

1945  
NEW ZEALAND

# DEPARTMENT OF INDUSTRIES AND COMMERCE

(TWENTY-EIGHTH ANNUAL REPORT OF THE)

*Presented to both Houses of the General Assembly by Command of His Excellency*

Wellington, 10th September, 1945.

YOUR EXCELLENCY, -

I have the honour to submit for your Excellency's information the report of the Department of Industries and Commerce for the past year.

I have, &c.,  
D. G. SULLIVAN,  
Minister of Industries and Commerce.

His Excellency the Governor-General of the Dominion of New Zealand.

Wellington, 24th August, 1945.

SIR, -

I have the honour to submit the annual report of the Department of Industries and Commerce. This report deals with the work of the Department since the previous report was placed before Parliament, and covers the period ended 31st March, 1945.

I have, &c.,  
L. J. SCHMITT, Secretary.

The Hon. D. G. Sullivan, Minister of Industries and Commerce.

## MANUFACTURING : GENERAL COMMENTS

Comment on some of the more important manufacturing industries follows :—

### TEXTILES

*Woollen Manufacture.*—General production has declined considerably since reaching the peak figure in 1943, when military demands were at their height. Loss of skilled operatives is the main factor in this decline.

Much new machinery has been installed during the war years ; more is on order, to enable the mills to cater for a greater proportion of the domestic market, thus utilizing within the country a greater quantity of our own wool.

Reports from Service units on the military cloth produced by the industry, have shown that New Zealand's quality compares more than favourably with that of other countries.

*Clothing Manufacture.*—The switch from military to civil production is being successfully undertaken, but labour shortages have involved the transfer of staff from less essential to more essential work.

The materials position is still difficult, with particular emphasis on the cotton position.

During the year a Garment Council was formed, the members comprising representatives of the manufacturers, retailers, and interested Government Departments. The Council reviewed production regularly, and the overall picture shows an improvement over last year.

The Marking of Clothing Control Order, effective 19th February, 1945, provides for specified types of garments to be so marked, that the maker, or the firm for which they are made, can be readily identified.

*Knitted Wear Manufacture.*—Capacity is sufficient to meet rationed requirements, except in small children's wear. Yarn supplies have shown an improvement this year, and the year's output of knitted wear is the best for several years.

*Tent and Cover Manufacture.*—Substantial military orders having been filled, manufacturers are devoting more time to the needs of primary producers. Lack of skilled canvas machinists has meant considerable overtime work. Owing to the critical position of raw material supplies, normal lines are unlikely to be in free supply for some time.

*Carpet Manufacture.*—During the year production has continued to the maximum possible extent with the labour available. Two qualities only of body carpet are now in production, with the object of maximizing output. Marbled felt continues to be the line produced in greatest volume.

#### LEATHER AND FOOTWEAR

*Tanneries.*—Tannery plant and buildings have been considerably increased during the war years, and the present and potential production is more than adequate to meet sole-leather requirements for military and civilian footwear. Steps are being taken to develop the export of leather.

A noteworthy feature of the industry is the increased production of calf-skin and sheep-skin leather, which is meeting a demand formerly met from overseas.

*Footwear.*—Production for 1944-45 was below that of the previous year, due mainly to lack of skilled operatives, but each factory is working to quota to meet the ration requirements.

Last and heel production was adequate for footwear needs.

*Leather and Travel Goods.*—Gloves, bags, &c., continue to be produced in quantities sufficient for wartime needs.

Lack of fittings from overseas has affected the production of travel goods to a certain extent, but an improved supply position is anticipated.

#### PULP, PAPER, AND PRINTING

*Pulp and Paper Mills.*—During the war years the local mills have maintained maximum production and have been practically the sole source of supply of wrapping papers, carton and box boards.

*Carton and Cardboard Box Manufacture.*—For the last few years the demand for cartons, cardboard boxes, and heavy industrial cardboard containers has shown continued expansion, due in a measure to shortage of timber and tinplate for packing. At present, consumption of board is almost double the pre-war figure, and it would appear that the extra demands for cardboard as a packaging medium, arising from increased production of civilian goods, will continue.

*Printing Industry.*—Material supplies have been much more plentiful, but shortage of labour was felt by a number of firms. This industry, also, is meeting the requirements of other manufacturers who are increasing their production of civilian goods.

Quantities of machinery, previously not procurable, are on order, both to replace and modernize existing equipment, and to allow of expansion.

#### ELECTRICAL AND RADIO

*Electric Cables and Flexibles.*—During the year, production commenced of small-gauge insulated electric cables and flexibles. At present, imported wire is used and stranded and braided into a variety of gauges and covered with cotton or plastic insulation.

Plastic insulation is the most recent type developed overseas from the Services' demands for a fire-resistant cable that would save weight in aircraft and warships.

*Radio Manufacture.*—This industry has been engaged solely on war work, but it is anticipated production for civilian requirements will commence during 1945.

#### CERAMICS

*Insulators.*—Production was generally maintained, despite labour difficulties, and export of large quantities continues. Inquiries about the development of post-war export trade are being made.

*Resistors.*—Fixed carbon resistors are now being processed in this country, operations beginning during the year under review.

*Tableware, &c.*—Manufacture has considerably increased, some two hundred hands being employed. The quality of the articles produced is steadily improving.

#### BUILDING MATERIALS

*Lime and Cement Manufacture.*—Production has been maintained, but extremely heavy demands for hydro-electric and other urgent projects have at times caused temporary shortages for general construction and repair purposes.

However, manufacturers have worked in close co-operation with the Building Controller to ensure adequate supplies for vital works.

*Brick Manufacture.*—Works have operated on a reduced scale, principally through lack of skilled man-power on the production side, and the lack of skilled tradesmen normally engaged in bricklaying.

*Pipe and Tile Manufacture.*—Most manufacturers report output has been about the same as last year, but labour difficulties affected the output of roofing-tiles to some extent, while the shortage of cement at times restricted production of cement tiles.

*Sash, Doors, and Joinery.*—The use of imported redwood and Oregon has made it possible for joinery manufacturers to keep pace with building activities.

*Plywoods.*—The three units in this industry have been concentrating on the production of special type plywoods needed for defence contracts, and domestic supplies have been relatively short. However, the supply position is rapidly improving.

*Wallboards.*—Production of soft insulating board has considerably increased, and large quantities are being exported for war purposes.

Plaster core-board production suffered at periods through reduced output from plaster-of-paris works, but reasonable production has been maintained and readily utilized by the building industry. Installation of additional productive capacity is anticipated at an early date.

*Asbestos Cement Roofing and Sheetting.*—Despite the addition of a new unit at Christchurch, the demand for the industry's products remained unsatisfied.

Priority orders for the Commissioner of Works and the Building Controller left only limited quantities available for normal supply to usual distributors and stockists.

Demand was intensified by the lack of roofing-iron, and supply impeded in some measure by man-power difficulties and lack of asbestos fibre. Raw material is now in better supply, however.

*Nail Manufacture.*—The industry was fully occupied, but here again man-power shortages resulted in production difficulties. Export to the Armed Services overseas has taken a large portion of the output.

*Baths and Sinks.*—Production of enamel baths was maintained by the local factory, despite labour shortage and occasional supply difficulties. Enamel sinks continued to be produced, though manufacturers encountered considerable difficulty in securing raw materials.

*Builders' and Plumbers' Hardware.* The manufacture of butt hinges in large quantities for the needs of the housing programme is the most recent development under this heading.

Casement stays, sash pulleys, door furniture, and similar items were produced in increased quantities, and production of taps, fittings, &c., maintained.

*Paint Manufacture.*—The industry has had many difficulties to overcome during the year, and supplies of raw materials have been curtailed. Despite this, a good output was maintained, and substitutes successfully used in some cases for materials in critical supply.

*Linseed-oil.*—The factory worked to capacity in producing raw oil, and extensions proposed will permit increased production. Adequate raw material was available, and the factory's product assisted in relieving a critical shortage.

*Bituminous Paper and Roofing Felts.*—Full production of building paper and two-ply roofing fabric has been maintained. Production of heavier grade roofing fabric was restricted by the shortage of imported three-ply and heavier felts.

