

1931.  
NEW ZEALAND.

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# UNEMPLOYMENT BOARD

(REPORT OF THE).

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*Presented to both Houses of the General Assembly by Leave.*

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## REPORT.

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### 1. INTRODUCTORY.

THE acute economic depression through which the world is passing at the present time is causing world-wide unemployment of a magnitude without parallel in recent history. World prices have fallen to pre-war levels in the space of a few short months from the relatively high levels ruling for over a decade, and in the case of some important commodities—notably wool—to prices considerably lower than pre-war prices. New Zealand, in common with other primary producing countries in a comparatively early stage of economic development, is particularly dependent on its overseas trade, the prices received for its products in the world's markets being the principal factor determining the economic welfare of the Dominion.

The recent collapse in the prices received for the exported produce of the Dominion has curtailed the national income very considerably, and the consequent disorganization of industry and trade has been accompanied by an alarming increase in unemployment. Registrations at the employment bureaux of the Labour Department have increased from 7,402 on the 24th November, 1930 (an already abnormally high figure), to 38,028 on the 30th March, 1931, by a practically unbroken succession of week-to-week increases.

The machinery brought into operation by the Unemployment Act, 1930, was designed to deal with the situation as it existed at that time; and this sudden and unprecedented increase in unemployment registrations occurring immediately upon the commencement of the Board's operations imposed a tremendous strain upon its resources. Although the definite prospect of, at least, partial employment under the Board's schemes was undoubtedly in part responsible for this increase in the number of registered unemployed, the abnormality of economic conditions since the Board has been in existence is the main factor contributing to its difficulties. Brief reference is now made to the main features of the economic situation adversely affecting employment at the present time.

The extent of the fall in the prices received for the products exported by the Dominion is illustrated by the export-price index numbers compiled by the Government Statistician. In March, 1931, export prices were, on the average, 14.2 per cent. below the 1914 level of such prices—a fall of 36 per cent. as compared with the figure for March, 1930. The maintenance of a favourable visible trade balance in the face of this tremendous drop in export prices has been achieved only by a ruthless curtailment in imports, the value of imports for the twelve months ended 31st March, 1931, being £10,867,107 lower than the corresponding figure for the previous year. This decline in the import trade, although necessary in the economic adjustment of the Dominion to the altered conditions prevailing at the present time, is necessarily accompanied by a marked falling-off in employment. Although the decrease in import values has been in part caused by a fall in the prices New Zealand pays for its imports, and to that extent is advantageous to the Dominion, the volume of imports has also declined very considerably, thus throwing out of employment a large proportion of the workers engaged in the sale and distribution of that produce.

In no department of industrial activity are the effects of altered economic conditions so apparent as in the building industry. The value of building permits issued by cities, boroughs, and town districts during the year ended 31st March, 1931, was £5,473,395, a decrease of 45.05 per cent. since the previous year. The building trades normally provide employment for a large number of workers—both skilled tradesmen and unskilled labourers. The effect of this sudden falling-off in building activity has been the unemployment of a large number of these workers. In addition to the displace-

ment of labour caused among those directly engaged in building operations, this decline in the volume of building activity has been the cause of serious disorganization in the industries dependent upon the building trades. The sawmilling industry has been experiencing a period of relative inactivity for some years past. Employment in that industry is shown by official statistics to have decreased each year from 9,643 in the year ended 31st March, 1926, to 7,381 in the year ended 31st March, 1930—a decrease of 23·46 per cent. Although no official data are available as to employment in that industry since March, 1930, one of the effects of the collapse in building operations since that date has been a tremendous increase in unemployment among workers engaged in sawmilling operations.

Employment in the engineering trades during the years immediately prior to 1930 was steadily on the increase. In the motor-engineering trade alone an average of 5,511 workers were employed during the year ended 31st March, 1930. This industry was, however, affected very adversely by the slump in 1930, the total value of motor-vehicles imported having fallen from £4,278,924 in the calendar year 1929 to £2,448,781 in 1930.

In the preceding paragraphs attention has been directed to some of the factors contributing to the abnormal growth of unemployment in New Zealand in recent months. Although, as has been shown, the Dominion is by no means escaping from the effect of the present world-wide economic crisis, the position in this country compares quite favourably with that elsewhere. Although it is extremely difficult to arrive at a fair basis of comparison of the extent of unemployment in different countries, an indication of the relative position is afforded by the following table:—

Country.	Date.	Number of Unemployed.	Population (latest Available Date).	Number Unemployed per 1,000 of Population.
New Zealand .. .. .	End of April, 1931 ..	36,981	1,510,940	24
Great Britain and Northern Ireland	End of April, 1931 ..	1,967,922	41,050,000	48
New South Wales .. .. .	End of April, 1931 ..	115,000	2,500,486	46
South Africa .. .. .	End of April, 1931 ..	10,000	1,767,719	6
Canada .. .. .	End of December, 1930	177,000	9,934,000	18
United States .. .. .	End of January, 1931	6,050,000	122,775,046	49
Germany .. .. .	End of March, 1931 ..	4,744,000	64,583,000	73

It will be observed that the incidence of unemployment in New Zealand is considerably lighter than is the case in Great Britain, New South Wales, United States, and Germany. The latest available information as to the total numbers unemployed in Canada is contained in a statement by the Prime Minister of that country, who estimated the number of unemployed in the middle of the Canadian winter at 177,000. At that time the number of unemployed per 1,000 of population in New Zealand was only 7, a figure which compares favourably with the Canadian figure (18 per 1,000).

The comparatively low figure recorded for South Africa (6 per 1,000 of white population) is accounted for partly by the special labour conditions of that country, most of the manual labour being done in normal times by Native labour, which has now been partially replaced by Europeans. Another important factor contributing to the relatively fortunate position of South Africa is the fact that she is the world's greatest gold-producing country, and has consequently escaped, to a large extent, the full severity of the economic depression.

Detailed consideration of the main factors immediately contributing to the present unemployment situation in New Zealand is contained in an appendix to this report.

## 2. REPORT OF THE UNEMPLOYMENT BOARD FOR THE PERIOD ENDING 31st MARCH, 1931.

Recognition by the Government of the exigencies of the unemployment situation led to the passing of the Unemployment Act, 1930, and the appointment in November, 1930, of an Unemployment Board as executive authority under the Act. An account of the work of the Unemployment Board up to the end of the financial year is now presented.

### The Unemployment Act, 1930.

The Unemployment Act was placed on the statute-book during the session of 1930, and its provisions became law on the 11th October, 1930. The Act was a direct outcome of the deliberations of the special Committee appointed by the Government on the 17th October, 1928, and the 26th February, 1929, to report on the problems arising out of unemployment, and, in general, it may be said that the Act was framed on the recommendations of this Committee. One of the most important of these recommendations was that, in order to conserve the Unemployment Fund and give the Unemployment Board time in which to organize the necessary administrative machinery, a period of six months should elapse between the coming into operation of the Act and the granting of any benefits from the fund. If it had been possible to carry this recommendation into effect, the Board would have had some time to consider on what lines its policy should be formulated, and also would have been able to organize the machinery, which subsequent experience proved to be essential for the carrying-out of relief measures and for dealing with the various matters arising out of the

administration of the Act. In addition, the Unemployment Fund would have accumulated for at least six months before any calls were made thereon.

Unfortunately, at the time the Unemployment Act came into force the Dominion was on the eve of a grave financial depression. The reflex of world economic conditions brought continued decline in the prices of primary products, and in its train increasing numbers of unemployed.

The position was beyond the capacity of remedial measures formerly employed, and necessitated immediate action by the Board.

#### The Unemployment Board.

Nominations were invited for the appointment of members to form the Unemployment Board (excepting Government nominees), and on the 20th November, 1930, the official appointments were notified in the *New Zealand Gazette*, the personnel of the Board being as follows:—

- Hon. Mr. S. G. Smith, Minister of Labour (Chairman).
- Mr. H. B. Burdekin, Government representative (Deputy Chairman).
- Mr. George Finn, Government representative.
- Mr. Patrick J. Small, representing primary industries.
- Mr. Francis L. Hutchinson, representing secondary industries and employers.
- Mr. Walter Bromley, representing organizations of workers.
- Mr. Oscar McBrine, representing organizations of workers.
- Mr. Walter E. Leadley, representing the New Zealand Returned Soldiers' Association, Inc.

The first meeting of the Board was held at Parliament Buildings, Wellington, on the 25th November, 1930, the Hon. Mr. S. G. Smith, Minister of Labour, presiding as Chairman.

At this date there were 7,402 men registered as unemployed, but indications that this number would increase considerably in the near future were not lacking. An intimation from the Government was received at this meeting to the effect that finances previously made available for unemployment relief by means of subsidies to local bodies were practically exhausted. The Board therefore was obliged to make immediate arrangements for the relief of the already considerable number of unemployed.

The question of administration and the placing of staff at the disposal of the Board required immediate decision. In this connection it was announced that the Government Statistician, Mr. Malcolm Fraser, had been appointed as the executive officer of the Board, with the title of Commissioner of Unemployment.

#### The Unemployment Fund.

Under the provisions of the Unemployment Act a separate account was set up in the Public Account and designated "The Unemployment Fund." Its purpose was to make provision, in accordance with the recommendation of the Committee previously mentioned, for financial resources to meet the requirements of an anticipated maximum of 15,000 unemployed men.

Moneys payable into the fund comprised—

- (a) The net proceeds of a levy of £1 10s. *per caput* on all males required to register under the Act (excluding those exempted from payment), after deduction of the cost of collection of the levy and other incidental expenditure:
- (b) A subsidy from the Consolidated Fund of an amount equal to one-half of the expenditure from the Unemployment Fund:
- (c) Any other moneys appropriated by Parliament for the purposes of the fund.
- (d) Other moneys lawfully payable into the fund, such as fines imposed for failure to carry out the provisions of the Act.

No moneys are payable out of the fund except by direction of the Minister of Finance, acting on the recommendation of the Unemployment Board. Expenditure cannot therefore be made by the Board except with the approval of the Minister of Finance, nor can the Minister approve any expenditure without the necessary recommendation from the Board.

#### Registration under the Act.

Immediately the Act came into force the Post and Telegraph Department was authorized to compile a register of all males aged twenty years or over who were ordinarily resident in New Zealand. The Act provides penalties for non-registration, and from the numbers who have complied with requirements it is obvious that very few men have failed to register.

The actual number of men registered up to the 31st March, 1931, was 462,700. Since this number includes numerous persons exempted from payment of the levy, it is naturally considerably in excess of the numbers quoted as having paid instalments.

#### The Unemployment Levy.

The unemployment levy of £1 10s. per annum was made payable in equal quarterly instalments, due on the 1st day of the months of March, June, September, and December, respectively, and a period of one month was allowed in which to effect payment of each instalment before penalties for non-payment were incurred. Collection of the levy from those liable for payment was also undertaken by the Post and Telegraph Department. Each contributor was required to make application for the issue of a book of coupons, the book containing eight coupons with counterfoils, representing

eight instalments of 7s. 6d. each. Each coupon is of a different colour, and bears the due date of the instalment. On presentation of an instalment at any money-order office the relative coupon is detached by the Postal official, who receipts and date-stamps the counterfoil.

Payment of the first instalment of the levy, due on the 1st December, 1930, was effected by approximately 415,000 persons, and of the second instalment, due on the 1st March, 1931, by approximately 386,000 persons. Departmental machinery provides an effective check on defaulters, and these are gradually being brought to book. More than 20,000 persons elected to pay the June and September, 1931, instalments in advance.

#### Exemptions.

Section 7 of the Act wholly exempts from payment of the unemployment levy persons who are in receipt of war pensions under the War Pensions Act, 1915, in respect of their *total disablement*; persons in receipt of pensions under the Pensions Act, 1926; and Natives within the meaning of the Native Land Act, 1909, with the proviso that any Native may elect, with the consent of the Board, to become a contributor to the fund.

