

MINISTER'S STATEMENT.

PURSUANT to the policy enunciated in my report for 1935-36, the keynote of the Department's work during the past year has been related to my general plan of encouraging co-ordination, research, and standardization in relation to the whole of our industrial developments. Apart from the special functions of the Bureau of Industry in promoting industrial co-ordination in relation to what may be termed the organization or structure of industry, there has been a material advance during the year in the co-ordination of research activities relating to particular industries, and also in the co-ordination of various specialized research activities amongst themselves, so as to enable teamwork between various branches of science to be directed on industrial problems. In this latter connection special mention may be made of the Plant Research Bureau, which was created to co-ordinate and reorganize plant research in the Dominion. This is now effectively functioning, and significant practical results have already emerged from its activities. The Advisory Committee of the Bureau comprises representatives of the Departments of Agriculture and Scientific and Industrial Research, Massey and Canterbury Agricultural Colleges, and the Cawthron Institute, and the organization that has been evolved to deal with the main plant problems as conceived by the Committee and specific problems which have been referred to it, is designed to give the most effective service from every point of view. Similar progress has also been made in the field of research in soils and in animal diseases, and in regard to co-ordination with the investigational activities of various other Departments.

In pursuance of the Government's policy of co-operation with industrial groups in research and technical investigation, negotiations were completed during the year for the formation of three additional Research Associations—*i.e.*, by the woollen-manufacturing, tobacco, and footwear-manufacturing industries. The headquarters of the first-named will be at the University of Otago, and the hearty co-operation of the Otago University Council is gratefully acknowledged.

The advances in knowledge arising from the various branches of the Department's activities are enumerated in the individual reports of the sections concerned. It will be appreciated that the success of the work is measured not so much by spectacular discoveries, but rather by the steady co-ordinated advances made over a wide front, and, particularly, by the wide but basic conceptions which emerge from the researches and which assist in diagnosing and viewing more clearly the real and significant problems involved in the management of industry.

In this connection it may be noted in passing that a factor of almost equal importance to the provision of further research facilities is that of an improvement in the standard of technical education of managers, foremen, workmen, &c., in our various industries. It has been found that one of the results of co-operative work with industry, exemplified in the operations of the research associations, has been the raising of such standards throughout the whole of the industrial field. Those concerned in industry need a basic knowledge of science as applied to industrial processing so that they may avoid trouble in manufacturing operations by anticipating the cause of such trouble. The obtaining of this knowledge has been facilitated by the investigations undertaken mutually and with the staff of the Research Association concerned.

As I have said, it is the advance made over a broad front that counts, and while it may be invidious to enumerate the advances made during the year in any particular activity, nevertheless a few examples may be quoted by way of illustration.

The culmination of the researches on the significance of cobalt in relation to anæmia of sheep has led during the year to a substantial increase in the use of cobalt treatment. A stock and station agent in one district states that it will mean increased returns to his province of over £100,000 per annum, and there are