Surplus Government stocks of imported three-ply roofing were allocated to meet urgent calls for three-ply without disrupting the existing two-ply fabric production.

*Electric Stoves and Ranges.*—Production was limited by the quantity of materials which it was possible to secure for manufacturers, suitable steel sheet being particularly difficult.

An improved supply position is anticipated, and the five manufacturing units in the industry have planned for increased production to meet the extending housing programme.

*Electrical Appliances.* Some relaxation was possible in the wartime controls over manufacture of certain electrical appliances for industrial use, these including refrigerators, urns, fans, &c.

The manufacturers of electric toaster elements also benefited by a partial lifting of restrictions, and were enabled to commence production of elements for replacement purposes.

Steps have been taken to prepare for the reversion of the electrical appliances industry to civilian production, and to ensure that, when controls can be removed, adequate stocks of raw materials are held by makers of some twenty types of electrical appliances for domestic use. These include jugs, kettles, irons, radiators, toasters, refrigerators, washing-machines, &c.

*Furniture and Upholstery.*—To utilize to best advantage limited materials and skilled labour, all household furniture manufacture has been subject to control, limiting types and dimensions that manufacturers might produce.

Utilizing timbers not required in building construction, and also plywoods, output has been maintained, and the control has been lifted.

Activities on the upholstering side have been restricted by the shortage of covering fabrics and springs.

Tubular steel furniture may now be made, and increased activity by makers is expected.

#### CHEMICALS, ETC.

*Match Manufacture.*—The two units in this industry—one at Wellington and the other at Dunedin—have been busy during the year endeavouring to cope with the demand for their products.

There was considerable improvement in the supply of raw materials coming forward, but not in the supply of female labour available to the industry. Efforts are being directed towards increasing the staffs and output.

*Soap and Candles.*—Besides meeting the requirements of the domestic market, several thousand tons of soap were manufactured for export for war purposes.

*Casein.*—The manufacture of casein from skim milk reached a record during the year, over 1,200 tons being produced, of which some 400 tons were used by local industries for various manufactures. The balance was exported.

*Plastic Industry.*—This comparatively new industry in New Zealand has shown considerable expansion, and proved its value by manufacturing essential munitions and various general utility articles for the Armed Forces.

Articles for civilian use, such as combs, tableware, and household utility lines, are being produced in sufficient quantity to meet requirements.

Additions to plants have been made, and more equipment is on order. When this is installed and supplies of raw materials return to normal, additional types of articles will be available to meet requirements.

*Preservatives for Timber and Textiles.*—During the year the problem of combating decay caused by fungus growths and borer received considerable attention, and quantities of locally produced material such as oleic acid and creosote have gone into the making of various preservative compounds for treating canvas and jute fabrics for the Pacific Armed Forces.

The pre-treatment of building timbers is being extended, and the erection of treatment plants in various parts of the country will enable the life of even inferior grades of timber to be extended.

*Fertilizer Manufacture.*—The industry has been fully occupied, and, with additional quantities of Florida rock phosphate and sulphur coming forward, hopes to overtake the leeway that occurred during the war years.

Such essentials as sodium chlorate, arsenic, &c., used in the manufacture of weedicides and insecticides are still in short supply and necessarily reduce output, but indications are that some improvement may be soon expected.

#### FOODSTUFFS

*Biscuit Manufacture.*—The industry has experienced a busy year, and larger supplies have been available to the general public. Production of fancy lines has been restricted to conserve sugar supplies.

*Fruit and Vegetable Canning.*—Canners have experienced a busy year, and plants handled all suitable supplies of canning varieties of fruit and vegetables.

#### ENGINEERING

The engineering industry has experienced another extremely busy year, and shops and foundries have been fully occupied.

*Munitions.*—Demands have fallen considerably. The manufacture of fuses, grenades, and mortar bombs continues, while the reconditioning of United States Army trucks and vehicles from combat areas is also being undertaken in local factories.

The specialized plant brought into New Zealand for munitions production is capable of adaption to the production of a considerable range of civilian requirements, and will be so utilized as demands for munitions decline. Die-casting plant, for instance, will produce parts for milking-machines, vacuum cleaners, washing-machines, builders' hardware, and a wide range of other articles.

*Ship Building and Repairs.*—Government contracts for building tugs and lighters for Pacific combat areas has kept a section of the engineering trade very busy, as has ship repairing, which could not be carried out overseas, where vessels were in the danger zone. Repair work was on a larger scale than before, and indications are that it is likely to remain so for some time.

*Agricultural Implement and Dairy Machinery Manufacture.*—The decrease in munition work has permitted more time to be given to the production of agricultural implements and plant, and an increase of about 10 per cent. over last year's production was recorded. Manufacturers of milking-machines produced a limited number of plants, which was governed by the material supply.

Rakes, shovels, and a variety of hoes are now being produced in New Zealand, and in increasing quantities.

*General Industry.*—Maintenance of industrial plant has been one of the engineering industry's problems during the war years, for the installation of new up-to-date equipment required by modern practice has been almost impossible.

With a return to more normal conditions, and the lifting by the United Kingdom of the controls over the export of most types of industrial machinery, New Zealand firms are planning renewals and capital additions which are likely to provide work for the engineering trade for a considerable time.

The gas industry is one in which major additions and renewals are planned. In the textile, plastic, and refrigeration industries, additional equipment can be utilized, but spinning and weaving machinery, presses, &c., and compressors are, as yet, difficult to secure from overseas.

Limeworks and quarries are also likely to provide work for the engineering trade when they can obtain delivery of replacements on order.

In the light engineering field, new departures are the production by local firms of welding equipment and of rolled thread screws.

Relaxation of control permitted the resumption of manufacture of motor lawn-mowers in limited quantities, and makers of hand mowers are waiting the arrival of material on order overseas to resume production.

Canister makers again had a very busy year, and maintained a high level of production. Food containers for Armed Forces were manufactured in large quantities, while the partial relaxation of tinsplate restrictions and additional supplies of waster plate permitted the manufacture of increased quantities of domestic tinware.

The arrival of supplies of aluminium from overseas, with the prospects of ample supplies being available in the future, has enabled production of aluminium hollow-ware to be resumed, and manufacturers' output is in keen demand.

Enamel hollow-ware manufacture has continued on a somewhat reduced scale, following completion of wartime contracts.

#### CONTAINERS

*Glassware.*—Production of glassware, mainly in the form of containers for manufactured products, increased during the year, and the factory is fully occupied, but it is still necessary to restrict types being made.

*Woodware.*—Coopers and box manufacturers have experienced a very busy year. Production is more than 60 per cent. above pre-war level, and this has intensified the problem of securing adequate supplies of timber and labour.

#### FIBRES AND TOBACCO

*Cordage and Twine.*—Increased demands from the Armed Forces necessitated strict control and rationing of production, but it is hoped to increase civilian quotas of lashing and parcel twines and rope clothes-lines in the near future. Cordage and twine continue to be made available in adequate quantities to farmers, fishermen, upholsterers, meat-works, bacon-factories, and the shipping industry, and the manufacturers have been fully occupied throughout the year, much of their output being in demand for Allied war purposes overseas due to a world shortage of rope fibres.

*Tobacco.*—Though adequate supplies of both imported and locally grown leaf and all necessary raw materials were available, production was limited by shortage of labour.

## RUBBER

*Rubberware.*—Rubber remains one of our most critical items, and usage has had to be severely restricted. Supplies of synthetic rubber are on order, and domestic manufacturers are sending technicians overseas to take advantage of the experience of overseas firms with synthetic rubber.

*Pram Tires.*—The demand for these was met with locally made types of reclaim rubber.

*Cycle Tires and Tubes.*—Production met essential requirements, but double the quantity could have been absorbed by the market were raw materials available to manufacture it.

*Gum Boots.*—Production was raised to and maintained at 500 pairs per day, enabling the most urgent needs of the dairyman and others to be met fairly well—with the assistance of supplies from overseas.