Exemption from payment of individual instalments of the levy is provided under this section for inmates of public hospitals, mental hospitals, public and private charitable institutions, prisons, and reformatories; also for students enrolled at educational institutions and not in receipt of salaries or wages.

The Post and Telegraph Department provided the necessary machinery for recording exemptions. A declaration or other proof of exemption on the specified form must be produced at a money-order office, together with the person's coupon-book if he has been issued with one. The coupon is detached, and the relative counterfoil date-stamped and marked "Exempt." Persons wholly exempt are not issued with coupon-books, but are required to make a declaration of total exemption.

As the first instalment of the unemployment levy fell due on the 1st December, 1930, the thousands of persons who considered they were eligible under the provisions of the Act for exemption from payment of the levy naturally took steps to ascertain the necessary procedure which would protect them from the penalties provided for non-payment. Although machinery for declaration of exemption was provided, it soon became evident that the exemptions provided in the Act did not go far enough, and that it would be necessary for the Governor-General, by Order in Council, to exempt other classes of persons on the grounds of public policy. After serious consideration by the Board, regulations were made and gazetted on the 18th December, 1930, providing exemption for certain classes of aged, infirm, and unemployed men whose financial status was such that they could not reasonably be expected to pay the levy; also for members of religious bodies whose rules forbid the possession by its members of any personal property other than clothing and similar personal effects. In addition, the regulations provided that exemption from payment of an individual instalment of the levy might be granted to any person if in the opinion of the Board the payment of such instalment would, by reason of sickness or poverty, impose undue hardship on that person or his dependants.

In the first few months of the Unemployment Board's existence several thousands of letters dealing with the question of exemption alone were received and dealt with. Applications on the grounds of hardship, which are still coming to hand in considerable numbers, require careful investigation of the applicants' financial position, &c. The applications are then considered periodically by a committee of Board members, which makes its recommendation to the Board. Up to the 31st March, 1931, some 581 applications were dealt with, and in 378 cases exemption was granted, whilst in the remaining 203 cases it was refused. After the Board's decision is made, each applicant is advised of the result so far as he is concerned, and arrangement is made with the Post and Telegraph Department for recording the exemption in the case of successful applicants.

Exemptions recorded to the end of March, 1931, are as follows:—

Total exemptions .. .. .	..	..	..	..	..	..	9,927
Partial exemptions—							
					December	March	
					Instalment.	Instalment.	
Inmates of mental hospitals .. .. .	..	..	..	..	3,344	3,575	
Inmates of prisons, reformatories, &c. .. .. .	..	..	..	..	1,071	1,155	
Inmates of hospitals, charitable institutions, &c. .. .. .	..	..	..	..	957	480	
Students .. .. .	..	..	..	..	735	674	
Cases of mental and physical disability or unemployed and destitute .. .. .	..	..	..	..	3,581	1,971	
Hardship .. .. .	..	..	..	..	365	366	
					<hr/>	<hr/>	
					10,053	8,221	

#### Utilization of Existing Organizations in connection with the Administration of the Act.

On the constitution of the Unemployment Board, the Government intimated that, as far as possible, the creation of a separate Department of State to carry out the work of the Board was to be avoided, and that the Board was to use existing Government organizations wherever these were suitable. In accordance with this direction, the Labour Department and the Post and Telegraph Department have acted for the Board in the registration of unemployed and in the payment of wages and subsidies for relief work. The services of the Departments of Public Works, Lands and Survey, Industries, Commerce, and Publicity, and Census and Statistics also have been availed of in connection with the work of the Board.

Although the major part of the Board's time has been devoted to the consideration of ways and means to relieve unemployment, it has been compelled to deal with a large amount of routine work associated with the administration of the Act.

For some months prior to the coming into force of the Act much information relative to the problems of unemployment, numerous requests for financial assistance, and other correspondence of a miscellaneous nature had been received by the Labour Department; this was transmitted to the Board for consideration and action.

Apparently the Unemployment Fund was looked upon by many people as a source from which money could be obtained without any special effort, as hundreds of requests were received for financial assistance by way of grants or loans. Many of these requests came from farmers, some from individuals who wished to be set up in business, others from firms and undertakings which presumably had found difficulty in obtaining finance elsewhere. The Act authorizes the Unemployment Board to make grants or loans to any persons or authorities to enable them to undertake, or to continue to carry on, developmental or other works calculated to relieve unemployment; but the essential point in this provision appears to have been overlooked by a large number of these applicants for assistance.

There were very many requests for work and sustenance, a large number of criticisms of the Act, and also of schemes for the alleviation of unemployment. Some of the last mentioned were of a distinctly helpful nature, others were decidedly impracticable, but all of these schemes required the consideration of the Board, and in many cases reports on their practicability were first obtained from Government Departments.

### Natives.

A great deal of work has been involved in dealing with the admission of Maoris as contributors to the Unemployment Fund. The Act provides that every Native within the meaning of the Native Land Act, 1909, must register under the Act, but is exempt from payment of the levy unless he obtains the consent of the Board to become a contributor. At a very early date applications from Natives throughout the Dominion began to pour in, and it is thought that these were actuated, in general, by the desire of the Maori to be on the same footing as his pakeha brother. In this connection the Native Department has rendered valuable assistance, and up to the 31st March, 1931, some 1,827 Natives were accepted as contributors and the necessary arrangements made for them to effect payment of the levy.

Special consideration has been given also to the provision of suitable employment for unemployed Maoris, and reference is made to this in the supplementary section of the Board's report.

### Relief of Unemployment.

In earlier paragraphs reference has been made to the rapidity with which unemployment developed towards the close of 1930, but in order to obtain a correct perspective of the early operations of the Board further emphasis must be placed upon the factor of urgency.

Far from being permitted reasonable latitude to consider means of combating the most serious evil of the present day, and to erect essential administrative organization and machinery, the Board was impelled by force of circumstances to immediate action.

The urgency of every question and requirement and the rapid approach of the Christmas and New Year period undoubtedly accentuated the difficulties confronting the Board, but, in spite of this, rapid progress was made in the formulation of schemes for unemployment relief.

It has been shown that the problem of unemployment was by no means peculiar to New Zealand. It had already assumed a relatively much more serious aspect in other countries, and it should be emphasized that no other country has been able to find a solution to the problem. The Dominion, by reason of its dependence on the activity and prosperity of the primary producer, is differently placed from most other countries, while the New Zealand legislation, unlike the unemployment-insurance schemes of other countries, was largely pioneer in character, making the imposition of the unemployment tax or levy of universal application for males of twenty years and over. The fund raised by this means was to be utilized for the provision of work for the unemployed, the payment of sustenance being made optional on the part of the Unemployment Board. While, therefore, information on the methods adopted elsewhere was available, the Unemployment Board was unable to take advantage of that knowledge to any extent, and thus found that it would require to break new ground in a search for means to provide the ever-increasing number of unemployed men with work. It was found also that in many instances the Act did not provide all the powers required, with the consequence that the work of the Board was rendered more difficult.

Had conditions been only slightly abnormal, the Board could reasonably have expected sufficient time to formulate its policy and organize methods of operation while still providing some relief for the unemployed. Instead, it was faced with the necessity of immediately finding relief for over 7,000 registered unemployed, with the prospect of the number increasing to the 15,000 anticipated by the Unemployment Committee as the maximum for which provision was likely to be necessary. The rapid development of the unemployment situation absorbed the Board's funds at an abnormal rate, and the necessity for provision of immediate relief handicapped its efforts in devising methods for stimulating employment of a permanent character in industry generally.

The first concern of the Board was to provide some immediate relief for the 7,000 men registered as unemployed, so that they might have some money at least to tide them over the holiday period. As a matter of policy, it was decided that work should be performed in return for relief granted, and that the payment of sustenance should be avoided at all costs so long as suitable work could be provided.

Before the Unemployment Board came into existence, the problem of alleviating unemployment was largely in the hands of the Government, with local bodies doing their share in providing relief work. By the Local Authorities' Empowering (Relief of Unemployment) Act, 1926, and subsequent amending legislation, local bodies were authorized to raise moneys by loan, in order to carry out works for the relief of unemployment, without taking a poll of the ratepayers as provided in the Local Bodies' Loans Act. The Imprest Supply Act, 1927, provided that a sum of £150,000 be set aside by the Government to subsidize moneys expended on relief works carried out by local bodies, and this amount was later increased by Parliament to a total of £400,000. The greater part of this sum had been expended by the end of 1930, while the balance not actually expended was committed.

In this connection it will be of interest to show the expenditure by the Government on works for the relief of unemployment during the last five years. The Public Works Department has employed by far the largest number of men, and its relief works have consequently absorbed the bulk of the expenditure. Other Government Departments assisted, however, in finding work for the unemployed, notably the State Forest Service, which has taken on a considerable number of men each year during the tree-planting season. The Lands and Survey and Railways Departments have also assisted in finding work for the unemployed at various times. The cost of such relief works, together with subsidies to local bodies for each financial year, are as follows :—

1926-27—				£	£
Public Works Department	..	..	..	130,000	
State Forest Service	..	..	..	14,240	
				—————	144,240
1927-28—					
Public Works Department	..	..	..	379,565	
State Forest Service	..	..	..	27,550	
Subsidies to local bodies	..	..	..	75,106	
				—————	482,221
1928-29—					
Public Works Department	..	..	..	680,393	
State Forest Service	..	..	..	50,250	
Other Departments	..	..	..	3,500	
Subsidies to local bodies	..	..	..	68,566	
				—————	802,709
1929-30—					
Public Works Department	..	..	..	914,000	
State Forest Service	..	..	..	185,400	
Other Departments	..	..	..	204,464	
Subsidies to local bodies	..	..	..	111,728	
				—————	1,415,592
1930-31—					
Public Works Department	..	..	..	1,249,446	
State Forest Service	..	..	..	85,000	
Other Departments	..	..	..	21,933	
Subsidies to local bodies	..	..	..	116,768	
				—————	1,473,147
Total	..	..	..	..	£4,317,909

The average numbers of men employed during the year in the case of the Public Works Department relief works, and during the season in the case of the State Forest Service, are as follows :—

	1926-27.	1927-28.	1928-29.	1929-30.	1930-31.
Public Works Department .. .. .	643	1,912	3,014	3,653	4,898
State Forest Service .. .. .	123	263	640	1,180	700

#### Local Unemployment Committees.

At an early stage the Unemployment Board realized the necessity for some local organization to co-operate with it in the relief work to be undertaken. In common with the General Government and the Unemployment Board, local governing authorities have real responsibilities in regard to the alleviation of distress caused through unemployment in their respective districts, and they have not been divested of these responsibilities by the passing of the Unemployment Act. In recognition of this fact, the Chairman of the Unemployment Board issued, through the press of the Dominion and by special circulars, an urgent appeal to the Mayors of all cities and boroughs to take the initiative in the formation of Local Unemployment Committees of a representative character to co-operate with the Board on a strictly voluntary basis, as provided by the Act. The response to this appeal was prompt and encouraging, and by the end of March some 165 Local Unemployment Committees were functioning satisfactorily, with, in many centres, sub-committees operating in outlying districts under their jurisdiction. Each Local Unemployment Committee has a small executive and a Government officer

(Labour Department or Post Office) acting with the committee or with its executive in dealing with the eligibility of applicants for relief, and the approval and supervision of relief works being carried on in the district.

These committees, which were hurriedly formed to meet the requirements of temporary schemes for unemployment relief, have formed the nucleus of a Dominion-wide organization which will eventually comprise the permanent committees contemplated under the Act to co-operate with and assist the Board in its efforts.

Early in March the Board drew up rules for the constitution and operation of permanent local committees. The Board wishes to place on record its appreciation of the good work done by the majority of Local Unemployment Committees in assisting with the administration of its various schemes.

