its own central pay office at Nelson. This pay office was established by the Commission under the National Pay Office Fund as from 1st April, 1943, and between that date and 31st July, 1945, was operated on an agency basis on behalf of the Commission by the Anchor Shipping and Foundry Co., Ltd.

(9) Supervision Fund (Appendix, page 75)

The statements of account for this fund cover the costs of supervision of waterfront labour at the Ports of Auckland, Wellington, Nelson, Picton, Westport, and Greymouth. While "Total working-expenses" for 1945–46 at £56,699 show a small reduction of £302 as compared with 1944–45, income from "Levies" at £56,045 is less by £4,483. As the income of Supervision Fund is linked directly to the volume and value of waterfront activities the reduction in income is in line with the trend noted in connection with similar reduced income from levies in National Pay Office Fund (see Section 8) and is likely to lead to a further loss of income in 1946–47. For 1945–46 it has meant a net loss in Revenue Account of £654, as compared with a net profit of £3,527 in 1944–45.

In order to cover this loss, as well as to provide for profit distributions (which in most cases are payable in relation to similar payments made from Co-operative Contracts Fund to waterfront workers) it has been necessary to transfer back £1,708 from Accountlated Funds Account to Appropriation Account. This leaves a balance of £13,416 in Accountlated Funds Account as at 31st March, 1946.

12. CONCLUSION—"OVER-ALL" CONTRACTING—RECONSTRUCTION OF COMMISSION

The extension of the present contracting system to "over-all" contracting and the granting of further responsibilities to union members did not proceed during the year as quickly as was anticipated. Full details are now available of the cost of handling cargo under contract during the past three years, and this information, which is being published as an Appendix to the report, will expedite the introduction of the "over-all" contracting system. It is expected that the system will be given a trial at Westport at an early date.

The decision of the Government to reconstitute the Commission with two members of each workers and employers and an independent Chairman, was arrived at following an intimation by one member of the Commission that he wished to resign to take up other work and following requests by both employers and workers for representation. The new set-up is in line with recommendations made by Judge Foster in Australia, who conducted an inquiry into the stevedoring industry in that country. The new body, known as the Waterfront Industry Commission, was appointed on the 1st July, 1946, and in thanking the members of the Waterfront Control Commission for their services, the Right Hon. the Prime Minister expressed the Government's appreciation for the devotion, determination, efficiency, and enterprise with which the Commissioners carried out their work, often in the face of almost insurmountable difficulties. The new Commission will function only with the good will and co-operation of both employers and workers and provided its decisions are observed by both parties.

A. E. BOCKETT, Secretary.