*Reclaim Rubber Production.*—The plants at Auckland and Christchurch provided considerable quantities of rubber reclaimed from scrap, which proved of valuable assistance in eking out raw rubber supplies.

## BUREAU OF INDUSTRY

The work of the Bureau has increased slightly during the last year, as evidenced by the total number of applications which have been considered—namely, 1,589, compared with 1,166 for the year ended 31st March, 1944. Besides its consideration of applications under Part III of the Act, the Bureau has spent a great deal of its time on matters of general industrial policy and the supervision of industries.

During the year an amendment to the Industrial Efficiency Act was passed authorizing the appointment of officers by Industrial Committees, such appointment being subject to approval of the Minister. Acting on this authority, the Footwear Plan Committee has appointed a technical adviser, a step which the Bureau believes to be for the benefit of the industry generally and conducive to greater efficiency.

The problem of rehabilitation has assumed greater importance than previously and has been the subject of special attention by the Bureau. Since the outbreak of war the Bureau has held licenses in trust for servicemen-licensees so that these men can return to their former occupations in licensed industries, and discussions have been held during the year with the Director of Rehabilitation with a view to facilitating the entry of returned servicemen into the spheres of licensed industries. The Bureau has done its utmost in this regard, and, other things being equal, preference is to be given to returned servicemen.

During the year Mr. Nelson Jones and Mr. C. F. Fowler were appointed to the Bureau by the Minister, on the nomination of the New Zealand Manufacturers' Federation, to represent manufacturing interests. Mr. J. E. Thomas, Food Controller, was obliged to leave the Public Service owing to health reasons, and his resignation from the Bureau was accepted with regret.

## LICENSING

No new industries were licensed during the year. The thirty-six licensed industries as at 31st March, 1945, were as follows: manufacture of agar; manufacture of apple juice; manufacture of asbestos cement; manufacture of batteries—dry cell; manufacture of bituminous roofing; manufacture of cement; manufacture of cigarette papers; manufacture of colloidal sulphur; dehydration of plants for medicinal purposes; extraction from fish livers of nutritional or medicinal oil; fish-canning; export of fish; sale by retail of fish; sale by wholesale of fish; taking of fish for sale; flax-milling (*Phormium tenax*); manufacture of footwear; fruit and vegetable canning; manufacture of gut; linseed-oil and linseed-oil cake; manufacture of macaroni; manufacture of malt extract; manufacture of nails; taking of oysters from oyster beds; paper pulp and paper products; sale by wholesale of petrol; retail sale and distribution of petrol; manufacture of petrol pumps; pharmacy industry; manufacture of radios; manufacture of electric ranges; manufacture of rennet; manufacture of rope and twine; manufacture of salt; manufacture of tires and tubes, rubber; and the manufacture of wooden heels.

At the time last year's report was submitted the industry of "the retail sale of fresh fruit and fresh vegetables" was within the scope of section 23 of the Act. This rendered it necessary for one month's notice to be given to the Bureau before such a business could be commenced. As the licensing of this industry under section 14 of the Act was not immediately contemplated, the Bureau recommended to the Minister that this restriction be removed, and the relative notice was revoked.

## APPEALS AGAINST BUREAU DECISIONS

The Hon. Sir Francis Frazer continued to act as Industrial Efficiency Appeal Authority throughout the year, and heard twenty-four appeals, classified according to industries as follows:—

Fisheries .. .. .	3	Footwear .. .. .	6
Fish-liver oil .. .. .	5	Fruit and vegetable canning .. .. .	1
Petrol reselling .. .. .	7	Malt extract .. .. .	2

Of these appeals, eight (8) were allowed and sixteen (16) disallowed.

## POSITION OF INDUSTRIES

Brief resumé of the principal action and the position in respect of the more important of the licensed industries are set out hereunder:—

*Motor-spirit.*—For the year ended 31st December, 1944, applications to the Bureau under the provisions of the Industrial Efficiency (Motor-spirits Retailers) Regulations 1941 totalled 411. Of this total, 35 were for new pump licenses, 23 of which were granted. Five of the applications granted referred to service stations, and in each case was in respect of premises already in existence, but for which the licenses had been suspended. Applications for transfers of licenses totalled 246, or approximately 60 per cent. of the total applications. Miscellaneous applications totalled 61, and these were mainly concerned with variations of existing licenses.

During the period 26 licenses were surrendered or revoked and a total of 38 applicants were granted permission to suspend operations under their licenses, whilst 5 such applications were declined.

During the year there was very little relaxation of the petrol restrictions imposed as a war measure. Any additional quantities made available went mainly to primary producers to cover increased production. Petrol resellers, consequently, operated under restricted gallonages.

*Fisheries.*—With the return of certain trawlers from naval service, and the expected return of others in the near future, coupled with a marked falling away in demands of military establishments, the supplies of fish have continued to show general improvement. There were many applications for new licenses during the year.

A substantial number of fishermen are serving with the Armed Forces, and on their return from service they may resume the licenses held by them should they so desire.

During the year the two licensed units engaged in the extraction of nutritional or medicinal oils from fish livers at Auckland and Wellington respectively continued to make substantial progress. This industry is already proving its value in the contribution it is making of high-grade vitamin oils, much of which is exported overseas for ultimate use as an essential ingredient in the diets of those on wartime rations. At the same time, much of this valuable commodity is being used domestically for introduction into medicines and foods.

The following table shows the number of licenses current as at 31st March, 1945, in their various classifications, and indicates separately the number of fishing licenses held by the Bureau on behalf of members serving with the Armed Forces:—

Licensed fishermen .. ..	1,650	Licensed fish exporters .. ..	25
Licensed fishermen serving with the Armed Forces .. ..	268	Licensed fish-canners .. ..	17
Licensed fish retailers .. ..	653	Licensed oyster-dredgers .. ..	11
Licensed fish wholesalers .. ..	42	Fish-oil licensees .. ..	2

*Footwear.*—The Footwear Plan Industrial Committee has held nine meetings since the last report.

The closest liaison has been maintained with the Controller to co-relate planned civilian production with New Zealand and overseas military requirements. Adjustments to civilian allocations have been effected from time to time to ensure that overall production is maintained with no detriment to any particular class of consumer; the industry has generously co-operated with the Standards Institute in the formulation of standards of minimum quality.

Owing to ill health, Mr. E. G. Bridgens, Chairman of the Footwear Plan Industrial Committee, tendered his resignation. It is with deep regret that his death is recorded, as he gave most valuable service to the Committee and was its first Chairman. Since June last, therefore, Mr. H. O. Pittendrigh has acted as Chairman.

In September last the Committee grasped the opportunity offered by the recent amendment to the Act to employ a technical adviser, who had a very close contact with each unit over a period of years. It was considered that his experience and knowledge would be invaluable to the Committee in preparing plans for post-war production to give economic security to the industry and the best possible service to the consumer. He has already progressed with his investigations, and his report and submissions are awaited with interest.

*Agar.*—The production of agar-agar by the only manufacturing unit is proceeding satisfactorily. The average weekly production is 700 lb. Under existing conditions and with the present plant this must be considered the maximum output. Moreover, the amount of weed available for manufacturing purposes is not likely to be sufficient to keep more than one factory running economically. However, the output of the finished product from the factory is adequate to cover New Zealand's requirements and provide a reasonable surplus for export overseas. The agar produced is of good quality and uniform grade, forming a much stronger gel than the pre-war Japanese product, thus enabling its use in smaller quantities (0.6 g. of the New Zealand product is equivalent to 1.0 g. Japanese).

*Salt.*—During the year a license was granted to an Auckland firm to engage in the industry of manufacturing salt by a patented process. The license was, however, limited to a total production of up to 5,000 tons per annum. The other licensee, situated in Christchurch, is still pursuing development work.

*Macaroni Products.*—The only licensee engaged in the production of macaroni products increased production to 343,966 lb.

It is anticipated that, due to additional plant installed, there will be a further increase of production for the year ending 31st March, 1946. The company is in a position to meet the present demands throughout the country for all three types of product.