#### **Rates of Wages on Relief Work.**

With the introduction of schemes for providing some measure of relief, the Unemployment Board was immediately faced with the question as to the rates of wages to be paid to men employed thereunder. After careful consideration, it was decided that the determination of the rates of wages to be paid was not a function of the Board, but one for agreement between the employers and employees. The Board has adhered strictly to this attitude in all its schemes for relief work, both with local bodies and with private individuals. It has, however, ruled that where skilled work which would ordinarily be subject to Arbitration Court awards is done, then award rates should operate. While adhering to this principle in regard to rates of wages payable, the Board at the same time has insisted that its subsidies and refunds of wages should never exceed the rates operating for the time being on Public Works relief works. Up to the 31st March these rates were 14s. per day for all men, whether married or single.

#### **Registration of the Unemployed.**

The existing organization of the Labour Department for registering applications from the unemployed for work was made available to the Unemployment Board for the purpose of placing men in employment under its various relief schemes. The necessity for such an organization is apparent, and it has been a condition of all the Board's schemes that men engaged thereunder should be obtained through the Labour Department's bureaux.

During March the Board made representations to the Labour Department in regard to the system of registration of the unemployed, and as a result a revised system came into operation. Where there was no permanent representative of the Labour Department, the local post-office (if the Postmaster was a permanent official) was created an Employment Bureau with independent registers. This arrangement greatly assisted in the operation of the Board's schemes, as the Employment Bureau officer was authorized to certify payment from the Unemployment Fund only in respect of genuinely registered unemployed men whose employment under the schemes had been arranged by him through his own bureau.

The numbers of registrations, week by week, are quoted in Table I of the appendix.

#### **Main Relief Schemes.**

*Scheme No. 1.*—At its second meeting the Board formulated Scheme No. 1, under which it offered to subsidize local bodies who were willing to find work for the unemployed. This scheme carried on relief through channels similar to those previously made available by the Government's subsidies.

The work was required to be either of a capital nature or else special maintenance, and to contain at least 50 per cent. labour-cost, based on wages computed at the rate of 14s. per day.

The Board's subsidy offer was on the basis of £2 for £1, and approval was obtained to the expenditure of £25,000 by this means. All work had first to be reported on and recommended by the Public Works Department Engineer in charge of the district before it was approved by the Board.

Local bodies were informed that the offer under No. 1 Scheme was a special temporary one, and not to be regarded as establishing a precedent. The response to this offer was immediate, and during the next three weeks so many applications were received and approved that additional funds had to be allocated. The scheme finally closed on the 18th December, 1930, although expenditure on the work subsidized could be incurred up to and including the 31st January, 1931.

In general, the work subsidized under this scheme was of a useful and necessary nature, besides covering a wide range. Instances of the classes of work done are as follows: Road-widening; street-formation; sewerage-works; storm-water drainage; river protective works; clearing and straightening of streams; creek-diversions; school-ground improvements.

In view of the very large numbers of unemployed and the unprecedented rate at which registrations were increasing, it was obviously impossible for the Unemployment Board, with the resources at its disposal, to provide continuous work. Some measure of rationing of work was therefore essential, and it was made a condition in regard to work subsidized under this scheme that men should be employed in alternate fortnightly periods, as far as possible, so that the maximum number of men should obtain relief.

In all, subsidies amounting to £32,576 were approved under Scheme No. 1, providing employment for 4,600 men, at a conservative estimate. These men worked a total of approximately 50,000 working-days during the two months of the scheme's operation. From information supplied by practically all the local bodies which obtained subsidies it would appear that almost the whole of the above amount has been actually expended. The total expenditure, therefore, including local bodies'

share of the cost of work done through Scheme No. 1, may be stated as £48,864. At least 50 per cent. of this total cost was for labour; but, as in many instances the percentage of labour cost was much higher, it may reasonably be assumed that some £35,000 represents disbursements in wages under the scheme.

*Scheme No. 2.*—In launching Scheme No. 1 with subsidies to local bodies the Board realized that numbers of unemployed men would still not be reached, and that only local bodies who had proposals of work already prepared for consideration could start work quickly. The Board also very early determined that as far as practicable the unemployed should be directed into avenues where their work would be reflected in increased production, and thus indirectly benefit the country as a whole. For this purpose Scheme No. 2 was inaugurated as a special emergency measure, for work made available by private individuals. The scheme provided for a subsidy on a pound-for-pound basis on wages only, work to be completed by the end of January, 1931. The rate of pay was decided on mutually between employer and employee, but the Board's subsidy was not to exceed 7s. per day per man. The work approved provided for both town and country, and included developmental work of a directly reproductive nature. Approved classes of work were as follows:—

- (1) Improvements to and maintenance of land by way of clearing of stones, timber, stumps, scrub, noxious weeds, &c.; also draining and fencing; certain classes of harvesting; ploughing and harrowing after clearing only.
- (2) Labour on city work, to consist of gardening, wood-chopping, section-clearing, subsoil drainage and trenching, and clerical work.

The essential point concerning work done under this scheme was that it did not interfere with ordinary industry. The scheme enabled many private individuals, farmers and citizens, to put in hand work which would not otherwise have been done, and many unemployed workers received a quick measure of relief not otherwise available.

The original amount provided by the Board under Scheme No. 2 was £25,000, subsequently reduced to £17,250 by way of transfers to enable additional amounts to be granted under No. 1 Scheme, through which subsidies were being absorbed more rapidly than under Scheme No. 2. Amounts were allocated to local committees for operation in their respective districts, and further allocations were made on receipt of advice that funds were exhausted. At first it was decided that all work under the scheme was to be completed by the 31st January, 1931, but its operation proved so successful, particularly in the country districts, that on the 20th January the Board decided to extend the period during which commitments could be made until the end of February, and allow the work to be completed by the end of March. The original allocation, as reduced, proved insufficient, and additional funds were allocated from time to time. When the scheme was closed on the 23rd February a total amount of £34,953 had been granted by the Board in subsidies of which £33,142 was actually expended, although the whole of this amount had not been brought to charge by the 31st March. Apparently some £1,811 of the total amount allocated was not expended in subsidies through the local committees. Altogether, some 94,700 working-days were provided, and it is estimated that approximately 23,700 individual men obtained from one to twelve days' employment, the average period of employment being four days. As many employers paid wages in excess of 14s. per day, it may be taken for granted that considerably more than the Board's expenditure on subsidies was paid in wages by private employers under Scheme No. 2, so that in all probability a sum of at least £70,000 reached the unemployed workers.

*Scheme No. 3.*—Notwithstanding the efforts made to speed up work under the first two schemes during the month of December, the Unemployment Board saw that in the very short time available it would be quite impossible to give all the increasing numbers of registered unemployed some relief work before Christmas. Neither could Local Unemployment Committees be expected to be operating sufficiently by that time to enable those not placed with local bodies to be found work under the No. 2 Scheme. The Board decided, therefore, on a special Christmas relief measure, designated the No. 3 Scheme, whereby £10,000 was allocated by way of straight-out grants to local bodies, to be administered by them in conjunction with the Local Unemployment Committees in their respective districts. The local bodies were asked to provide two days' work before Christmas for each man who had been unemployed and registered as such for fourteen days or over, or, failing work being found for all eligible men, the grant was to be distributed in the most equitable manner. The amount actually expended from the Unemployment Fund under Scheme No. 3 was £8,789, and more than 5,500 men shared in the benefits provided through the medium of ninety local bodies. The available information indicates that on an average each man received 2·1 days' wages at 14s. per day.

*Scheme No. 4 (A and B).*—Investigations into the question of utilizing the unemployed on the development and settlement of Crown lands brought into evidence the fact that not a great deal of suitable settlement land remains in the hands of the Crown, and that most of what land is still held undeveloped is of poor quality, hilly in character, and in remote and more or less inaccessible districts. It was realized that the problem of breaking in such lands would require considerable organization in the establishment of camps, tools and equipment, transport, &c., with correspondingly heavy overhead costs, all of which would take some considerable time to arrange. The rationing principle adopted by the Board was unsuitable for this work, as continuous employment would be necessary, with the separation of married men from their homes and from the possibility of their obtaining any other casual work on their own account. Investigation also showed that the numbers which could be utilized in this way were disappointingly small, and insufficient to make any great impression on the large army now seeking relief. This, too, would have entailed a cost per head far in excess of what the Board would be justified in spending in view of the rapidly increasing registrations of unemployed, which had now reached the 16,000 mark. Already the maximum for which it was anticipated relief would have to be provided was passed, and the Board decided that if unemployed men were to be



placed into productive work quickly it would have to be done on the already settled lands of the Dominion. In effect, this meant lands in private occupation where much developmental work still remained to be done, and which was not being done on account of the financial plight of the farmers. With this end in view, therefore, Scheme No. 4 was developed first, in two sections to suit the different circumstances of the farmer. Scheme 4A provided for those farmers who wished to secure additional labour on a weekly basis, and Scheme 4B for those who desired to have developmental work done on a contract basis. In both cases the keynote of the arrangement was the subsidizing and placing of *additional* labour and the carrying-out of developmental contracts on farms which, owing to the financial position of the farmers concerned, would not otherwise be engaged or done. Both Schemes 4A and 4B came into operation on the 23rd February, 1931. The employment offered being of a somewhat permanent character, it was hoped that as many as possible of the registered unemployed, particularly single men, would be drafted to farms and so gradually relieve the position in the more populous centres.

Under Scheme No. 4A farmers willing to employ additional labour on their farms were offered the opportunity of obtaining such labour from the ranks of the registered unemployed, the selection of men being made by the Local Unemployment Committee. The farmer and the worker arranged the rate of pay, and the Board subsidized the actual wages up to 15s. per week for a single man and £1 5s. per week for a married man, a condition being that the employer found the man in board and lodging, or housing where necessary. The periods of subsidized employment varied from four to twenty-six weeks.

Under Scheme 4B contracts could be arranged for developmental work on farms, such as bush-felling, scrub-cutting, rush-grubbing, stumping and logging, drainage of farm lands, cutting new drains and improvement of existing drains, clearing noxious weeds, fencing, and developmental work of a similar nature. The Board granted a subsidy of 33½ per cent. of labour cost only, the maximum subsidy payable on any individual contract being limited to £75. The men employed were required to be engaged from the ranks of the registered unemployed, and the contract arranged on a co-operative basis. Applications for subsidy were to be forwarded through the Commissioner of Crown Lands for the district; the Field Inspector of the Lands Department inspected the work to be done, and reported thereon with a recommendation to the Unemployment Board. An individual farmer could apply for one or more subsidies under Scheme No. 4B, the idea being to have as many men as possible employed on small contracts. Each application was given individual consideration by the Board.

These schemes have given farmers assistance which otherwise they could not have obtained, and have enabled them to put in hand a great deal of developmental work (clearing, fencing, draining, &c.) which, in the ordinary course, would not have been done. The results will be reflected in a benefit to the Dominion generally, by means of an increase in production and export, while unemployed men (whose claims are the main concern of the Board) have been found some work during the winter months. The total number of men actually employed under Schemes 4A and 4B at the 31st March, 1931, was 1,542, and the commitments entered into by the Board at that date were £17,821 and £1,402 respectively, or a total of £19,223. Taking the cases where employment under Scheme 4A terminated on or before the end of March and the completed portions of other engagements which extended beyond that month, it is estimated that 1,280 men were employed up to the 31st March at a cost in subsidies of £2,866. Of these men, approximately 918 were single and 362 married, and they worked an aggregate of 3,340 weeks, which on a basis of six days per week represents 20,040 working-days.

Approved applications for subsidized labour on a contract basis under Scheme 4B in respect of which the work was actually begun totalled fifty, and 155 men were engaged thereon. The labour cost of these contracts was £4,000, and the Board's subsidy £1,333, representing an average of 3.1 men per contract and an average subsidy of £26 13s. 2d. It is impossible to state the amount of work actually done through Scheme 4B up to the 31st March, and the foregoing figures represent commitments entered into by that date. The work in some cases would extend to April, the length of time of the contract being unimportant so far as the Board is concerned. Taking the total labour cost of these contracts and assuming that the average cost per man comes to 14s. per day, 5,715 working-days have been provided through the Board's subsidy offer under this Scheme.

