A further important factor of a purely statistical nature may be illustrated as follows. One of the important features of New Zealand's population distribution has been the growth of the smaller towns adjacent to large rural areas. When these towns are under 1,000 population they are classified as rural areas. When the population increases to over 1,000 they are classified as urban areas. Take the case of Morrinsville. Morrinsville had a population of 463 and 687 in 1916 and 1921 respectively. It would therefore be classified as a rural area. By 1926 its population had increased to 1,536, and by 1936 to 1,796. Its status had been raised to that of a borough. It would therefore be classified as an urban area. Many of the people who were previously classified as urban in 1916 and 1921 would still be living in Morrinsville and would be classified as urban in 1926 and subsequently. Many cases could be cited, but one further will suffice to illustrate the point. Raetihi had a population of 508 and 848 in 1916 and 1921 respectively. In 1926 the population had risen to 1,127 and in 1936 to 1,182. In 1916 and 1921 Raetihi would be classified as rural; in 1926 and 1936 it would be classified as urban.

A further point of importance in this regard is the tendency for urban areas to spread. For instance, take the case of Christchurch, which has extended its boundaries from time to time to take in areas which were previously attached to counties adjacent to that city. People living in those areas were classified as rural before the areas were amalgamated with the Christchurch area. Subsequent to the amalgamation they were classified as urban. Many other cases of a similar character could be mentioned, but sufficient has been stated to show that even from this purely statistical point of view the crude figures really mask the real trends. If adjustments could be made to cover all the above factors, it would be obvious that, rather than showing a decline in agricultural population, the real position may be quite the reverse.

Quite apart, however, from this point of view, the so-called urban drift is not peculiar to New Zealand. It is a phenomenon that is world-wide in its incidence, particularly in countries peopled by western Europeans. The basic factor is the progress in agricultural techniques. In other words, the application of science to agriculture, both as it affects the mechanization of the industry and as it affects the productivity of agriculture, has resulted in a very much greater efficiency in terms of the output per unit of labour employed. Consequently, it has been possible to extract from the soil, the requirements of the population with a relatively less expenditure of labour directly on the farm. This, coupled with the increase in productivity of agriculture, has resulted in a steadily increasing standard of living, since a lesser proportion of the income of the rural community is devoted to the provision of food and clothing, and a larger proportion devoted to the provision of the semi-luxury lines. There is little doubt that this tendency will continue, and that, rather than being a source of alarm, is an achievement to be sought after. In so far as science is able to lessen the physical labour involved in the extraction of products from the soil, it is definitely a sign of economic progress.

The above discussion has been concerned with the general problem of the distribution of rural and urban population. On two questions, however, the above discussion is subject to some limitations. There is little doubt that for one reason and another considerable areas which were previously farmed have from time to time gone out of production, and it is common knowledge that this has occurred in some of the larger back-country stations in the South Island. The explanation of this is probably purely an economic one, in that, because of costs, it was impossible to maintain the extensive grazing which was undertaken, and this, coupled with the problem of soil erosion, from whatever cause this may have arisen, has rendered those farms uneconomic. It is also true that certain areas which went into production in the boom period immediately following the 1914-18 war were in terms of normal conditions sub-marginal and could not