*Fruit and Vegetable Canning.*—A license was granted during the year to a Wairoa firm to can fruit and vegetables other than stone-fruit, citrus fruit, and pip-fruit; all licensees have been working satisfactorily and economically, and the existing plants have adequate capacity to handle the present available supplies of canning varieties of fruit and vegetables.

*Pulp and Paper Products.*—Consequent on the issue of licenses, reported last year, for further development of the pulp and paper industry, representatives of local mills have been overseas investigating methods and seeking for sources of supply of machinery. Shipments of quantities of *Pinus insignis* timber have been made to the United States of America for the purpose of running practical mill tests to determine the suitability of this timber for pulping for various grades of paper.

Production of paper and cardboard has been well maintained, while soft insulating board output has expanded very considerably. Substantial quantities of the latter are still being supplied to the Eastern Group Supply Council.

The advantage of the existence in New Zealand of paper-mills is being proved in the valuable contribution being made in providing for military and wartime civilian demands.

*Radio.*—The radio-manufacturing industry has been engaged solely in war work. In this connection it is pleasing to note that overseas experts have expressed the opinion that sets for war purposes produced in the Dominion compare favourably with those produced overseas. During the year the Radio Plan Industrial Committee met four times to consider matters relating to the industry, especially the continuity of the war work. The Controller of Radio Production made a trip to the United States of America and the United Kingdom. Further contracts now in hand will keep the industry fully occupied on war production till later this year.

*Tennis Gut.*—Owing to the better supply of tennis-balls there was a much greater demand for tennis gut than had been experienced during the last few years. The licensee in this industry had considerable difficulty in securing supplies of raw material, and the output was limited through this cause. Owing to the heavy demand and to the limited output in New Zealand, it became necessary to import a certain quantity from overseas, chiefly Australia. However, the position in regard to raw materials has greatly improved and it appears that there will be no further difficulty in this regard. Plentiful supplies of New-Zealand-made gut should be available on the market during the 1945-46 playing season.

*Rope and Twine.*—Production of hard fibre cordage and twine during the year has maintained the same high level obtained in the period 1943-44. New Zealand and United States naval authorities have expressed appreciation of the remarkable results being achieved from the cordage-factories. Although maintaining almost unprecedented production of rope for war purposes, the cordage-factories have almost maintained adequate supplies of rope and binder twine for essential industry and farming purposes.

Soft fibre production has been to a certain extent limited due to lack of available man-power and plant, but essential requirements such as seaming twine for woolpacks and neck string twine for freezing-works have been fully supplied, and there has been no serious shortage of parcelling twines.

During the year a license was granted to an overseas concern to engage in the spinning of yarns other than hard fibres.

The industry continues to use indigenous materials to as great an extent as possible, and despite the difficulty of production in war years has maintained a very satisfactory output.

*Rubber Tires and Tubes.*—Towards the end of the year the Bureau gave further consideration to the question of granting licenses to manufacture in New Zealand rubber tires and tubes for motor-vehicles. This matter was under discussion at the outbreak of war, but was deferred in 1940 due to the difficulties of commencing manufacture under war conditions. In order that the necessary plant and machinery might be available to commence manufacture as soon as possible after the cessation of hostilities, the time is now opportune for the whole question to be reopened; consequently, applicants have been requested to submit their further representations, and the Bureau anticipates being able to give an early decision on all the applications.

The two licensees manufacturing cycle tires and tubes have produced to the utmost extent possible with available supplies of materials. The use of raw rubber has been severely restricted, but the output has been sufficient to meet the most important demands.

*Phormium Tenax.*—Production this year, as compared with the last two years, has been as follows:—

	1944-45.	1943-44.	1942-43.
	Tons.	Tons.	Tons.
Fibre .. .. .	4,797	5,141	3,371
Tow .. .. .	775	711	784
Stripper slips .. .. .	127	115	69
	5,699	5,967	4,224

There has been a slight decrease in production within this period, due to the fact that labour has been withdrawn from mills to some extent for military purposes. The whole of the production of tow, fibre, and stripper slips has been utilized for the production of woolpacks, and of ropes for the Armed Forces.

The State mill at Westport has not been run to full capacity on account of lack of adequate cutters. The mill at Mangaiti, which was established in order to increase production for war purposes, has been closed down, having utilized the bulk of the green leaf available within economic distance. The Kerepehi mill will now take the available green leaf from the Mangaiti district.

Activities at the Moutoa Estate have been proceeding satisfactorily, and this estate has supplied considerable quantities of green leaf for the mill at Foxton. Experiments both in regard to strains of leaf and planting technique are still proceeding under the direction of the Plant Research Bureau of the Scientific and Industrial Research Department.

*Pharmacy.*—The Pharmacy Plan Industrial Committee has met regularly throughout the past year. In addition to its functions of advising the Bureau of Industry on the issue and transfer of licenses, the Committee has continued its efforts to promote the smooth working of the pharmacy industry as a whole, including the maintenance of a liaison with the Health Department in the matter of pharmaceutical benefits under the Social Security Act. The annual goodwill advertising campaign has been continued.

The operation of the pharmaceutical benefits, coupled with the advertising campaign and the improved economic outlook of pharmacy brought about by the operations of the plan, has resulted in a substantial increase in turnover and scope of pharmaceutical business generally.

During the seven years the plan has been in force, fifty-one pharmacy licenses have been surrendered due to amalgamation or closing down of redundant units. It is noteworthy that this phase of the plan has now passed, and it is being replaced by a steady increase in the number of applications for transfers and new licenses, no fewer than fourteen new licenses having been granted during the year.

*Electric Ranges.*—Production of electric ranges has been limited by the materials which it has been possible to release to the industry. Manufacturers have maintained full production up to the limit of available material.

#### INDUSTRIAL DEVELOPMENT COMMITTEE

The Department, in common with other State organizations, and working principally with the Industrial Development Committee of the Organization of National Development, is looking for ways and means of providing for full employment.

The true manufacturing industries of New Zealand already provide work for more than 80,000 workers, great strides having been made in the past ten years, and there would appear to be reasonable expectations for further opportunities for employment in this field.

In the past, New Zealand has looked mainly to its primary enterprises and allied industries, together with a continuing policy of public works, expanded as necessary from time to time, to provide maximum employment, and to this end every prospect of development through expansion of secondary industry must also be examined. The responsibility is not one for the State alone, but for the combined efforts of public and private enterprise.

In working towards this objective through the expansion and further development of manufacturing industry, the Department enjoys, in addition to its close association with manufacturing enterprises during the past twenty-five years, the experience of, and consultation with, representatives of private enterprise and workers on the Industrial Development Committee of the Organization for National Development. The Committee is one of the most important of nine research and planning Committees which have been set up within the framework of the Organization for National Development. It is concerned specifically with problems affecting the industrial life of the Dominion, and more particularly with those arising during the transition period when manufacturing industries are being converted from a wartime to a peacetime basis, and also with long-term planning of manufacturing industry.

The Government must necessarily play a major part in the association with private enterprise which a combination of the Department and the Committee represents, for upon the Government falls the responsibility of giving protection from exploitation, to plan development and location of industry, and to be fully acquainted with the proposals of private enterprise, in order to proceed effectively with its own plans for national development. Emerging as it is from the huge task of procurement and supply during the war years, the Department is faced with a considerable problem of reorientation in the matter of development of secondary industry, but the necessary departmental reorganization to give the close attention that the subject requires is being made as rapidly as possible, having regard to the difficulties attending the transition from war activities to those of peace.

Whilst the Industrial Development Committee is concerned with general policy, the Department, as the administrative body, is dealing with the practical issues, such as assisting in the provision of plant and raw materials to expand and develop secondary industry, and carry out investigations in relation to projected major expansions and new developments. The Committee has behind it the Organization for National Development, with a staff of economic specialists, and with it is employed the departmental machinery of Industries and Commerce to devise and implement the plans best suited to the Dominion's economy. There is, of course, a clear need for caution and prevision in an approach to any major development for expanding industry, so as to reap the maximum benefit of the new materials and new techniques in relation to production and distribution which have been developed over the war years.