*Scheme No. 5.*—While launching Schemes 4A and 4B with the object of drafting unemployed men from the more populous centres into productive work on farms, the Unemployment Board was fully alive to the fact that the numbers to be placed under these schemes would not be placed all at once, and that probably progress would resolve into a movement gradual at first but gathering momentum as their provisions became known. Since this rate of absorption would not cope with the alarming increase in registrations of unemployed at all centres, it was imperative to make arrangements whereby some measure of relief could be afforded immediately to the great numbers of unemployed workers while waiting their reabsorption into industry. After very careful consideration, the Board decided that this could only be provided by soliciting the closest co-operation of all local governing authorities throughout the Dominion. These alone were in a position to provide suitable work sufficiently near the homes of the workers concerned to permit a policy of rationing on a basis within the compass of the Board's funds, which were now obviously inadequate to keep pace with unemployment on this scale. A factor to be considered, also, was that in any major relief scheme such as was obviously necessary it was only right that local authorities should take their share of responsibility in the care of the unemployed in their districts. With these different factors in mind, the Unemployment Board evolved Scheme No. 5, under which, in conjunction with the local authorities, it undertook to provide relief work for all qualified unemployed male wage-earners. Work under the scheme commenced on the 9th February.

Briefly, the scheme provided for free labour on a rationed basis, the cost of materials, supervision, tools, transport, &c., to be provided by local bodies, and the Unemployment Board to be responsible for the wages of the men employed. Workers who had been resident in New Zealand for at least six months and who had been unemployed and registered as such at a bureau of the Labour Department or post-office for not less than fourteen days were eligible for work under the scheme, the work to be rationed as follows:—

- (a) Two days' work each week for a single man :
- (b) Three days' work each week for a married man able to show that he was maintaining in New Zealand a wife or a wife and one dependent child under sixteen years of age :
- (c) Four days' work each week for a married man able to show that he was maintaining in New Zealand a wife and two or more dependent children under sixteen years of age :

It was arranged that a widower with one or more dependent children under sixteen years of age should be treated on the same basis as a married man.

Important provisos incorporated in the rules intimated that work approved for the scheme must be exclusive of that already provided for on the current year's estimates or scheduled for the following year's estimates, or work which had merely been left off the estimates in anticipation of an unemployment subsidy. Ordinary employees were not to be discharged so that advantage might be taken of the offer made under the scheme. This last proviso was made to ensure that ordinary employees of the local bodies would be retained on the usual work which would be done in any case. If no such restriction had been imposed by the Board, it is obvious that numbers of these employees would have been discharged and re-employed under the scheme.

Local Unemployment Committees played an important part in the operation of Scheme No. 5, being requested to advise the Unemployment Commissioner periodically of the number of men employed, the estimated weekly wages to be paid, the number of men for whom employment could not be found, and also if the work offering was more than sufficient to accommodate the registered unemployed in their districts. In any places where no committees existed, the local body's Engineer or other officer was directed to engage the men from the nearest bureau and to furnish the necessary returns.

The Board left the fixing of wage-rates entirely to the local bodies concerned, but suggested that men should continue to be employed under Scheme No. 5 at the rates previously ruling for the particular class of relief work in their districts, providing, however, that where any work carried out would in ordinary circumstances require to be done by skilled labour under award rates, then the Arbitration Court award rates for that class of work must be paid. Each local body paid the wages to the men and then claimed refund of wages weekly from the Unemployment Board, but such refund was in no circumstances to exceed the rate current on Government relief works, which at that time was 14s. a day. In cases where the wages paid were in excess of this amount, such excess had to be borne by the local body.

In claiming a refund of wages each local body prepared a voucher for the total weekly amount, and attached the wages-sheet showing the men's names and coupon-book numbers, with their receipts for wages paid. These documents were submitted to the Government Certifying Officer, who had to be satisfied that the men concerned were those authorized by him to obtain employment under the scheme and that all conditions of the scheme had been complied with. If in order, the voucher could then be cashed at any money-order office.

The initial amount allocated under this scheme was £150,000, and the scheme was to operate until the end of March. The response from local bodies was immediate, and by the end of February the great majority of the unemployed men were working two, three, or four days per week, according to their status. A further allocation of funds was necessitated, and the estimated total expenditure on wages to the 31st March, 1931, was £331,560. Such an excessive expenditure on a scheme which from the first was intended only as a palliative was occasioned by the continued increase in the numbers of registered unemployed. The rapidity with which the depression spread over the Dominion accentuated the unemployment problem to an amazing degree, while the introduction of Scheme No. 5 was itself an incentive to register. Too much emphasis cannot be laid on the fact that the introduction of this scheme was the first occasion in the history of New Zealand when an effort was made to provide some work for practically all genuinely unemployed male wage-earners. It must be recognized also that the provision of some measure of relief work on a large scale thus afforded an opportunity for employers to dispense with the services of employees whom they had previously retained in spite of the depression.

It was inevitable that large numbers of men who had not previously worked for wages, but who were now suffering from decreased returns from their farm, business, or profession, would register in an endeavour to take advantage of the scheme. Much extra work has been imposed on the Unemployment Board and Local Unemployment Committees in an endeavour to eliminate from the benefits of the scheme those persons who are not strictly unemployed wage-earners and therefore ineligible to register as unemployed.

The tremendous drain on the Board's resources will be realized when it is stated that there were 17,000 registered unemployed at the date of commencement of Scheme No. 5, and that this number had risen to over 38,000 by the end of March—an increase of more than 100 per cent. The receipts from the levy, if distributed over twelve months, represent a weekly income of approximately £12,000, and this, if wholly expended, is subsidized by a like amount from the Consolidated Fund. There were approximately 25,000 men working under Scheme No. 5 during the last week of March, and the Board's weekly commitments under this scheme were then almost double its maximum income.

Obviously, the position had become impossible of continuance. The funds at the disposal of the Board were inelastic, while, on the contrary, there appeared not only no prospect of a diminution of unemployment, but even a continuance of ascending numbers. The only course open to the Board lay in the reduction of its expenditure to a figure in consonance with its income. The necessary action was taken subsequent to the 31st March, and is discussed in the appended supplementary report.

Some idea of the extent of the relief work provided through the medium of Scheme No. 5 may be gained from the following figures. An investigation of the refunds of wages made prior to the 31st March, 1931, has been made, and in order to obtain reliable figures on which to base calculations a representative sample of refunds made to twelve large local bodies was taken. Resultant data indicate that the average ration of work amounted to 2.62 days and cost approximately £1 16s. in wages. The average daily wage was just under 13s. 9d.

Applying these figures to the estimated cost of the scheme to the 31st March—viz., £331,560—it will be seen that some 184,300 rations of work were provided, representing an approximate total of 483,000 working-days.

#### Subsidiary Relief Schemes.

Apart from the operation of its major schemes, the Unemployment Board has granted assistance in respect of several minor but none the less important undertakings calculated to relieve unemployment.

*Native Trust Development Work.*—One of the first operations of this nature considered by the Board was the offer of the Native Trustee to place a number of the unemployed on suitable developmental work available on various sheep-stations administered by the Native Trust Department. The class of work to be done consisted of clearing scrub from hilly country, afterwards cleaning up the land by fire, and sowing grass-seed. The Board made a grant of £5,000, subsequently increased to £5,500, to meet the cost of equipment and the establishment of camps and suitable transport in connection with this work, and arranged for a loan of £15,000 from the Unemployment Fund for a term of three years, with interest at the rate of 4 per cent., on condition that up to 500 unemployed, preferably single men, were engaged for a period of at least four months. The Aohanga Station, Pongaroa, and Motuweka Station, Porangahau, were selected for this purpose, some 6,000 acres of land requiring to be cleared on the former and 600 acres on the latter. An advance party of men was recruited from the Labour Bureau in Wellington, and despatched with the necessary equipment on the 16th February, 1931, while the main party was sent forward during the following week. Men were drafted also from other bureaux in the Wellington and Wairarapa districts. The majority of the men were placed on the more extensive work at Aohanga, some five miles from the station homestead, which is fifty-six miles from the nearest railway-station. Initial difficulties were successfully overcome, and by the end of March some 250 men were at work on the Aohanga Station and a further thirty men at Motuweka Station. When these areas are cleared and stocked a considerable number of men will be provided with permanent employment.

*Assistance to Prospectors.*—Early in February a grant of £2,000 was made to the Mines Department, to enable a maximum of 100 married men to be sent out prospecting for gold and other minerals on the lines of the ordinary arrangements for prospecting made by that Department, at the wage usually paid—viz., £1 19s. per week. Parties of from two to three men, under the supervision of an experienced prospector, were to be selected from suitable unemployed men and sent out during March and April. This provided productive work for experienced prospectors, miners, and others who would otherwise have been a charge on the Board's main relief schemes, and, in addition, there was the possibility of a valuable discovery being made, with consequent benefit to the whole community.

*Land Drainage.—Waitakururu Scheme.*—A good deal of land-drainage work has been done through the medium of Scheme No. 5, but in general this class of work is not suitable for the employment of rationed labour, and when once commenced cannot be suspended without serious inconvenience and possible loss of the undoubted benefits accruing from the successful completion of such work. Scheme No. 5, by reason of the inability of the Unemployment Board to guarantee any definite period over which the scheme will operate, cannot, therefore, be availed of to any extent by local authorities wishing to undertake land-drainage work on a fairly large scale. Several Drainage Boards have, however, applied to the Board for assistance to enable them to absorb numbers of the unemployed, and, recognizing the value of such work, the Board has offered to consider granting subsidies not exceeding one-third of the total labour-cost of the work.

One of the first applications for assistance of this nature was received from the Hauraki Plains County Council, which submitted proposals concerning a large undertaking known as the Waitakururu drainage scheme. The Unemployment Board obtained approval for the granting of a subsidy of £3,000 on an estimated total cost of £12,000, provided the maximum number of men was employed and the work was rationed, if possible; the work to be carried out under the supervision of the Chief Drainage Engineer of the Lands and Survey Department. Subsequent advice was received that the work was unsuitable for rationing, as the day labour involved by this procedure would unduly increase the cost. The Board therefore advised that rationing need not be insisted on, but in that case its subsidy could not exceed one-third of the actual cost of labour.

*Auckland Waterfront Road.*—In November, 1930, the Auckland City Council made application to the Local Government Loans Board for sanction to raise a loan of £29,250 for the construction of a road on the waterfront for the relief of unemployment. The estimated cost of this work was £44,838, and in framing its proposals the Council made allowance for an estimated subsidy of £15,588, being the balance of total cost over the loan for which authority was sought. The Loans Board deferred its consideration until the matter of the subsidy was finalized, and in view of the inability of the Government to grant a subsidy from the special amount set aside for that purpose, for reasons mentioned earlier in this report, application for a subsidy was made to the Unemployment Board. After consideration, the Board recommended that this work be subsidized on a pound-for-pound basis on

wages only, up to the sum of £15,588, on condition that two gangs of 100 men each be employed in relays, giving two weeks work alternately to each gang. As far as practicable, the men were to be engaged through the Labour Department's bureau. Approval of the granting of a subsidy on these conditions was obtained early in February.

*Loan to Kauri-gum Control Board.*—Towards the end of 1930 the Kauri-gum Control Board made application to the Unemployment Board for financial assistance by way of a loan to enable the kauri-gum industry to be carried over the period of depression, and to obviate the spread of unemployment on the gum-fields. The Kauri-gum Control Board assists this industry by arranging a market for the gum and also by making advances to gum-diggers during difficult periods. Ordinarily its revenue is derived from an export levy of  $\frac{2}{4}$  per cent. and a commission on sales of gum, but the prevailing slackness of the market had resulted in a material reduction in the finances at the disposal of the Board. After full consideration the Unemployment Board decided to grant assistance in the form of a loan of £650, such loan to be repayable within six months (with a possible extension to eighteen months) from the date of the advance.

