

The committees report that there is a distinct shortage of capable domestic workers and hotel workers, and also that there is a shortage of efficient girls for factory-work and for clerical positions, particularly of junior shorthand-typistes. Generally, no difficulty at all is experienced in placing any girl or young woman who is physically fit for normal employment.

The position as disclosed by the above figures indicates that the female unemployment problem is probably less serious at the present time than it has been for many years.

TERMINATION OF BUILDING SUBSIDY SCHEMES.

The House-building Subsidy Scheme (Scheme No. 12) was terminated on the 30th September, 1936, after being in operation since July, 1934, it being considered that the conditions then prevailing in the industry did not warrant assistance by way of subsidy being continued. During the currency of the scheme 12,635 applications were received, of which 11,840 were approved, as a result of which work to a total value of £7,942,891 was carried out. In all, 11,412 dwellinghouses were erected under the scheme. The amount expended by way of subsidy totalled £552,305.

A subsidiary scheme, known as B 1, which was introduced in March, 1935, and which provided for such work as alterations to, and the painting of, dwellinghouses and certain non-profit-earning buildings, was brought to a close in March, 1936; 5,181 applications were approved, resulting in the carrying-out of work costing approximately £526,823. The subsidies approved amounted to £43,968.

In June, 1935, a scheme, known as B 2, providing for the erection of new, or the modernizing of existing, dairy factories and milking-sheds, and the equipping of such buildings with up-to-date machinery of New Zealand manufacture commenced to operate. The scheme was later extended to cover the construction of general farm buildings, and the purchase of New-Zealand-made farm implements. The scheme ceased to function on the 30th April, 1936. During the period of operation, 8,111 applications were approved, and the building work to the value of £343,237 was carried out. The total cost of the machinery and implements purchased amounted to £334,998; subsidies granted amounted to £54,024.

PROMOTION OF EMPLOYMENT IN INDUSTRY.

As indicated earlier in this report, there has been a large reduction in the volume of unemployment since the end of 1935, 37,316 only remaining on the registers in August of this year. Of these, it is estimated that less than 17,000 are able-bodied and available for employment.

The absorption of unemployed men into industry is necessarily a process that is slow in nature; and, in many cases, it can be accomplished only in two stages. In the first stage, the able-bodied worker who is capable of and available for work, but unemployed, must be kept physically fit, industrially alert, and conscious of the desirability of employment for engagement in industry when it becomes available. For this reason able-bodied unemployed men have been given work on expanded public works, both national and local-body, and, where necessary, the cost of such work in excess of its reproductive value met from the Employment Promotion Fund. The labour required, however, for such relief public work is, of necessity, frequently unskilled, while its productive value may be considerably less than it would be in other occupations. For that reason the second function of the employment administration is to find work for the jobless in private industry, and attention has been paid, and continues to be paid, to industrial-employment possibilities in many industries—*e.g.*, gold-mining, tobacco-growing, flax development, steel, and kauri-gum. Some of the more recent of the developments in connection with these industries may be mentioned.

Originally, in the case of gold-mining, subsidies were payable to groups of previously unemployed men sent out prospecting for gold. While this was valuable at the time, in that jobless men were given employment, the prospecting was undirected. More recently the operations on the goldfields have been converted into a co-ordinated plan for the systematic prospecting of areas where possibilities of profitable exploitation may exist. Although in some areas gold in payable quantities has not been found, success has been achieved in other areas, offering permanent employment to numbers of men. Many of these men have come across rich patches of alluvial ground and rich sections of reef body which have placed such miners in the position of not requiring further financial aid from State funds.

Whilst the Department's gold-mining scheme did not commence as a commercial mining venture, the objective now is rather in the nature of prospecting being conducted as a State enterprise for the purposes of proving areas for the interest of subsequent enterprise. To this end, activities are not put in hand without first examining existing geophysical and geological data and carrying out preliminary testing operations. This work is carried out almost wholly on a contract basis, the contracts being set to enable the average worker to earn at least the equivalent of public-works standard rates for the classes of work involved.

The average number of men employed on the scheme during 1936 was 1,800. The cost of providing sustenance to this number would have been equal at least to the cost of maintaining gold-mining operations—approximately £160,000; but whereas the State would have reaped no return in respect of sustenance granted, under the gold-mining scheme the State has benefited to the extent of some 7,000 oz. of gold, valued at approximately £50,000.

Assistance to tobacco-growers has been given by providing an advance export-price guarantee. In the past the export guarantee amounted to 1s. per pound, but as a result of the improvement in the prices received for the leaf already exported, and of the promising reports obtained on this leaf