#### INDUSTRIES COMMITTEE (IMPORT CONTROL)

The Industries Committee, in co-operation with Comptroller of Customs, has continued to make recommendations on applications for import licenses, more particularly in those cases involving the supply of plant and raw materials for the development of local industry.

The cessation of hostilities in Europe has caused a quickening of interest on the part of industrial companies throughout New Zealand towards formulating post-war plans for industrial development, and the number of such matters being received for consideration has shown a marked increase.

The Committee carefully reviews all such requests, and while it may be too early to make definite statements, in view of the fact that sufficient time has not elapsed to enable plans to be developed to maturity, it may be reasonably stated that the future of industry in New Zealand appears to be particularly bright.

The Industries Committee is playing a part also in the rehabilitation of discharged servicemen. Conferences have taken place between the Committee and representatives of the Department of Rehabilitation and the Customs Department, and a special procedure has been formulated which tends to make for prompt and sympathetic attention being given to requests from discharged servicemen who are desirous of establishing themselves in industry.

#### NEW ZEALAND MANUFACTURERS' FEDERATION AND DISTRICT ASSOCIATIONS

The Department has maintained close co-operation with the New Zealand Manufacturers' Federation. There has been a free exchange of information on all subjects of common interest, and close collaboration on the question of publicity for the encouragement of New Zealand manufactures. The Department extends its appreciation to the executive and administrative officers of the federation and local associations for their helpful co-operation.



## LINEN FLAX

During the past year there has been a decline in production, due partly to the closing of the Seddon and Leeston factories and partly to the shortage of crop at a number of centres, necessitating a curtailment of operations.

Production figures, compared with the previous year, are as follows :—

	Fibre. Tons.	Tow. Tons.	Seed. Tons.
1943-44 .. .. .	1,899	1,103	3,964
1944-45 .. .. .	1,431	759	2,534

The total value of products, compared with the previous year, are as follows :—

	Fibre. £	Tow. £	Seed. £	Other Products. £
1943-44 .. .. .	447,194	75,537	84,969	18,721
1944-45 .. .. .	354,609	55,741	49,206	16,901

The labour complement on 31st March, 1944, comprised 723 males and 207 female workers, or a total of 930. By 31st March, 1945, this had been reduced to 517 males and 102 females, or a total of 619.

In the 1943-44 season an area of 9,854 acres of flax was sown, of which 6,857 acres were accepted for fibre, yielding 11,259 tons of crop and purchased at a cost of £82,687. In the previous season, 1942-43, from an area of 21,849 acres, 17,487 acres were accepted and yielded 33,500 tons of crop. A substantial portion of this crop was, however, carried over for processing in the factory year of 1944-45.

In the 1944-45 season an area of 12,599 acres was sown, of which an area of 8,417 acres was harvested for fibre. This crop is expected to yield 17,182 tons of straw. The season promised to be one of the most favourable yet experienced, but hail prior to harvest and heavy rain and floods during harvest ruined much of the crop in Canterbury. In the Washdyke and Makikihi districts less than one-half of the crop was saved. On the other hand, favourable conditions were experienced in Otago and Southland, with the exception of Tapanui, and some excellent crops have been harvested in the Winton and Otautau districts.

Production figures for the year 1945-46 are expected to be—

	Tons.
Fibre .. .. .	1,223
Tow .. .. .	606
Seed .. .. .	1,826

The arrangement with the British Government for the growing of linen flax terminates on 30th November, 1945, but all linen flax produced up to 30th November, 1946, will be accepted by the British Ministry of Supply. It is anticipated that by the end of this period the industry in New Zealand will have produced in linen flax and tow fibre 10,301 tons, to a value of £1,808,787.

The production of seed in the same period will amount to 15,472 tons, to a value of £357,988. Altogether, since the industry commenced, the value of all production will reach £2,230,923.

It is proposed to carry on seven factories for the production of fibre and tow to supply the linen flax spinning and weaving industries in New Zealand and retain in employment approximately 400 workers.

## TOBACCO INDUSTRY

The supply of seasonal labour has again proved inadequate and has tended to prevent an increase in production to the extent that was desired. The provision of labour made possible the harvesting of most of the marketable leaf, but female labour for tying purposes was in very short supply. Nevertheless, in spite of these difficulties and the toll of leaf taken by frost, hail, drought, and flood, the quantity of marketable leaf was very little below the record-breaking total of 1942-43.

Climatic conditions during the season under review were not the most favourable for the tobacco crop. Heavy rain during September and October made the land wet and cold and delayed spring cultivation considerably. Fine conditions generally prevailed through the planting period, but a hot dry spell of seven weeks during December and January adversely affected the crop. Irrigation plants were in much demand during this period and those growers who had these facilities were in a fortunate position. Heavy rains during February and March caused some flooding, and in low-lying areas leaf was lost from this cause. A frost on 27th March, 1944, caught some of the late leaf in scattered localities.

There is a trend towards introducing labour-saving devices wherever possible. Several new planting-machines were in use last season and were reported on favourably. A new type of fertilizer drill was also in use.

In connection with the Government's scheme for the provision of temporary accommodation for rural workers, a number of applications were sponsored by the Board on behalf of the growers.

The Tobacco Board has continued to make grants toward the cost of a programme of research work carried out at the Tobacco Research Station, and during the year under review it contributed £533 for this purpose. A total of more than £6,000 has now been contributed by the Board since the establishment of the Station.

A notable achievement during the year has been the establishment of a fund for the purpose of compensating tobacco-growers who sustained losses of leaf by the incidence of frost, hail, and flood. The fund is guaranteed by the Government, and will be administered by the Tobacco Board under regulations that have been brought down for the purpose.

As mentioned in the previous annual report, prices of tobacco leaf for the 1944 harvest were 1s. 11½d. per pound for flue-cured and 1s. 8½d. per pound for air-dried leaf, and were fixed by the issue of a Price Order by the Price Tribunal.

## STATISTICS OF TOBACCO-GROWING

The following table provides comparative figures for the past six seasons :—

Season.	Number of Growers.	Acreage licensed.	Production.
			lb.
1938-39 .. .. .	342	2,225	1,423,610
1939-40 .. .. .	339	2,570	2,217,040
1940-41 .. .. .	381	2,963	3,143,355
1941-42 .. .. .	381	3,063	2,721,539
1942-43 .. .. .	360	2,960	3,185,183
1943-44 .. .. .	414	3,106	3,083,094

## WHEAT, FLOUR, AND BREAD INDUSTRIES

The Wheat and Flour Controller's report covers the year ended 31st January, 1945, and is as under :—

“ The turnover in wheat and flour approached closely to the record set last year.

“ The turnover by weight is given as follows :—

*“ Wheat (including Australian) .. .. .	..	..	..	..	Bushels.	9,617,128
“ White flour .. .. .	..	..	..	..	Tons.	157,780
“ Wholemeal .. .. .	..	..	..	..	Tons.	11,223
“ Biscuit meal .. .. .	..	..	..	..	Tons.	6,450
						-----
						175,453
“ Bran .. .. .	..	..	..	..		11,698
“ Pollard .. .. .	..	..	..	..		30,564
“ Australian stock meal .. .. .	..	..	..	..		13,504
“ Stock meal gristed locally .. .. .	..	..	..	..		5,437

\* This does not include the New Zealand wheat sold as fowl wheat or which goes into consumption on farms where it is produced. This figure covers only the quantity bought and sold by the Wheat Committee. The Committee handled only 5,807,123 bushels of New Zealand wheat, whereas the total production was 7,208,485 bushels.

“ The cash turnover was :—

“ Wheat Section .. .. .	..	..	..	..	..	£	3,210,552
“ Flour Section .. .. .	..	..	..	..	..	£	2,986,085
							-----
							£6,196,637

“ The loss through bad debts, £17 3s. 2d., was exceedingly low.

“ Administration costs show an increase of £417, but are actually lower than last year, because last year had the benefit of a bad-debt recovery of £477 from a previous year.