*Grants to Earthquake Area.*—The disastrous earthquake in Hawke's Bay on the 3rd February, prevented local bodies in the stricken area from immediately operating under Scheme No. 5, besides creating a great deal of further unemployment. The Unemployment Board therefore made grants totalling £11,000 to enable an early start to be made at Napier, Hastings, and Wairoa in the clearing of debris. Scheme No. 5 also came into operation as soon as the various local authorities were able to resume functioning. It is hoped that when the rehabilitation of the earthquake area is commenced the unemployment position so far as skilled tradesmen are concerned will be materially relieved, provided arrangements can be made for satisfactory rebuilding operations.

#### Sustenance.

The measures of temporary relief provided under the Board's first three emergency schemes were realized to be totally inadequate to meet the situation which was rapidly developing. The unprecedented fall in export prices has been discussed earlier in this report. Apart from the general reaction throughout the community, the effect upon the primary industries was immediate. At a period when these industries are at the height of seasonal activity, and when normally work is to be found easily and in plenty in the country, farmers were not absorbing the usual number of casual workers, and in many cases were discharging permanent hands. This supplied eloquent indications of what might be expected when the seasonal occupations were over and the winter season arrived.

In the face of such a situation the Unemployment Board deemed it wise, in case the necessity of paying sustenance was forced upon it, to be prepared to do so. The Board was unanimous in the determination to find work, if at all possible, but saw that circumstances might arise in which the payment of sustenance in some cases might be required. Towards the end of January rules and regulations, with the necessary forms and instructions, were therefore prepared and distributed to certifying officers. So far, however, the payment of sustenance has not been resorted to, and it is the earnest desire of the Board that it may be avoided.

#### Committees of the Board.

With a view to exploring every possibility of reduction of unemployment by means of the rehabilitation of industry, the Board, on the 24th January, 1931, appointed from its members three committees, viz. :—

No. 1 (Messrs. Small, Finn, and Leadley): To consider avenues for the promotion of employment in primary industries.

No. 2 (Messrs. Hutchinson and McBrine): To consider avenues for the promotion of employment in secondary industries.

No. 3 (Hon. S. G. Smith, Messrs. Bromley and Burdekin): To consider economic and finance matters relating to unemployment.

These committees have devoted earnest consideration to a very large number of matters of wide range arising out of the administration of the Act and the operations sponsored by the Board. The various suggestions and schemes submitted by individuals, organizations, and public bodies, as mentioned earlier in this report, were distributed amongst the three committees and were carefully considered and investigated. In many cases reports were obtained from experts in Government Departments as to the practicability of the schemes. As a result of their deliberations the committees have brought down numerous reports and recommendations for the consideration of the Board as a whole.

The Primary Industries Committee in its investigations has rendered invaluable service in connection with the inauguration and administration of schemes for placing unemployed men on farms, &c. The Board approved this committee's programme for the future, indicating its intention to submit further schemes for the absorption of unemployed men in productive work on the following lines :—

- (1) Clearing, subdivision, and development of Crown lands.
- (2) Rehabilitation of abandoned soldier settlers' farms.
- (3) Drainage of settlements with a view to increasing productivity.
- (4) Clearing of noxious weeds from lands suitable for settlement.
- (5) To encourage and foster the pig industry in New Zealand.
- (6) Reclamation of lands suitable for afforestation.
- (7) Vigorous propaganda amongst farmers with a view to increasing production, such as growing of root crops and grain for the feeding of cattle, sheep, and pigs.

The Secondary Industries Committee has considered a large amount of data and a number of reports in connection with existing and projected industries. Several of its recommendations have been received and adopted by the Board, and a brief *résumé* of these is given in a subsequent section dealing with the question of employment in the secondary industries. This committee at the end of March was occupied in considering many different matters, the subject of which forms the basis of later recommendations.

The Economic and Finance Committee has deliberated on many important matters dealing with the financing of the Board's various schemes, and has given a great deal of thought to the question of conserving the Fund so that the greatest benefit to the unemployed will be derived therefrom. A large number of applications for financial assistance has been investigated.

### Influx of Unemployed from Abroad.

A matter which caused the Board some concern early in 1931 was the danger of the influx of unemployed men from other countries. A request was accordingly made to the Government to give urgent consideration to the question of restricting the immigration of unemployed from Australia and elsewhere, and largely as a result of these representations the Immigration Restriction Amendment Act was placed on the statute-book during the special emergency session of Parliament.

### Receipts and Payments.

The following statement shows the receipts to and payments from the Unemployment Fund as at the 31st March, 1931:—

UNEMPLOYMENT FUND.				STATEMENT OF RECEIPTS AND PAYMENTS FOR PERIOD 11TH OCTOBER, 1930, TO 31ST MARCH, 1931.			
<i>Receipts.</i>				<i>Payments.</i>			
To	£	s.	d.	By	£	s.	d.
To Levies paid to Public Account by				By Fees and travelling-expenses			
Post Office .. .. .	229,000	0	0	under section 16—			
Subsidy from Consolidated Fund	159,246	11	3	Fees to members ..	1,348	4	0
Donations .. .. .		1	0	Travelling-expenses ..	582	9	2
Interest on investments ..		8	16				1,930 13 2
				Grants under section 18—			
				Scheme No. 1 ..	24,198	5	7
				Scheme No. 2 ..	30,155	8	4
				Scheme No. 3 ..	8,788	11	6
				Scheme No. 4A ..	1,056	8	11
				Scheme No. 5 ..	241,618	2	0
				Earthquake relief—			
				Hastings .. .. .	1,311	0	0
				Napier .. .. .	836	16	3
				Miscellaneous special grants .. .. .	205	13	4
				Grant to Native Trustee	5,000	0	0
				Accident compensation under Scheme No. 2	38	18	8
							313,209 4 7
				Administration expenses—			
				Advertising .. .. .	14	8	0
				Miscellaneous .. .. .	0	15	0
				Office equipment ..	8	6	4
				Overtime and tea-money	37	6	6
				Postages and telegrams	393	17	2
				Printing and stationery	2,264	5	2
				Salaries .. .. .	1,282	9	10
							4,001 8 0
				Balance .. .. .			69,115 2 3
							£388,256 8 0
	£388,256	8	0				£388,256 8 0

NOTE.—The sum of £47,774 10s., held by the Post Office, received before the close of the financial year but not paid to Public Account until after 31st March, 1931, has not been included in the receipts.

5th August, 1931.

MALCOLM FRASER, Commissioner of Unemployment.

I hereby certify that the Statement of Receipts and Payments has been duly examined and compared with the relative books and documents submitted for audit, and correctly states the position as disclosed thereby, subject to the above departmental note.—G. F. C. CAMPBELL, Controller and Auditor-General.

### 3. SUPPLEMENTARY REPORT FOR THE PERIOD SUBSEQUENT TO 31st MARCH, 1931.

The Unemployment Board's report has so far been confined to its activities up to the end of the 1930-31 financial year. In view of subsequent developments leading up to the passing of the Unemployment Amendment Act, 1931, under which the Board, as appointed by the principal Act, is abolished as from the 31st July, 1931, it is deemed advisable to provide a complementary account bringing the report up to date.

This supplementary portion is presented under two main headings, the first of which deals with the serious position that has arisen through the rapid depletion of the finances available for unemployment relief and the steps taken to meet the position, particularly as regards the operation of Scheme No. 5. Under the second heading the Board avails itself of the opportunity to review what has been done in the direction of reducing unemployment in the primary and secondary industries, together with a brief reference to miscellaneous items of the Board's activities since the end of March.

#### Reduction in Rate of Expenditure under Scheme No. 5.

It has already been shown that the expenditure by way of refund of wages paid to relief workers under Scheme No. 5 had assumed such proportions that a continuance of the scheme on the existing scale was quite impossible. Apart from the various specialized schemes for providing certain classes of useful work for a section of the unemployed, Scheme No. 5 had developed into the mainstay of the Board's efforts to alleviate unemployment.

On the 31st March, 1931, the Chairman of the Unemployment Board issued for publication an important statement on the Board's financial position, and indicated that the Board had been obliged to consider by what means its expenditure might be reduced.

*Reduction of Wage-rates on Government Relief Works.*—Reference may be made here to the action of the Government in reducing, on and from 1st April, 1931, the rates of wages paid on Government relief works. These rates were reduced from 14s. per day for all men to 12s. 6d. per day for married men and 9s. per day for single men, in each case for a working-day of eight hours, or to 1s. 6 $\frac{3}{4}$ d. and 1s. 1 $\frac{1}{2}$ d. per hour respectively on an hourly basis.

In accordance with its stated policy of not exceeding Government relief rates in connection with the subsidy on wages paid under its schemes, the Unemployment Board issued instructions that the reduced rates would operate from the 1st April under Scheme No. 5 so far as refund of wages was concerned. This relieved the strain on the Board's funds to a certain extent, but was not by any means sufficient to bring the expenditure within the confines of the Board's income.

*Temporary Cessation of Scheme No. 5.*—Steps were taken, therefore, to effect a drastic curtailment of the relief formerly provided, and this curtailment, in the first place, took the form of a complete cessation of Scheme No. 5 for two weeks after the 11th April. So that the unemployed workers themselves should not suffer unduly, the Board appealed to all local governing authorities to employ as many as possible of these men until the scheme resumed on the 27th April. It is pleasing to record that many local bodies responded to this appeal.

*Reclassification of Unemployed.*—Reference has already been made to the institution of an amended system of registration of the unemployed. This was made to coincide with the suspension of Scheme No. 5, thus giving Employment Bureau officers an opportunity to put their registers on a satisfactory working-basis. In co-operation with the Labour Department, the Board issued confidential inquiry sheets to all bureaux, with instructions that each applicant for relief would be required to complete one of these forms. Inquiry officers attached to bureaux in the larger centres were authorized to make personal investigations into the circumstances of all applicants, particularly those whose eligibility for relief was doubtful.

With the information obtained by means of the inquiry sheets, Certifying Officers and local committees were enabled in most cases to decide the eligibility of applicants for relief before the resumption of the scheme. In the larger centres, where it was not possible to investigate all cases prior to resumption, men whose circumstances had not been investigated were allowed to commence work pending their cases being finalized, and the investigation was carried on until completed. The amended rules of Scheme No. 5 had been approved and circulated to all Certifying Officers, local committees, and local bodies prior to the 11th April, and it was expected that the amendments incorporated would result in a decided falling-off in the Board's expenditure.

*Reduction in Rationing Scale.*—The essential points on which the amended rules differed from those previously in force are as follows:—

- (1) A further rationing of relief by the provision of work on two, three, or four days per week for three weeks only out of every four successive weeks; also a reduction from four to three days' work per week in the case of married men and widowers with two dependent children.
- (2) The elimination from participation in the benefits provided by the scheme of all men who were not genuinely unemployed workers and who had not previously worked for wages when employment was available.
- (3) A similar elimination of all those who were considered, by reason of the possession of money or other resources, not to be urgently in need of relief.
- (4) The adoption of the principle, "No levy, no relief," providing that payment of the March instalment of the levy *must* be effected by all men before being eligible to resume relief work on the 27th April.
- (5) A much stricter supervision over the expenditure by local bodies of wages which were to be refunded by the Board.

With the curtailment and further rationing of relief under the amended rules the Board came in for a certain amount of criticism, particularly regarding the exclusion of unemployed men possessing sufficient means to enable them to subsist for a time without having recourse to relief work. The Board had no desire to place at any disadvantage the worker who had practised thrift in the past, or the man who possessed a small pension or other private means, but the Unemployment Fund at this time was subjected to such demands that the Board was perforce obliged to provide relief to the most necessitous cases amongst unemployed wage-earners, particularly those with no resources other than relief work, with the object of making its funds last for as long a period as possible.

*Work involved in amending Rules of Scheme.*—During the fortnight's cessation the Board did not meet, but individual members devoted at least three days of each week to co-operating with the local committees in their own districts, particularly in regard to assisting in the elimination of those applicants not eligible for relief under the Board's schemes.

