

ages of eighteen and twenty-five years. Where, however, suitable candidates between these ages are not available, inexperienced older single men may be detailed. The suitability of the farmer is also a factor which is given consideration in the placement of a worker. If the certifying officer is aware that a farmer is not a fit and proper person to have control of workers under twenty-one, the application is declined.

Placement under this scheme is conditional upon the farmer agreeing to—

- (a) Pay a weekly wage at a rate not less than the rates required by, and observe generally the other conditions of, the Agricultural Workers' Act, 1936.
- (b) Accept statutory liability for accident.
- (c) Provide free board and lodgings or an allowance in lieu thereof at the rate of 17s. 6d. per week.
- (d) Train the worker solely in farm-work upon the farmer's own property.
- (e) Furnish a certificate of service at the termination of the worker's engagement.

In each case the period of engagement is for not less than six months.

Subsidies of 17s. 6d. or 20s. per week according to the age of the trainee are granted to farmers accepting workers under this scheme.

The details contained in the foregoing review illustrate the efforts made up to the present time in the matter of promotion of employment in both primary and secondary industries. The most important step so far taken, however, in connection with the placement of the unemployed in industry was the institution of the State Placement Service in 1936. This form of departmental activity is fully dealt with in the succeeding portion of the report.

STATE PLACEMENT SERVICE.

In May, 1936, it was felt that the extension of business activity called for some positive action in the direction of ensuring not only that all available vacancies should be filled, but that they should be filled by the most suitable candidates available. Information in regard to steps taken in other countries was not at the time available, and consequently a measure (later termed "the State Placement Service") was independently planned. It was not known how such a plan would be received by all concerned, but confidence in its efficacy, coupled with evidence of stability in the improvement of economic conditions, appeared to warrant action on a bold scale, and accordingly placement offices were opened in the eighteen larger centres. Experience undeniably indicates that this early confidence was fully justified, and it may now fairly be claimed that the service is an indispensable and important piece of governmental machinery of proven acceptability both to employers and to the disengaged.

Some time subsequent to the inauguration of this plan, information concerning employment services of a number of other countries became available, and it is pleasing to record that a study revealed no methods which, being suitable to New Zealand conditions, had not already been incorporated in the Dominion plan.

During the fourteen months ended 31st July last the number of positions found was—

Casual (up to one week in duration)	..	..	..	14,045
Temporary (over one week and under three months)	..	..	..	12,494
Permanent (over three months)	..	..	..	19,520

46,059

It is realized that measurement of results on the basis of positions filled is not fully informative, but it is the only practicable method, and, in fact, is the basis adopted by other countries; in some countries, however, the term "permanent" placement indicates an engagement of a minimum of only one month. With the object of ascertaining results on an "individual" basis, 13,783 placements effected between 1st April and 31st July last were analysed and found to embrace 9,271 individuals.

From the inception of the scheme to the 31st July the weekly placements averaged 760, while the average duration of 16,771 "temporary" and "permanent" positions filled by men who at the time of engagement were in receipt of relief benefit was approximately nineteen weeks. The increased spending-power of men transferred from relief to full-time private work can only be roughly estimated, but, assuming the average weekly wages to be £4, the increased direct monetary circulation—that is, the difference between £4 per week and relief pay—would be £599,252. As no tax is payable on relief wages, the State would benefit to the extent of over £39,950 by way of wages-tax on the wages paid by private employers. These figures do not include the tax payable on the earnings of workers placed with any Government Department, with local authorities on subsidized employment, nor that payable by those who at the time of placement were ineligible for or who had not sought relief.

The Employment Promotion Fund has benefited considerably by this additional tax-yield and the savings effected by transferring men from relief to private employment. The use of the word "savings" in the preceding sentence will be noticed. It is fully realized that a great proportion of men placed would have been absorbed in employment even in the absence of the State Placement Service, but it is also a fact that a great proportion of such men would not have been absorbed with so little delay and would have remained on relief for a longer period. As an offsetting factor no account has been taken (either in published figures of placements or in "savings") in respect of the 6,292 men placed in State or subsidized operations, of youths who if not placed would have become eligible for relief benefits, for private engagements independently arranged resultant upon earlier contact by the Placement Service, of women and girls who otherwise would have obtained assistance