“ The Flour Section administration costs, which cover all the charges arising from collecting orders from bakers, grocers, cake kitchens, poultry-farmers, and others, ordering out from mills, invoicing, collecting accounts, paying proceeds to mills, *del credere* risk, &c., amounted to 1.129 per cent., a small increase upon 1.077 per cent., which was the percentage of cost the previous year. Millers pay the Wheat Committee  $1\frac{1}{4}$  per cent. commission for this work, so that the net result is a profit, despite the fact that the Wheat Committee pays 2 per cent. to merchant agents in certain districts to handle their flour sales there. Were it not for this payment to merchant agents in Wellington and certain other areas, or, in other words, if the Wheat Committee had its own office in these as in other centres, the cost of administration would be greatly reduced.

“ The percentage of operating costs over all wheat and flour, including the payment of  $1\frac{1}{8}$ d. per bushel to brokers on all New Zealand wheat handled and the above 2 per cent. to certain merchants handling flour, is only 1.06 per cent. of the turnover, and this must be considered most satisfactory.

“ The trade in flour represented 123.46 per cent. of the basic allocation made to mills when the scheme was inaugurated in 1936. This is 4.95 per cent. less than the 128.41 per cent. of allocation sold in the previous year.

“ The quality of the flour was excellent and very few complaints were received. Most of these arose because of damage in transit or in store after leaving the mill.

“ The quantity of Australian wheat imported was 3,810,535 bushels (102,068 tons). This exceeded last year's quantity by 44,030 tons. In October, 1944, Australia experienced severe drought conditions, with the result that the Australian Government was unable to make available to us further supplies of either wheat or stock-meal. As a consequence, towards the end of 1944 we were forced to seek supplies of wheat elsewhere, and although a favourable allocation was agreed to by Canada, it was not possible to arrange for immediate supplies of Canadian wheat because of the extremely acute shipping position.

“ Every endeavour is being made to encourage the growing of as large a wheat acreage as possible within New Zealand during the 1945-46 season in order to ease the strain on shipping resources and to make available further supplies to the nations devastated by war.

“ The needs both of the milling industry and of the poultry industry have had to be met throughout the year, and because of supply and shipping difficulties referred to above and the lowered local yield, together with intensified demands for poultry feed, very considerable difficulty has been experienced in adequately filling all requirements.

“The Australian wheat received, with the exception of 8,482 tons which went to the South Island, was substantially used in the North Island. The North Island poultry industry absorbed 1,743,742 bushels (46,699 tons), this requiring distribution at regular intervals amongst 140 merchants at various ports and places throughout the North Island. Except as above stated, the South Island was supplied wholly from the New Zealand crop.

“The weight of crop produced in New Zealand was 7,208,485 bushels from 233,786 acres, at an average per acre yield of 30.83 bushels. This was the lowest, in all three respects, of any crop since 1939. The price was 6s. 2d. f.o.b. grower's nearest port, equal to 5s. 10d. on trucks or 5s. 8½d. on farm.

“Experience of most trying weather conditions by the growers in the past year has fully demonstrated the worth of the insurance scheme reported last year as established to compensate growers for a material portion of their losses by hail, frost, and flood damage to wheat crops. All of these forms of damage were experienced. The growers paid a premium of ½d. per bushel for the cover. Under the scheme the grower is required to take the first 50 per cent. of the risk.

“The flour-milling industry continued to function satisfactorily in the national interest by meeting all demands. The same number of mills operated as in the previous year, forty-three in all. Throughout this industry, as, indeed, was the case with the wheatgrowing industry and the baking industry, a good measure of co-operation has been experienced. Flour-millers have continued to carry the reserves of wheat built up to meet emergencies and to shoulder the cost of this service.

“The number of bread-baking units on the register at 31st January, 1945, was 567, a reduction of three during the period under review. Of these units, 81 per cent. are ‘small’ bakers—*i.e.*, manufacturing less than 5,000 two-pound loaves per week. Other relative details are:—

	Per Cent.
“(a) Units manufacturing less than 1,500 .. .. .	126 22
“(b) From 1,500 to 3,000 per week .. .. .	196 35
“(c) From 3,000 to 5,000 per week .. .. .	134 24
“(d) From 5,000 to 10,000 per week .. .. .	64 11
“(e) Over 10,000 two-pound loaves per week .. .. .	47 8

“An important feature of the bread-baking control scheme during the past twelve months concerns the successful inauguration of arrangements for rehabilitating returned servicemen into the baking industry.

“In terms of these arrangements, the authorization of transfer of any bread-baking business has been withheld since 26th June, 1944, pending a notification from the Director of Rehabilitation to the Wheat and Flour Controller that no ex-serviceman is available for such business.

“Since the operation of these arrangements, 17 ex-servicemen have acquired bread-baking businesses, and 2 other returned men have acquired partnership interests in bakery concerns.

“Other similar transactions for the benefit of returned servicemen are in course of negotiation.

“During the period covered by this report, 51 transfers have received the consent of the Hon. the Minister. This number includes the 19 servicemen transactions already alluded to, and embraces 2 other bakeries where agreements exist for the respective businesses to be handed over to sons of recent transferees directly the young men are discharged from the Forces.

“Most difficult conditions have prevailed in the bread-baking industry during the past twelve months with regard to the provision of adequate skilled labour, affecting alike the large automatic units, the mixed bread-pastrycook type of bakery, and the smaller bread-factories. The position has been accentuated by an increased demand for bakers' goods in the majority of districts, and the strain of understaffed bakeries undermining the strength of many aged proprietors.

“Close contact has been maintained with the Controller of Man-power and his District Officers, and I gratefully acknowledge the practical advice and assistance which I have received from these officials with a number of difficult cases referred to them from time to time.

“The representations of master bakers to the district Appeal Boards have been supported by the Controller in all cases where he was satisfied that it was in the public interest to do so.

“Statistical records have been compiled since the operation of the control scheme in 1940 setting out monthly flour deliveries to the several bread-baking units, and for the year ended 31st January, 1945, the quantity of flour delivered to bread-bakers amounted to 1,038,772 sacks (each 200 lb.), as compared with 1,011,200 sacks for the previous year, an increase of 27,572 sacks.

“Allowing for 48,000 sacks per annum used by these units for pastrycook lines, the monthly average flour consumption for bread-baking was 82,564 sacks for the year under review, as compared with 80,266 sacks for the year ending 31st January, 1944. The increase is attributable to the incidence of meat rationing and decreased potato consumption.

“In August, 1944, a meeting of representatives of workers' and employers' organizations was held to consider day baking, but no agreement was reached.

“During the year, questionnaires emanating from the United States of America and Australia were referred to the Wheat Committee dealing with conditions in the Dominion affecting the three allied industries (wheat, flour, and bread).”

#### MOTION-PICTURE INDUSTRY

As indicated in last year's report, activities in this industry have been somewhat less than pre-war years. As is well known, there has been no appreciable improvement in the supply of building materials, and the Building Controller has generally indicated that there can be no further new theatres for a period of at least twelve months. In addition, too, refurbishing and renovating theatres, while in many cases overdue, has been unable to be proceeded with, on account of the general shortage of supplies.

During the year there have been very few applications for new theatres, but an interesting development arose in connection with an application which involved the granting of a temporary license. There are no regulations that enable temporary licenses to be granted, and the question formed the subject of discussion by the Film Industry Board. A recommendation has now been made that appropriate emergency regulations be issued for the purpose of enabling temporary licenses to be granted, pending a return to more normal conditions.

The inquiry into the question of the distribution of film, as recommended by the Industries and Commerce Committee of the House, did not take place during the year, as a satisfactory solution of the immediate difficulty facing the petitioner, concerning the supply of film, was found. In view of the possible post-war trends in the industry, the holding of the inquiry may be further delayed, but the whole matter of the distribution of film and other questions pertaining to the industry are under constant review.

During the year the Film Industry Board has met and matters of general application to the industry as a whole have been discussed and dealt with.

Generally speaking, it can be said that the industry has been giving good and adequate service to the community, in spite of difficulties in keeping theatres up to pre-war standard.

#### MINISTRY OF SUPPLY

The Ministry of Supply has throughout the war striven to keep industrial production and the flow of essential consumer goods at the highest possible level. The year under review has been as difficult as any of the war years which preceded it. Supply problems changed very frequently, and the local and overseas offices of the Ministry were constantly required to revise their policies and plans to fit in with the rapidly changing demands of the war and rehabilitation.