Up to this time, local committees and Certifying Officers had done excellent work in arranging employment for the ever-increasing numbers of registered unemployed. With the tightening-up of the rules, and particularly the introduction of the new registration system, a very large amount of extra work was thrown on officers of the Labour Department and Post Office, particularly in the more important centres. While the various local committees responded excellently to the extra demands made on them, it was the Employment Bureaux officers, who are also Certifying Officers under the Board's schemes, who were required to re-register and investigate the claims of nearly forty thousand men. Other committee members did valuable work, but the Certifying Officers, being the representatives of the Board on their respective committees, have the additional responsibility of exercising a close supervision over the expenditure of the Unemployment Board's funds. The Board wishes to acknowledge and express its deep appreciation of the manner in which these officers have carried out their duties in handling such a large number of men and at the same time complying with the requirements of the Board.

The excellent manner in which these duties have been performed is perhaps best illustrated by the fact that there has been a surprising lack of complaint from the unemployed themselves. No doubt the continual filling-in of forms and complying with rules and regulations became very irksome to the men concerned, but the work was done tactfully and with all possible despatch. No little credit for this is due to the men, who appear to have realized that in assisting the Board to place its schemes on a basis compatible with its available funds they were helping themselves and conserving the Unemployment Fund so that the greatest benefit would be conferred on the greatest number eligible for relief and genuinely in need of it. Any trouble at this or any other time would have seriously hampered the Board's activities. The absence of any such trouble or delay in the operation of its schemes has therefore been a very pleasing feature of the Board's activities during the strenuous time of the last few months.

Many requests for guidance in determining eligibility for relief under the amended rules were made by local committees and Certifying Officers, and some of the unemployed themselves sought rulings on their treatment under these rules. Gradually, however, the fact that the Board was doing its very best under difficult circumstances became generally realized. An indication of the volume of correspondence dealt with after the 1st April may be gained from the fact that the charges for postage and telegrams since that date have exceeded £600, as compared with approximately £400 for the four preceding months. At times the inward and outward mail, including letters, telegrams, circulars, &c., averaged over one thousand per day. Many thousands of vouchers for payment of subsidies and refund of wages have been dealt with during the last six months, and a considerable staff is engaged on this portion of the work alone.

*Criticism of Work done through Scheme*—Some criticism has been levelled at the Board concerning the so-called restrictions imposed on the class of work it has authorized to be done through Scheme No. 5 by local bodies. It is claimed in many quarters that the work which has so far been done is useless and uneconomic, and therefore a waste of public moneys, apart from the fact that the provision of such work has put some money into the pockets of the unemployed.

Work not scheduled for this or next year may not be of immediate economic value, but that does not mean it is necessarily useless. If local bodies have exercised a wise discretion in the selection of relief work, such work will be of material value in the future, and the results will undoubtedly be reflected in reduced expenditure by the local bodies in later years, thus benefiting the ratepayers and citizens generally. Had local bodies been able to carry out maintenance and other ordinary work at the cost of the Unemployment Board, the local bodies could have discharged their permanent employees and the Board would have been accepting practically the full responsibility for all local-body work in the Dominion, and would not have found the extra work required for the legitimate unemployed.

That the work carried out by local bodies under Scheme No. 5 has been appreciated is seen by the following letter received from the President (Mr. Thomas Jackson) of the Municipal Association of New Zealand:—

“I would like to express my own and the executive's appreciation of the work your Board has done in evolving the various schemes for the relief of unemployment.

“I would particularly stress the importance to local bodies generally of your Board's No. 5 Scheme, which I consider to have been the most efficient scheme which has so far been evolved, in so far as it enabled local bodies to place large numbers of unemployed people at work on useful and permanent works within easy reach of their own homes.

“I realize that your Board has been confronted with numerous difficulties. The urgency of the necessity for giving relief made it imperative that such schemes as were evolved should be brought into existence with as little delay as possible, and I consider that the rapidity with which your various schemes have been brought into operation reflects the greatest credit upon your Board, and that the operation of the schemes have conferred great benefits upon the various local authorities in addition to the relief and assistance they have afforded to the unemployed workers.”

*Check on Expenditure.*—Work on Scheme No. 5 was resumed on the 27th April, 1931, and the Board reassembled on the following day. Under the amended rules Certifying Officers were required to send in their estimates of men to be employed and wages to be paid by the local bodies two weeks in advance. So close a check on the weekly expenditure was required that they were instructed that

on no account could expenditure be incurred for the week for which their estimates were made until such estimate had been approved by the Board. Only in special circumstances, and with the sanction of the Board, would commitments in excess of their estimates be approved.

This procedure gave the Board the necessary check on the weekly expenditure, and enabled it to observe the effect which the amended scheme had on such weekly expenditure compared with earlier figures. For the two weeks ended 9th May the estimated weekly wages bill was nearly £50,000, and in approving an allocation of this sum for the latter week the Minister of Finance pointed out that if this was an indication of the weekly expenditure, even making allowance for the fourth week in which no work would be carried on, further rationing would have to be provided for. As it was thought that actual expenditure would be less than the estimates, and in order to give the Board time to review the position under the amended rules for a four-weekly period, a trial for this period was requested and agreed to by the Minister of Finance.

Towards the end of May the Board was in a position to review the operation of Scheme No. 5 under the amended rules. The total expenditure for the four weeks following the resumption of the scheme on the 27th April was found to be little short of £140,000, representing a weekly expenditure of £35,000, in spite of the restriction of relief to three weeks out of four. These figures are exclusive of expenditure incurred in the other operations of the Board, notably Schemes 4A and 4B.

*Registrations since 1st April and Numbers working under Scheme.*—As an indication of the actual position with which the Board was faced, the following figures of the weekly registrations made at the various bureaux throughout the Dominion, together with the numbers working under the Board's schemes in those weeks since the 1st April, are illuminative :—

Week ended	Number of Men registered as unemployed at End of Week.	Number of Men employed under Schemes 2 and 5 during Week.
1931.		
April 6th .. .. .	37,598	26,037
" 13th .. .. .	37,558	25,767
" 20th .. .. .	38,336	1,284*
" 27th .. .. .	36,981	6,403*
May 4th .. .. .	36,921	23,950
" 11th .. .. .	38,052	27,626†
" 18th .. .. .	39,553	28,760
" 25th .. .. .	40,507	24,329
June 1st .. .. .	42,523	30,425
" 8th .. .. .	43,453	31,961
" 15th .. .. .	44,482	32,851
" 22nd .. .. .	44,521	28,091
" 29th .. .. .	45,264	34,049
July 6th .. .. .	46,359	34,396
" 13th .. .. .	47,203	33,557
" 20th .. .. .	47,538	29,994
" 27th .. .. .	47,772	35,135

\* Includes men employed by local bodies on relief work during temporary suspension of Scheme 5.

† Scheme 5 only from this date.

*Exhaustion of Funds.*—On the 9th June the Board received a memorandum from the Minister of Finance approving an expenditure of £48,000 only under Scheme No. 5 for the week ending 20th June, 1931, at the same time advising that this rate of expenditure out of the Unemployment Fund could not be maintained, and requesting further restrictions in the relief afforded under this scheme.

The Board, after a very careful survey of the position, carried the following resolution, and asked the Prime Minister for an opportunity to discuss the position which had arisen :—

"That in view of the fact that the moneys provided for the Unemployment Fund, including the amount receivable for the levy due 1st June, will at the present rate of expenditure be exhausted by the end of next week (20th June), leaving no provision whatever for balance of the month of June and the months of July and August, and in consideration of the financial position as set out by the Secretary to the Treasury, the Unemployment Board is faced with no other alternative than to advise the Minister of Finance that unless and until further funds can be made available to the Board the operation of Scheme 5 must be suspended on and after the week ending 20th June, 1931, which date completes the second four-weekly period of the operation of Scheme 5 under the amended rules since its previous suspension for two weeks."

In addition to the above resolution, it was pointed out that there were certain amounts for which definite commitments had been made under other schemes which had not been brought to charge, and it was not proposed by the Board to interfere with these commitments.

On the 10th June Cabinet decided that Scheme No. 5 be suspended on the 20th June, 1931, but subsequently reversed that decision as a result of urgent representations made from all parts of the country and by all sections of the community. Since the end of the third week in June approval to



commitments representing an expenditure not exceeding £50,000 per week has been notified by the Minister of Finance for the operation of Scheme No. 5. It has been necessary to allocate this sum as equitably as possible week by week to Certifying Officers, with instructions that overexpenditure of allocations could on no account be allowed without authority from the Board. This curtailment of expenditure has meant the granting of relief to the most necessitous unemployed first, and during the last few weeks numbers of men have been unable to obtain relief.

The Unemployment Amendment Act, which came into force on the 22nd July, 1931, makes provision for additional funds for unemployment relief.

### Employment in Primary Industries.

In spite of financial difficulties, the Board has been able to continue its subsidies under Scheme No. 4 (sections A and B), and the members of the Primary Industries Committee—Messrs. Small, Finn, and Leadley—devoted a great deal of time and thought to the operation of these and other schemes for placing men in useful productive work on the land.

*Amendment of Rules of Schemes 4A and 4B.*—As the provisions of these schemes became better known, an increasing number of applications for subsidized labour were received. In order to bring the eligibility for relief of workers engaged under these schemes into line with that notified for Scheme 5, similar amended rules were issued, and committees and Certifying Officers were required to exercise the same care in determining the eligibility of men engaged for work on farms. At the same time, it was notified that in future no commitments were to be made under Scheme 4A until approval of the amount involved had been received from the Unemployment Board. These schemes were thus brought under adequate control so far as expenditure was concerned.

*Scheme 4A: Reduction of Expenditure and Limitation of Employment.*—Towards the end of May the expenditure on subsidies under Scheme 4A had assumed considerable proportions. The original rules allowed the engagement of workers for periods up to six months, but with the approach of spring, when farming activities will increase and extra labour be engaged in any case, it was considered that engagements should be for a shorter period. Consequently, instructions were sent out that any further engagements entered into under the scheme should not extend beyond the 31st August, 1931. The demands on the Board's funds also necessitated a reduction in the amount of subsidy, so that on and after the 1st June the subsidy payable by the Board in respect of all new contracts or extensions of contracts was limited to 10s. per week for single men and £1 per week for married men.

*Work for Youths under Twenty Years of Age.*—The only direction in which the eligibility of workers under Schemes 4A and 4B differed from that laid down for Scheme 5 was in the provision of work for youths of eighteen and nineteen years. Some time previously the Board recognized that such youths were worthy of consideration, and it was decided that although they were outside the provisions of the Act they could be employed on farms through these schemes if in the opinion of the local committees they were genuinely unemployed and in necessitous circumstances.

*Value of Productive Work.*—Apart from the benefit to many of the unemployed through being placed in varying periods of continuous employment on farms instead of obtaining rationed work in or near the towns, the value of these schemes to the farmers can hardly be overestimated. The Board's subsidy has enabled hundreds of farmers to take on additional labour during the winter months, and thus complete a great deal of reproductive work which in most cases they could not afford to have done at their own expense. During the approaching production season the benefit of this work should be apparent.

*Statistics of Schemes 4A and 4B.*—Statistics of the Board's commitments and of the numbers of men placed in connection with Schemes 4A and 4B are appended. The actual expenditure to date in subsidies cannot at present be accurately stated, but commitments entered into since the inception of the schemes are quoted.

<i>Scheme No. 4A.</i>						Commitments.
Number of men placed in employment to 31st July, 1931—						£
Single men	..	..	..	..	6,022	53,614
Married men	..	..	..	..	1,719	26,763
Totals	..	..	..	..	7,741	£80,377
Number of men actually in employment at 31st July, 1931—						
Single men—						
At subsidy of 15s. per week	..	..	..	..	2,214	
At subsidy of 10s. per week	..	..	..	..	2,252	
					4,466	4,466
Married men—						
At subsidy of £1 5s. per week	..	..	..	..	608	
At subsidy of £1 per week	..	..	..	..	517	
					1,125	1,125
					5,591	5,591

*Scheme No. 4B.*

Number of contracts approved up to the 31st July, 1931, less those subsequently cancelled .. .. .	400
Number of men for whom employment provided by these contracts ..	1,004
Average number of men per contract .. .. .	2.51
Cost of subsidies approved .. .. .	£10,488

Some idea of the extent and usefulness of the work being done may be obtained from the following figures, compiled from particulars of contracts entered into under Scheme 4B since the scheme commenced operation :—

	Acres.		Acres.
Scrub-cutting .. .. .	7,930	Top-dressing .. .. .	300
Bushfelling .. .. .	6,882	Fencing .. .. .	7,102
Stumping, grubbing, &c. .. .. .	1,792	Draining .. .. .	6,120
Sowing .. .. .	645	Roading .. .. .	360
Ploughing and harrowing .. .. .	368		
Splitting posts, battens, and strainers ..		3,850 posts and strainers, 33,000 battens.	

