part, both having a common duty and responsibility towards the elimination of a large proportion of the people now being retained in an unemployed and unproductive state.

However, there have been a few exceptions in which it has been possible to encourage and assist in the promotion of new enterprises as well as giving assistance to long-established industries and others of recent birth.

With encouragement and assistance from the Board, the manufacture of basic slag is being commenced in the North Island, and this product should prove of great benefit to farmers on those lands for which this fertilizer is suitable.