The tremendous difficulties which have beset every country in obtaining supplies during wartime are common knowledge, and the fact that New Zealand emerges to-day in a more favourable position than any other country, and with an outstanding war effort to its credit bears testimony to the success of the work in which the Ministry has shared.

In carrying out this task every use has been made of the specialized knowledge of individuals and representative bodies, whose intimate association with the many and varied problems of overseas procurement has proved most valuable in obtaining and distributing the vast range of raw materials and manufactured goods for which we have had to enter into strong competition with other nations to maintain our war supplies overseas and our civilian supplies here.

The recession of war from New Zealand's shores was reflected in the diminished need for lend-lease goods, but this to some extent was offset by the assistance we have accepted from Canada in the form of mutual aid. Alterations in outlook and general policy precipitated by the unexpectedly swift changes in the war situation have called for more versatility than ever in adjusting the nature of the Ministry's work to the gradual freeing up of supplies and the switching of procurement into channels more suitable to peacetime conditions.

There has been a noticeable reduction in the volume of contracts for warlike stores placed with New Zealand manufacturers, due to the general decline in the demand for munitions, engineering stores, and equipment both for our own Forces and for our allies. On the other hand, considerable commitments have been undertaken recently on behalf of U.N.R.R.A., the Netherlands East Indies, and other overseas agencies for relief and rehabilitation purposes. A paramount objective, however, has been the release of manufacturing capacity from war and relief demands to meet the surge of civilian requirements following the discharge of personnel from the Services, and planning for this has occupied a prominent place in the more recent activities of the Ministry of Supply.

The time is now fast approaching when the Supply organization will disappear and the Department of Industries and Commerce will resume its normal functions. Reorganization is now taking shape to make the change as smooth as possible. The experience which has been gained by officers of the Department during the war should greatly benefit industrial and commercial interests as the Department resumes its peacetime position in the business life of the Dominion as counsellor and friend of manufacturers and the commercial community in dealing with problems—national, local, and individual.

#### RECLAMATION OF WASTE MATERIAL

During the past year—completing nearly five years of service—the National Council for Reclamation of Waste Material, with 110 affiliated committees, has continued its volunteer activity in the salvaging of waste, principally in the collection and planned disposal of used truck and car tires and tubes and waste paper.

The year under review has proved to be a most successful one. The yield of waste rubber, urgently required for reclaim and other essential purposes, was greater than for any previous year since December, 1941, when Japanese aggression spread in the Pacific. A total of 3,090 tons has been delivered to the reclaim mills at Woolston and Penrose during the last three years. Substantial quantities of repairable or retreadable tires were selected from stocks received and sold to permit-holders—particularly to firms manufacturing farm trailers—whilst thousands of tires with serviceable walls were processed into liners, sleeves, and boots. All tires with slightly worn treads but fractured in the walls have provided hundreds of strips for retreading or recapping tires for vehicles classed as essential.

The total number of used car and truck tires handled over a period of three years and three months ending 31st March last exceeds half a million, in addition to many other types of serviceable and reclaimable rubber goods. The mills have been kept in full production, and stocks delivered or in hand show progressive improvement from month to month.

Waste paper salvaged over the last five years reached a total of 25,700 tons; of this total, 5,615 tons were delivered to pulping-mills during the year under review.

One of the most successful national drives made was for cleaning-rags, realizing 92,536 lb. These rags were urgently required for Army, Navy, and Air Force equipment. Added to two previous appeals (mainly contributed from New Zealand homes), a total tonnage of 148 has been collected, or 331,520 lb.

The salvaging of waste rubber, paper, and rags has been national in scope since the Council was appointed, but improved availability of other material for industrial use, such as non-ferrous metals, cast iron, and glass containers has made wider appeal unnecessary. In Canterbury Province, however, metals and glass containers were continuously collected, sorted, and disposed of to factories and users concerned. Impressive totals over the five years are recorded—viz., 2,173 tons of non-ferrous metals and 4,780,000 glass containers.

The Council has acknowledged its indebtedness for co-operation given and services rendered by the Ministry of Supply and the military authorities, particularly in the practical assistance given by the former in providing funds for advertising purposes, and to the latter in supplying Army trucks when available for collecting bulk loads of waste rubber to central depots and yards.

Because of the general volunteer services given by members of the Council and its affiliated bodies, together with free services rendered in transport and in any other phases of the work, great economies were exercised in the handling and disposal of materials required to assist New Zealand's war effort. This commendable community service has resulted in large sums being realized in the sale of all material disposed of. For the year ending 31st March last the net credit earned reached £10,498, which, with credits added for the four previous years—1941 to 1944, inclusive—made up a grand total of £45,976. The whole of this sum, paid over to the National Patriotic Fund Board, was earmarked for the purchase of comforts for our Forces, men and women, overseas.

#### UTILIZATION

The work of the National Utilization of Waste Depot has increased during the year, and an indication is afforded by the number of Army garments salvaged, being approximately 45,000, as against 20,000 last year.

In addition, supplies of clothing have been made available to the Galway Guild, U.N.R.R.A., N.E.I., Red Cross, including a quantity for the Channel Islands as well as for unfilled local demands in New Zealand.

The Paper Mâché Section has continued to supply a range of utensils for hospitals and other essential demands. An extension in the making of toys has proved successful, and the range of articles includes decoy ducks.

Increased activity amongst servicemen in hospital has marked the year, and now includes regular visits, in addition to taking care of such needs as can be attended to by the organization.

Over £1,000 has been donated for patriotic purposes.

Over 100 workers continue to give of their time and skill in this outstanding work, and the determination to continue until the end of the war has not faltered, which redounds to the credit of the workers and affords an indication of the attitude of all those New Zealand women who believe in the cause which is being justified at such a great cost.

#### PRICE CONTROL

The Price Tribunal has continued to maintain strict control over the prices of goods and services during the past year. The tightening-up of the regulations from time to time, and the full implementation of the Government's policy of stabilization, accompanied in some cases by the necessity for subsidy payments, have brought about a substantial increase in the volume of work, and this has necessitated the employment of additional staff. In the engagement of staff, preference has been given to returned servicemen.

The Control of Prices Emergency Regulations 1939 gave the Tribunal power, with the consent of the Minister, to make Price Orders, and during the year 134 such Price Orders have been issued. The cumulative total of Price Orders to 31st March, 1945, is 349. The goods which were the subject of these Price Orders covered a wide range, including, for example, various types of foodstuffs, knitting wools, and knitted wear. In the aggregate, many thousands of lines are involved, some of the orders being very comprehensive.

In the year under review the Tribunal initiated Court proceedings in 301 cases, in which 290 convictions were obtained, 3 cases being dismissed, and 7 withdrawn. The total cases taken under the price control regulations is now 1,417, with 1,395 convictions, 15 dismissals, and 7 withdrawals. The fines imposed total £8,245 10s., of which the sum of £3,119 was collected during the past year. The major portion of the fines collected for this year was as a result of two outstanding cases involving profiteering and other breaches of the regulations which were taken against firms in Auckland. The fines in these cases amounted in one instance to £1,050, and in the other to over £300.

On the 20th December, 1944, Amendment No. 5 of the Control of Prices Emergency Regulations 1939 came into force. This new regulation was issued for the purpose of clarifying the authority of the Tribunal in connection with cases where selling prices were granted by way of approval. It stipulated that any approval given under the amended regulations should, to the extent thereof, operate as if it were a Price Order.

The co-operation between the Tribunal and the Standards Institute, referred to in previous reports, has been maintained, and in numbers of instances prices have been related to definite standards of quality. From the point of view of effective price control, the formulation of standards is complementary to the fixation of prices, for deliberate deterioration of the quality of a product is just as much an increase in price to the consumer as is an actual increase in the price itself.

During the year the Clothing Stabilization Committee was set up, including representatives of the Tribunal, Treasury, and the Economic Stabilization Commission, to assist the Tribunal in dealing with applications involving payment of subsidies on certain types of essential clothing and to secure co-ordination between the Departments named.