Of the 400 subsidies approved, in 322 cases, or 80.5 per cent. of the total, the projected developmental work is estimated to make provision for the carrying of additional stock as follows: Sheep, 26,494; cattle, 5,012; pigs, 40.

*Native Trust Development Work.*—The Native Trustee has advised the Board that 471 men have been enrolled on the work at Aohanga and Motuweka Stations, and that these are sufficient to complete the available work by the end of July, when the funds provided by the Board would be exhausted. Although the total area of 6,600 acres was expected to be cleared by this date, the Native Trust Office was prepared to retain the men on other work until the 31st August, thus delaying their return to Wellington and other towns, providing additional funds are forthcoming. In response to this offer, the Board has suggested that the men be retained for the month of August under the conditions obtaining for Scheme 4A—viz., subsidies of 10s. per week for single men and £1 per week for married men, the Native Trust Department to provide accommodation and food.

*Prospecting.*—Towards the end of April the Under-Secretary for Mines advised the Board that some thirty parties, containing ninety-one married men, had been sent out prospecting under the grant of £2,000 made by the Board for that purpose, and that the grant was expended.

*Developmental Work for Natives.*—A matter which has recently occupied the attention of the Board is the difficulty of providing relief for unemployed Natives through the medium of its various schemes. Natives have continued to apply to the Board in considerable numbers for permission to become contributors to the fund, and the total number of applications approved to date is 4,219. It is not known how many of these are registered as unemployed, but the number is thought to be large.

On the 30th April the Board recommended to the Minister of Finance that a grant of £10,000 from the Unemployment Fund be made to the Native Department to supplement that Department's funds for the relief of unemployed Natives. Approval to this grant was notified on the 13th May, and a special representative of the Native Department was appointed to deal with the general question of unemployed Natives. The effect of this arrangement is that many Natives have been employed on useful developmental work in their own districts, and have not therefore been employed under the Board's main schemes.

In particular, the Rotorua, Te Puke, and Whakatane districts have been relieved of the necessity for employing nearly two hundred men under Scheme No. 5, while arrangements are in hand to relieve other localities where unemployment amongst Natives is acute. The Hon. Sir A. T. Ngata, Minister of Native Affairs, in a memorandum dated the 8th July, 1931, advised the Chairman of the Board that employment had been provided through the Native development schemes, and also through European farmers. An extract from this memorandum summarizes the position to that date, as follows :—

“ Briefly, the subsidies on contracts finally allocated to date amount to £8,683 3s. 4d. (inclusive of labour loans totalling £441 10s.) on an estimated labour cost to Native development schemes, Maori Land Boards, Native Trustee, and private employers of £27,767, providing employment for 970 men. While the average rate of subsidy is lower than under your Board's Scheme 4B, I have in the allocation followed no hard-and-fast rule, but endeavoured to meet the circumstances in each district both of the farmers and organizations offering employment and of the Maori communities. The rate of subsidy is a little under £9 a head per man employed, and most of the contracts are estimated to tide the majority of the men and their families or dependants over the winter. The low cost to your Board has been made possible by the finance available to Native development schemes; by the low rate for bushfelling, scrub-cutting, fencing, and other operations; by the fact that all equipment is otherwise provided for; and, above all, by the recognition on the part of the Maori communities of the opportunity offered in the present depression of bringing their lands into production at a cost relative to the visible returns from farming.

“ Pending applications for assistance will absorb the balance of the grant, when I expect that the total number employed will reach 1,100. This does not include the normal workers on the various development schemes.

“ To enable me to deal with Maori unemployment in other districts, especially North Auckland and Aotea districts, I estimate that a further sum of £8,000 is required. As this will have to be used chiefly to subsidize private employers, I anticipate that the rate will be higher than the average up to date.”

The contracts quoted above provide for work to the following extent :—

Scrub-cutting .. ..	Aeres.	18,467	Fencing .. ..	Chains.	3,665
Bushfelling .. ..	5,809	Draining .. ..	823		
Stumping, grubbing, &c. ..	5,119	Roading .. ..	402		
Ploughing and harrowing ..	2,450	Firewood-cutting .. ..	100	Cords.	
Top-dressing .. ..	300				
	Sacks.				
Plucking maize .. ..	500				

Splitting posts, battens, and strainers .. 41,300 posts and strainers, 67,000 battens.

*Scheme 4 (c).*—That the Board is persevering in its endeavour to place men in permanent productive work is shown by the fact that on the 30th April an official announcement was made of the inauguration of the third section (c) of Scheme 4. This new section has for its object the rehabilitation and settlement of abandoned farms, of which there were estimated to be four hundred in the various parts of the Dominion. Under Scheme 4 (c) the men to occupy these farms must be taken from the unemployed ranks, and the farms are to be written down to present-day values. They are to be rent-free for from two to five years, and the occupiers may obtain advances for necessary preliminary work and for the purchase of stock. Gangs of unemployed men are to be sent to each of the selected farms, where they will work under the supervision of the future occupier. Wages of £1 per week and allowances of 15s. per week for board will be paid by the Unemployment Board, such payment to be arranged in a similar manner to that of Scheme 4A. One-half of this expenditure will be paid to the Unemployment Board by the Lands Development Board, and such amount will be a charge on the property and be secured by a mortgage over same. Farms suitable for rehabilitation will be selected from time to time by the Unemployment Board in conjunction with the Minister of Lands, and the selected farms will be advertised by the Lands and Survey Department.

*Summary.*—The foregoing indicates what has been done and is still being done to absorb unemployed men in the primary industries.

Briefly summarizing the position, the Unemployment Board has expended and been committed to a total sum of £107,049 to provide 10,277 men with work in the direction of increasing the Dominion's primary production and thus hastening a return to prosperity. Detailed figures are appended :—

Scheme.	Cost to Board.	Number of Men employed.
	£	
4A .. .. .	80,377	7,741
4B .. .. .	10,488	1,004
Native Trust (Aohanga, &c.) .. .. .	5,500*	471
Native developmental work .. .. .	8,684	970
Prospecting .. .. .	2,000	91
Totals .. .. .	107,049	10,277

\* Exclusive of £15,000 loan.

It should be emphasized that a considerable amount of reproductive work in the country was also done through the medium of Scheme No. 2.

A summary of the various classes of work completed and to be put in hand through contracts subsidized under Scheme 4B and through the grant made for employment of Natives is appended :—

Scrub-cutting .. ..	Aeres.	26,397	Plucking maize .. ..	Sacks.	500
Bushfelling .. ..	12,691	Fencing—Erection of .. ..	10,767	Chains.	
Stumping, grubbing, &c. ..	6,911	Draining .. ..	6,943		
Ploughing and harrowing ..	2,818	Roading .. ..	762		
Sowing .. ..	645	Firewood-cutting .. ..	100	Cords.	
Top-dressing .. ..	600				

Splitting posts, &c., for fencing .. 45,150 posts and strainers, 100,000 battens.

*Reproductive Work on Scheme No. 5.*—Although Scheme No. 5 can be taken advantage of by local bodies only, a good deal of reproductive work has been done through this scheme—work which is calculated to benefit the primary industries, either directly or indirectly. It is impossible at this juncture to state the extent of this class of work or the numbers of men employed thereon, but the following details are of interest.

Number of Local Bodies doing Reproductive Work under Scheme No. 5.

Nature of Work.	County Councils.	City and Borough Councils.	River and Drainage Boards.	Other Local Bodies.	Totals.
Land-drainage .. .. .	26	2	27	3	58
Road access for settlers, &c. .. .. .	26	2	..	1	29
Afforestation .. .. .	8	7	1	6	22
River and sea protective work .. .. .	5	4	6	2	17
General land-improvement .. .. .	3	2	..	7	12
Reclamation .. .. .	..	1	..	3	4
Irrigation .. .. .	1	..	..	2	3
Totals .. .. .	69	18	34	24	145

*Waimakariri River Trust Afforestation.*—In this connection the special tree-planting scheme put into operation by the Waimakariri River Trust deserves particular mention. Representations made through the medium of the Christchurch Local Unemployment Committee resulted in the Board recommending a variation of Scheme No. 5 whereby married men eligible for three days' work per week could be employed by the River Trust for six days continuously, after which they would stand down during the subsequent week, when an alternate gang of men would be employed on the same conditions.

In view of the special circumstances and the fact that the men would be engaged on reproductive labour, the proposal for the employment of two hundred men for a period of two months was approved by the Minister of Finance.

Towards the end of June, 1931, the River Trust started to plant 450 acres of waste land on its reserves with *Pinus radiata*. Two separate camps were established, some sixteen and twenty-six miles respectively from Christchurch, and two gangs of fifty married men each were transported to the camps. These men returned to their homes at the end of the first week, and on the following Monday the next two gangs were taken out to the camps. The River Trust engaged the services of cooks and supplied all meals, while the men provided their own blankets and eating and drinking utensils.

After this scheme had been carried on for three weeks the success of its operation, and particularly the appreciation expressed by the relief workers at the treatment accorded them, led the River Trust to consider an extension of the scheme. The main difficulty was to obtain the necessary trees, as the Trust had already expended its available funds on this and other relief works. The planting-season was well advanced and time was also an important factor. A request was therefore made to the State Forest Service for some assistance in furthering this project, with the result that 750,000 seedling trees were generously donated. A cash donation from the Christchurch Returned Soldiers' Association, on condition that a certain proportion of unemployed returned soldiers would be put on this work, enabled the trust to purchase 250,000 trees from private nurseries. The planting of a further area of 1,500 acres was thus ensured, and approval was obtained to the employment of a further three hundred men in alternate gangs on similar conditions.

A start was made at the end of July to establish additional camp accommodation, certain facilities being provided by the Defence and Forestry Departments. As a result of this special scheme the unemployment position in Christchurch has been materially relieved during the winter months, and the value of the afforestation work is evident. Under the initial scheme two hundred men will have planted 225,000 trees by the 22nd August, 1931, and under the extended scheme three hundred men will plant one million trees by the 26th September, 1931. The total area cleared, burnt, and planted will amount to 1,950 acres, and a pleasing feature of the arrangement is that all married men are employed without being absent from their homes for more than a period of six days.

*Land Drainage.*—Reference is made in the main portion of this report to land-drainage work put in hand under Scheme No. 5. Specific instances of certain drainage-work undertaken by local bodies are quoted as likely to be of particular interest.

*Ashburton County: Drainage of Isleworth Settlement.*—An area of 1,425 acres, containing fourteen miles of drains, is being attended to, the work consisting of cleaning, widening, and deepening existing drains. Main drains are being widened to 6 ft. and deepened from 4 ft. to 6 ft.; other drains range from 4 ft. to 5 ft. wide and from 3 ft. to 5 ft. deep. Up to the 31st July some three miles of drains had already been cleared, &c., and an average of seventy three-day men were being employed. The expenditure on wages to this date was £631.

It is anticipated that the present settlers, most of whom are returned soldiers, will be greatly benefited by the completion of this work, and that the land, which is waterlogged for a great portion of the year, will be improved to such an extent that it will compare favourably with any in the South Island for dairying purposes.

