17 H.—44.

RECLAMATION OF WASTE MATERIAL.

In June, 1940, the Hon. the Minister of Supply set up a National Council for the Reclamation of Waste Material, which operates on a voluntary basis through eleven provincial boards and appropriate district committees. A Liaison Officer represents the Department on the Council.

The Council arranges for the collection of waste materials in demand for war and essential

purposes, and the net proceeds are paid over to the Patriotic Fund.

For the period ending 31st March, 1941, the collection of scrap metal was the first call on the organization, and over 200 tons were made available to the Ministry of Supply. In addition, the collection of waste paper was commenced, and the reclamation of 200 tons per week is the objective. One of the urgent drives was for cleaning rags required for aerodromes and the army, and the work was carried out with the co-operation of the Girl Guide Association with conspicuous success, and the collection is still in progress with the object of securing 200 tons.

Miscellaneous waste received materially assists the fund. Up to the 31st March, 1941, the amount handed to the National Patriotic Board was £5,041 14s., and the objective for the current year

is £10,000.

The Chairman of the Council is Mr. Charles Todd, and the Deputy-Chairman is Mr. J. W. Collins, formerly the Secretary of the Department of Industries and Commerce.

INDUSTRIES COMMITTEE (IMPORT-CONTROL).

The administration of Import Control, or more correctly styled Import Selection, has again been directed largely through the Special Industries Committee set up when the policy of import-control was introduced in 1938. The difficulties associated with ensuring the supply of raw materials for our expanding secondary industries within the Dominion's economy have been considerably increased, first, as a result of heavy demands for materials directly associated with the war effort, and later as a result of difficulties asising from the supply position in England. The shipping situation has further accentuated the difficulties arising from the supply aspect. The fact that, notwithstanding all these difficulties, the supply of raw materials for our industries has been provided so as not to cause any known serious dislocation in the production of our manufacturing industries, emphasizes the success attained in the licensing system. This success has been largely assisted by the co-operation and co-ordination which has been strongly in evidence between the Industries Committee, all Controllers, the Supply section, and officers of the Customs Department.

It is also pleasing to report that there is strong evidence of unity and fullest co-operation between the New Zealand Manufacturers' Federation and members of the Industries Committee. The present indications are that the difficulties associated with supply in the next licensing period will be greater than in previous periods, which is only to be expected as a natural consequence of the growing war effort. The machinery of administration will, however, be able to ensure that best results possible are obtained.

NEW ZEALAND MANUFACTURERS' FEDERATION AND DISTRICT ASSOCIATIONS.

Throughout the year contact has been maintained with the Manufacturers' Federation and the district associations in the four main centres. The federation and its affiliated organizations have proved a valuable means of centralizing the views of industry on those matters which engage the attention of the Departments concerned and in furnishing information of a helpful nature. Rapid changes under the conditions of war are brought about as the result of variations in the supply of raw materials, expansion of domestic industry to meet the demands for articles in respect of which the source of supply has been cut off, and the production of articles and commodities of a nature falling within the category of requirements for the fighting services.

The federation and its affiliated organizations have functioned to allow such changes to be accomplished as smoothly as possible without dislocation of industry. The formation of trade groups within the structure of the federation and representative of particular industries will allow the whole

weight of experience to be thrown on problems as they occur.

Acknowledgment is here made of the co-operation extended by the federation and the district associations to the Bureau of Industry, the Industries Committee, and the Ministry of Supply in their consideration of the various problems which arise from time to time.

TOBACCO INDUSTRY.

As in previous years, close contact has been maintained between the Department and the tobacco-growing and manufacturing industry, and because the Chairman of the Tobacco Board, Mr. L. J. Schmitt, and the Secretary, Mr. H. L. Wise, are also officers of the Department, this liaison has been especially close.

PRICES OF LEAF.

By collaboration between the Government and the Board, the prices of leaf were raised successively each year from the 1935–36 season until they reached their present level in 1939. In 1940, on the recommendation of the Board, the Government agreed that the minimum average prices to be paid by all manufacturers for leaf of the 1940 harvest should be on the same basis as in the preceding year—namely, 1s. 10½d, per pound for flue-cured and 1s. 7½d, per pound for air-dried leaf—and this year the Government recently acceded to a recommendation by the Board that the minimum average prices to be paid for leaf of the 1941 harvest be maintained on the same basis as in 1940. This decision has since been given effect to by the issue of a Price Order by the Price Tribunal, as was done in connection with the leaf of the previous season. A minimum price, below which tobacco-leaf cannot be sold or purchased, has been fixed each year by the Government. In 1936 the minimum was fixed at 1s., but for