Various other subsidies approved by War Cabinet are being administered by the Tribunal.

Generally speaking, traders have continued during the year to co-operate with the Tribunal, and this attitude is much valued. Appreciation regarding the assistance given them by the Tribunal's officers has been expressed by numerous ex-servicemen who have returned to business or commenced new ventures.

#### LIBRARY AND INFORMATION

In the past year greatly extended use has been made of the information available in the library.

On 24th September, 1944, the Metal Trades Group of the Wellington Manufacturers' Association sent a deputation to inspect the library. After discussing the methods that could be adopted to ensure maximum utilization of the resources available, it was suggested that a bulletin of summarized technological information be prepared and sent out to individual manufacturers. Consideration was given to this matter, and the Permanent Head, Factory Controller, and the New Zealand Manufacturers' Federation were consulted. There was unanimous approval of the proposal, and a circular letter was sent to manufacturers asking if they would be interested in receiving a copy of a periodical circular of technological information.

The response was instantaneous and encouraging, and approximately five hundred replies were received, almost by return mail, there being only two of these in negative strain. This response demonstrates that the need for some such service was being felt in industry.

The first *Bulletin* was mailed on 10th January, 1945, and to date eleven have been issued and mailed to approximately one thousand manufacturers, local authorities, and educational institutions.

The effect of this phase of the library activity has been most helpful to industry, and has assisted materially to increase production and to improve manufacturing techniques. This can best be demonstrated by quoting from the large volume of correspondence:—

"We appreciate the work your Department is doing for manufacturers."

"Your service is going to be of direct benefit to us."

"A service of this nature ultimately benefits the consumer by reason of a larger and improved range of products, and the economy of the country as a whole by a saving of abortive experimental effort."

"It is most helpful to our college staff and to advanced students."

"We would like to express appreciation of the way your *Industrial Bulletins* are set out and their value to manufacturers."

"Thanks for information on infra red. We can cut drying cost of cloth from 4/2 to 1.12."

Manufacturers' Research Committee: "Members generally considered that the material was well chosen, that the material would be complementary to any technical and scientific information which should be issued by the Committee, and that the librarian and staff concerned were to be congratulated."

"The service provided by your Department has already proved of considerable value."

"Your service is a progressive move and very useful to manufacturers."

"We would like to express our appreciation of the services rendered by the library. We have been able to locate a considerable amount of useful information through it."

"Your *Industrial Bulletin* is a wonderfully complete and invaluable reference. It has saved much valuable time, as we have gone to our local library and found the information to which our attention was directed."

"The City Engineer has found your service an interesting and valuable aid."

It is worthy of note that in the first ten *Bulletins* issued, 179 items were dealt with. Arising from this, the mailed inquiries for further information totalled 312, while personal calls and telephoned requests have lifted the total to an average of 40 per week.

Apart from the *Bulletin* service, the Library has furnished information to manufacturers on a number of diverse subjects, this entailing much research and the full co-operation of the Country Library Service, the Department of Scientific and Industrial Research, Dominion Laboratory, General Assembly, Public Works Department, and Department of Agriculture libraries.

Amongst the topics on which information has been requested by manufacturers and supplied are motion study, personnel management, gravity die-casting, plywoods, plastics, apprentice training, foremanship training, concrete, sewage disposal, lithographic work, varityper machines, mattress-making, paints, enamels and lacquers, timber treatment, engineering materials, machine design, sheet-metal work, metallurgy, marketing, vinyl resins for footwear, factory layout, spray painting of mirrors, furniture designing, building materials, adhesives, aluminium paint, packaging, manufacture of cosmetics, essences, production assembly, costing systems, electrodiposition, coating tinplate, bricks, silverplating, oil seeds, refractories, food processing, galvanizing, &c.

The record of the work accomplished would be incomplete without reference to the splendid assistance received from the technical officers in Washington and the Liaison Officers in Sydney, Melbourne, and London, all of whom have expeditiously dealt with inquiries which had to be referred overseas for further data. The flow of technological information from these sources has been particularly heavy and very helpful.

Much material has come to hand which has had a greater interest for other Departments, and data has been supplied to the Railways, Social Security, and National Service Departments, the Wheat Research Institute, and the Public Service Commissioner's Office, &c.

A constant flow of material is received from Washington and all New Zealand offices overseas, while subscriptions are paid to most of the helpful technical journals in the United Kingdom and the United States. This is carefully scrutinized, and summaries thereof provide the basis of the

*Industrial Bulletin.* Experience has shown that manufacturers appreciate and need the service instituted. The service given has developed like the proverbial snowball, and with the pending reconversion from wartime to peacetime production the pressure of work will indubitably increase, as the mailing list is rapidly growing through manufacturers telling colleagues of valuable aid received.

Close liaison is maintained with the Manufacturers' Research Committee of the Department of Scientific and Industrial Research, and full co-operation has been built up and a mutual agreement reached, whereby a maximum service can be given, Industries and Commerce handling the dissemination of proved developments, and the Department of Scientific and Industrial Research undertaking the cases where scientific research is necessary.

#### LIAISON

As in past years, close liaison has been maintained with representatives of overseas Governments in New Zealand for the exchange of information. Publications have been made available to the Library of Congress and the Bureau of Commerce and Foreign Trade, Washington, D.C., the Acting Canadian Government Trade Commissioner, the Netherlands East Indies, Swiss, and Chinese Consulates, also the office of the High Commissioner for Australia in New Zealand. Reciprocal courtesies have been extended by these offices to our mutual advantage. Assistance has also been afforded the F.E.A. Office, the United States Joint Purchase Board, and other organizations.

Membership has been retained in the New Zealand Libraries' Association, and the utmost co-operation has been given and received in the interloan service. In all other ways possible the library staff has participated in the activities of the Association. This contact is most valuable and the free exchange of ideas and information has been most beneficial.

#### MANUFACTURERS' DIRECTORY

The last issue of the "Directory of N.Z. Manufacturers" was 1939, brought up to date by the preparation of a supplement in 1941. With the great advances made in manufacturing and the many inquiries being made from overseas, it has been decided, in collaboration with the New Zealand Manufacturers' Federation, to issue a new and improved "Directory," and work on this is now well in hand.

#### "NEWSLETTERS"

The Department's *Newsletter* is being produced, and this provides a background of information to all Ministers, Government representatives, and departmental officers overseas on economic, industrial, and social trends in the Dominion. The mailing list was expanded during the year to include the Officer in Charge of Administration, 2nd N.Z.E.F., M.E.F., and the Public Relations Officer in the same area.

#### OVERSEAS TRADE INQUIRIES

During the year the Department received many inquiries regarding trade possibilities. Countries from which inquiries came were Iran, Palestine, Egypt, India, South Africa, China, and Switzerland. A delegation from the Netherlands East Indies also visited the Dominion. All such inquiries were widely distributed. Amongst items sought were canned vegetables and fruit, canned meat, hides and skins, electrical equipment, cordials, essences, flax, wool and woollen piece goods, ale, ceramics, &c. Many of the requests were based on post-war potentialities for trade, and much useful information has been distributed that should be beneficial in the re-establishment of normal trade relationships.

#### INDUSTRIAL FAIRS

After a lapse of four years the Canterbury Manufacturers' Association revived the New Zealand Industries Fair. The display was an outstanding success, and a feature was the number of working models, which gave visual evidence of the processes of manufacture.

As a demonstration of the progress the Dominion has made in manufacturing the fair was an unparalleled success.

The Government court was greatly appreciated, embodying as it did a spacious and comfortable lounge, while the cinema was attended by thousands of citizens.

In November the Dunedin Manufacturers' Association held its first fair in many years. The theme was production for war. This fair was visited by the Hon. Mr. Forde, Deputy Prime Minister for Australia, and party, all of whom spoke in highly eulogistic terms of the quality of Dominion manufactures.

The Government court was transferred from Christchurch to Dunedin, and here again it was an unqualified success.

#### STANDARDS INSTITUTE

The activities of this Section of the Department are covered in a separate report.

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