

Following upon this decision, the committee of North Island interests prepared a draft plan which was placed before the Bureau. It was then decided to call a conference of all concerned, and at this meeting an outline prepared by the Bureau of the basic principles to be incorporated in any plans formulated for the industry was laid before the representatives. It was agreed by the meeting that the preparation of two plans—one for the brick industry, and the other for the earthenware and concrete-pipe industry—should be proceeded with, and it was arranged that the New Zealand Manufacturers' Federation should secure nominations from all interests for the appointment of committees to consider these matters.

At the present time these nominations have been made and the Hon. Minister has requested the committees to proceed with the development of the plans. These plans will, at present, concern only the North Island, as South Island manufacturers have indicated that they do not wish to participate.

PHOSPHATIC-FERTILIZER MANUFACTURE.

The manufacture of phosphatic fertilizers was one of the first industries to be gazetted as being subject to the licensing provisions of the Industrial Efficiency Act, 1936. Two applications were received for new works—one at Napier and one at Whangarei—and these applications were carefully considered and investigated by the Bureau of Industry. The existing manufacturers in the North Island proposed the formation of a central sales organization and the introduction of a flat freight-paid price for superphosphate to all railway-stations and ports in the North Island. Difficulty was experienced in obtaining agreement of the South Island manufacturers to a similar scheme, as in the South Island a central sales organization was already functioning and superphosphate was being quoted at a flat price at 10 points throughout the South Island. It was also found impossible to reach agreement as to the amount of the increase in price to cover the difference between the existing "ex-works" price and the "freight-paid" price, largely owing to the difficulty of forecasting the increasing volume of superphosphate which would be consumed by outlying districts once a freight-paid price had been introduced.

Existing works are not ideally placed as regards distribution to consuming areas, and the greatly increased demand of the 1937 season indicated that there might arise a very real need of further works being erected in certain areas unless a sound rationalization scheme could be introduced. As agreement on essential points of the proposed industrial plan could not be reached, and in the absence of an acceptable industrial plan for the rationalization of the industry, having especially in mind the interests of the consumer, the Hon. the Minister of Industries and Commerce revoked the licensing provisions so far as this particular industry was concerned.

OTHER INDUSTRIES.

Application has been made by a number of other industries for the preparation of industrial plans under the Act, and investigations are being carried out and discussions being held in regard to these matters.

FINANCIAL ASSISTANCE TO INDUSTRIES.

Some twenty-five applications for financial assistance from various persons and firms engaged in industry were considered by the Bureau during the year, and reports and recommendations submitted to the Hon. Minister. Funds for the assistance of industry are available from the Employment Promotion Fund, administered by the Labour Department; and power is also given under section 29 of the State Advances Corporation Act, 1936, to advance on loan or by way of share capital. In several instances during the year the Government, acting on the recommendation of the Bureau, was able to assist certain businesses to develop or to carry on when they might otherwise have been forced to restrict their operations. The Bureau makes a full investigation in regard to each application not only of the particular business concerned, but also of the industry of which it may form part. It is one of the cardinal points of the Bureau's policy that it shall at all times have full regard for the economic welfare of New Zealand as a whole, and all matters pertaining to the financing of individual units of industry are considered in this light.

STANDARDS.

It is being evident to an increasing degree that the greater use of standards in New Zealand is a vital necessity if industry is to operate on more efficient lines and to give greater service to the consumer. The question of the use of standards is allied to practically every subject considered by the Bureau, and in consequence the closest collaboration has been maintained with the New Zealand Standards Institute. In regard to a number of applications received for licenses, it has been necessary to refer the question to the Standards Institute for recommendation or action. The Secretary of the Institute is a member of the Bureau, and it has been found that this liaison is a very advantageous one. In addition, the Chairman, Secretary, and a number of other officers of the Bureau act on various committees of the Institute.

Noteworthy during the year, and following upon preliminary action taken by the Bureau, was the formulation by the New Zealand Standards Institute of standard specifications for the grading and classification of hides, yearlings, and calf-skins. The provisions of the specifications were agreed to by a committee representative of all major interests, and define the practice to be employed in the treatment, grading, and classification of hides, yearlings, and calf-skins acceptable to all parties. The specifications are designed to establish uniform grades as a basis of trade that will have a common meaning to buyers and sellers. This is particularly important to overseas buyers, by whom representations have been made on numerous occasions, and it is anticipated that the development of these standards will be of the greatest value in this direction by not only protecting existing markets, but also increasing our trade in hides and skins.