

By the Industrial Efficiency Act, 1936, steps have already been taken for the encouragement, development, and economic planning of secondary industry. As stated by the Act, the general purpose of the newly instituted Bureau of Industry is "to promote the economic welfare of New Zealand by providing for the promotion of new industries in the most economic form, and by so regulating the general organization, development, and operation of industries that a greater measure of industrial efficiency will be secured." More particularly the functions of the Bureau of Industry are to make recommendations in relation to the establishment and development of new industries; to co-operate with the State Advances Corporation in the financial promotion of industry; to make recommendations for improvements in industrial efficiency; to act as a licensing authority for businesses or factories, a necessary adjunct to any system of economic planning; and to act as a clearing-house for information likely to be industrially useful. Similarly, section 35 of the Employment Promotion Act lays down that an important object of the expenditure of any moneys from the Employment Promotion Fund must be, *inter alia*, "the development of primary and secondary industries in New Zealand and the establishment of new industries, so that an increasing number of workers will be required for the efficient carrying-on of such industries." As pointed out by the Minister of Finance in the Budget, this "does not mean the bolstering-up of uneconomic enterprises by subsidies or tariffs, but the intelligent control and development of industries which this Dominion should be able to carry on to meet the requirements of her own population." In this inevitable development of secondary industries in New Zealand careful steps need to be taken. The success of the policy will depend, first, upon a thorough non-partisan and scientific examination of the natural resources of the whole Dominion; second, a thorough and equally scientific investigation to discover whether such resources are capable of economic development without permanent subsidization by the rest of the community; if and when such economic possibilities are discovered, the taking of the necessary steps as will lead to the economic exploitation of these resources.

As well as finding avenues for employment, it is also necessary to fit the unemployed and the young recruits to industry for positions that are vacant. Steps have already been taken in this direction. Some time ago a survey of the unemployed revealed the fact that there were over 5,000 disengaged young men between eighteen and twenty-five years of age. A conference was called and attended by representatives of the Y.M.C.A. and employers' and workers' organizations. In seventeen towns committees comprising employers, workers, and officers of the Department were set up with the purpose of overcoming as far as possible the difficulties that prevent the young men from being absorbed in industry. Arrangements have been made for these young men to become shop-assistants and cadets in commercial firms. Particular efforts are being made to find openings in the skilled trades, and many special contracts of apprenticeship under the Statutes Amendment Act of 1936 have been arranged.

A special committee of departmental representatives was set up to consider how best to overcome the shortage of skilled tradesmen in the building trades and at the same time to assist into the industry some of those young men already referred to. The committee made recommendations which were subsequently discussed with the representatives of the workers' unions and the Master Builders' Federation. Details have been worked out for absorbing a number of young men in the carpentering and joinery trade and in the bricklaying trade, either as adult apprentices or as trainees. Trainees will be taught the trade in the same manner as apprentices, but the term of training may be served with several employers. The trainee system will enable a builder to take on a learner without the binding agreement of so many years. Builders have been averse to this, as they were not certain of obtaining a continuity of contracts. The wages are the same whether the workers are apprentices or trainees, but the subsidies payable to the employer from the Employment Promotion Fund are greater in the case of apprentices than in the case of trainees.

Arrangements have been made for the attendance of partially disabled unemployed at technical schools in order that these may increase their chance of absorption into private employment. The Department pays the necessary tuition fee and the charge for material used. Enrolment for the training classes is voluntary, but continuance of attendance is compulsory. Payment of sustenance to eligible trainees is continued during the course, and in individual cases the expenses of transport between the worker's home and the training-school may be met.

The position of the Dominion's primary industries has also been under constant review—in particular, increasing difficulty being experienced in inducing young, able-bodied men to accept employment on the land. This difficulty is not peculiar to New Zealand, as the same position obtains in other countries. It is as much a social as an industrial problem, and the disinclination to accept farm-work probably is attributable to the higher degree of social amenities obtaining in the towns and cities as compared with country districts.

However, active steps are being taken, as far as practicable, to cope with the problem, and relief assistance has been refused to physically fit single men who declined, without some good and sufficient reasons, to accept farm employment which they had been offered.

Considerable assistance has been extended in connection with land development and settlement, particularly in regard to settlement under the small-farms scheme and to a scheme initiated by the Waikato Land Settlement Society.

The small-farm scheme is administered by the Department of Lands and Survey, and the occupier of a holding under this scheme is granted from the Employment Promotion Fund a sustenance allowance of up to 20s. per week until such time as the property is regarded as being self-supporting.

Adverting to the Waikato land-settlement scheme, it should be stated that the financial arrangements in connection with this settlement scheme have been assumed by the Government, and the scheme is financed by the Government just as in the case of the Government's own development schemes, except that the whole of the actual labour development costs are borne by the Employment Promotion