*Manawatu Drainage Board.*—This local body has control over an area comprising some 100 square miles of rich alluvial land adjacent to Palmerston North. Much of this area was originally swamp land, under water for a considerable portion of the year. The ratepayers who provide the Drainage Board's funds are all farmers, and since the heavy fall in prices of primary products have been unable

to pay the increased rate necessary to allow improvements to existing drains to be carried out. Scheme No. 5 has therefore been of material assistance to this Board, which has employed an average of seventy relief workers for the last few months.

Up to the present, approximately seven miles of drains have been widened and deepened by unemployed labour, improving the drainage of some 12,000 acres of rich grazing land, a proportion of which would otherwise have been flooded in the wet season.

#### Employment in Secondary Industries.

Owing to the necessity for providing urgent relief to an ever-increasing number of the unemployed and the consequent absorption of the whole of the Board's funds, it has not been possible to allocate finance for the development of secondary industries. The Board has, however, with the assistance of the Secondary Industries Committee (Messrs. Hutchinson, McBrine, and Young), passed several very important resolutions and made recommendations to the Prime Minister.

The first of these resolutions to be confirmed by Cabinet referred to the purchase, wherever possible, of New-Zealand-made goods by Government Departments.

*Government Purchase of New-Zealand-made Goods.*—The Board asked, as a first measure, that the provisions of the resolution of Cabinet of the 21st September, 1929, be given full effect to and that instructions be reissued to all Departments to carry out these provisions.

A copy of the resolution is as follows:—

- “(1) That the existing preference afforded to goods manufactured in New Zealand be confirmed. (In considering tenders received, the Stores Control Board adds the existing tariff rates, plus all freight and handling charges. Where no duty operates, 10 per cent. is added to British goods and 20 per cent. to foreign, plus above charges.)
- “(2) That where tenders are invited from abroad for goods which are made in the Dominion, manufacturers in New Zealand be given equal and full opportunity to quote.
- “(3) In considering quotations where the employment of labour is a large factor in the cost of production, the Stores Control Board will be expected to exercise a bias in favour of the New Zealand tenders.
- “(4) That the Government desires in its purchase of goods for departmental use to give those produced in New Zealand the most favourable treatment, provided quality, price, and other factors relating to delivery are equal.”

Representations have been made to the Unemployment Board that considerable purchases from overseas are made by Government Departments of goods and materials which could be manufactured and purchased in New Zealand, and that purchases are made without reference to the Stores Control Board and without giving consideration to the economic necessity for purchasing, wherever possible, the products of this country's industries.

In order to facilitate tendering by Dominion manufacturers, the Unemployment Board asked that complete lists of goods required for Government Departments be made available to manufacturers. The Board also requested that the following paragraph be added to the above resolution:—

“That the leading Departments of the Government are instructed to give definite preference when granting loans to those applicants who provide for the use of New Zealand timbers and locally manufactured materials in the buildings offered as security for their loans.”

The Unemployment Board asked also that local bodies receiving grants or help from the public funds be required to give preference to New-Zealand-made goods, and that purchases from overseas shall not be made unless satisfactory reasons can be given for doing so.

Statistics submitted with the Board's recommendation showed that for every one million pounds' worth of goods manufactured in the Dominion, approximately 1,500 persons are provided with employment. Stress was laid also on the fact that development in any specific industry would result in development of allied industries supplying raw materials, &c.

*Publicity Campaign.*—An important recommendation by the Board urged the institution of a campaign by the Government to stimulate the demand for New-Zealand-made goods, with the object of absorbing as many of the unemployed as possible in the Dominion's secondary industries.

The Unemployment Act gives the Board authority to utilize its funds in any direction calculated to promote employment, and the Minister of Finance authorized the expenditure of £800 towards this campaign on condition that the New Zealand Manufacturers' Federation, who would benefit indirectly, contributed a sum of £400 for the same purpose. The Manufacturers' Federation accepted this condition, and arrangements were made for the Department of Industries, Commerce, and Publicity to carry out the proposal.

*Assistance from Retail Traders.*—Recognizing that an increased production of and demand for New-Zealand-made goods cannot be effective unless retail traders do their share in making these goods available to the public, the Board endeavoured to arrange a conference between the Prime Minister and representatives of certain retail trades. It was felt that such a meeting would have a twofold object, in that the retailers would be able to give expression to difficulties connected with the stocking and selling of New Zealand manufactures as compared with dealing in imported goods, while the national aspect would be placed clearly before them, and also the importance to themselves of increased employment in local factories and the consequent enhanced purchasing-power in wages thereby made available to their own trades.

*Applications for Financial Assistance.*—In connection with the many applications from individuals and firms for assistance in establishing or extending a business of a character similar to other already established businesses in the Dominion, the Board decided that all such applications be declined, on the grounds that assistance of this nature would merely aid one competitor against another without increasing the volume of trade, and consequently without affecting the unemployment position.

*New Industries.*—Applications for assistance in the establishment of the following new industries were considered:—the manufacture of a non-poisonous white-lead sulphate, the manufacture of straw-board, of wood-pulp, and the carbonization of coal.

*Assistance to and Extension of Existing Industries.*—Consideration was given to the question of relieving unemployment in the sawmilling industry, the use of concrete for road-construction, and the employment of workless artisans in the Railway workshops in making articles at present imported and for which first-class machinery is available.

Evidence having been placed before the Board that the manufacture of insulators and other light clay products, established in New Zealand after considerable expenditure on research, was likely to be discontinued owing to the depression, the Board offered financial assistance to N.Z. Insulators, Ltd., Temuka, to enable a number of their employees to be retained in employment. The Board's offer is at present under consideration.

*Proposal to impose Duties.*—With the assistance of the Industries and Commerce Department a report was prepared upon the Shell Oil Co.'s plant at Miramar for the manufacture of tins and cases for the packing of oil and motor-spirit imported in bulk. This report is to be brought before Cabinet by the Chairman of the Board.

*Proposal to impose an Embargo.*—The New Zealand Coach and Body Builders' Association of Employers submitted a request that 25 per cent. of cars imported by each importer shall be chassis only. Figures were given showing the amount of work which would be given to skilled and semi-skilled employees by the adoption of such a measure.

A report was submitted to the Board. This was considered, and referred to the new Unemployment Board, with a strong recommendation that the matter be further investigated, as it is considered that a valuable opportunity exists for assistance to a local industry if a satisfactory basis of operation can be devised.

*Crippled Civilians.*—The case of crippled civilians able to do certain classes of work is a very serious and difficult one. Such men are unable to take advantage of the Board's relief schemes. As the Board's funds do not at present permit of special relief, the Board recommended that the care of such unemployed crippled workers be referred to the new Board, with the recommendation that it watches the operation of the Soldiers' Civil Re-establishment Act in caring for this class of person, and, in the light of any experience gained, endeavour to provide some measure of relief from the Unemployment Fund.

*Tariffs.*—The general question of tariffs in relation to employment was considered, also that of dumping and of end-of-seasons' goods unloaded upon the local market. These questions, which are of importance as affecting the unemployment situation, are left to the new Board.

### Miscellaneous.

*Unemployment of Women.*—Representations concerning the increase of unemployment amongst women were recently made to the Board, which has given a good deal of consideration to the question. Although the Unemployment Act does not include women in its provisions for registration and payment of the levy, the relief of unemployment amongst women is not outside the functions of the Board. In spite of the heavy demands on the funds, it was considered that some concrete expression of sympathy should be made. The Board accordingly obtained approval of a grant of £500 to assist representative women's organizations to be set up, in the main centres at first, for the purpose of assisting unemployed women to obtain work.

*Hardship Exemptions.*—Since the 1st April, 1931, a further 713 applications for exemption on the grounds of hardship have been dealt with by the Exemptions Committee, which makes its recommendations to the Board. Of these, 390 were granted and 323 refused, the total cases considered to date, therefore, being as follows: Total applications, 1,294; exemption granted, 768; exemption not granted, 526.

*Record of Board and Committee Meetings.*—The immense amount of work imposed on the Unemployment Board since its inception has necessitated more or less continuous sittings, the usual meeting-days being Tuesdays to Fridays, inclusive. The actual number of days on which the Board sat was 103.

The record of committee meetings is as follows: Primary Industries Committee, 49; Secondary Industries Committee, 45; Economic and Finance Committee (which also dealt with exemptions), 57.

*Deputations.*—Some thirty-seven deputations on matters covering a wide range of subjects have been received by the Board since its inception.

*Resignation of Board Member and New Appointment.*—On the 10th April, 1931, Mr. W. Bromley tendered his resignation as a member of the Board owing to pressure of private business. His resignation was received with regret, and the Board, by resolution, placed on record its appreciation of the services rendered by Mr. Bromley. The vacancy on the Board was subsequently filled by the appointment of Mr. W. T. Young of Wellington, who was selected from nominations made by workers' organizations. Mr. Young was appointed to the Secondary Industries Committee, and Mr. McBrine filled the vacancy on the Economic and Finance Committee.

*Payments in Wages to the Unemployed.*—From the inception of Scheme No. 1, in November, 1930, until the end of July, 1931 (a period of eight months), it is estimated that through the efforts of the Unemployment Board the total amount paid and committed to be paid in wages to the unemployed from the Unemployment Fund and by private employers and local authorities taking advantage of the Board's schemes, is approximately £1,280,000.

*Conclusion.*—The members of the Unemployment Board submit their report on the eve of the Board's reconstitution, some eight months after its appointment—months which have been full of difficult and strenuous work.

The devising of new means by which the rapidly increasing thousands of unemployed workers have been afforded relief has entailed anxious and careful thought. The co-opting and co-ordinating of the invaluable assistance of several Government Departments and of hundreds of local bodies and voluntary local committees has called for initiative, persistence, and tact.

Nowhere in the world has unemployment relief by means of work been accomplished on the same scale or with the same rapidity. New ground had at every step to be broken, new machinery devised. In the main the Board's methods will remain as a foundation on which its successors may safely build.

Up to the present the imperative need for coping with the immediate situation has been paramount; but the Board has never lost sight of the fact that it is eminently desirable that the work of the unemployed should, as far as possible, be made the means of increasing production.

The totally inadequate funds at the disposal of this Board have made it impossible to put into operation the larger schemes that were contemplated by the Unemployment Committee in its report, but the Board has taken considerable steps to enable this to be done as soon as funds become available, and leaves on record a number of recommendations for the future guidance of the incoming Board.

S. G. SMITH, Chairman.	
H. BURDEKIN, Deputy Chairman.	
G. FINN,	} Members of Board.
F. L. HUTCHINSON,	
P. J. SMALL,	
W. E. LEADLEY,	
O. McBRINE,	
WM. THOS. YOUNG,	

MALCOLM FRASER, Commissioner of Unemployment.

Wellington, 31st July, 1931.

## APPENDIX.

### SURVEY OF FACTORS AFFECTING EMPLOYMENT IN NEW ZEALAND.

#### Dual Aspect of the Present Situation.

As a prelude to detailed consideration of the unemployment position in the Dominion, attention may be usefully directed to two broad divisions of the causes of unemployment in New Zealand at the present time :—

- (1) Maladjustment of the demand for, and supply of, labour due to causes inherent in the modern economic structure, and therefore of necessity a recurring and semi-permanent problem.
- (2) Unemployment due to a sudden slackening in the demand for labour consequent on the acute depression through which New Zealand, in common with other countries, is passing at the present time.

Among the causes of unemployment falling under the first of these divisions, the seasonal ebb and flow of employment in the more important primary industries and in industries directly dependent thereon causes a recurrence of unemployment in the Dominion in the winter months. The rapid development in the technique of industry in recent years has been another factor of a recurrent nature contributing to the unemployment problem. Although the volume of production in both the primary and secondary industries has increased very considerably during the past few years, the growth of employment in these industries has not kept pace with the increased production. A considerable expansion in industry would be normally concomitant with the resulting increase in the efficiency of labour, and this would absorb a large portion, at least, of the labour displaced by machinery and improved processes of manufacture. This has not, however, been the case—due, no doubt, partially to the depressing effect of a continued, though gradual, fall in wholesale prices. Again, the replacement of manual labour by machinery has been particularly marked in the building trade in recent years, which combined with a lessening in building activity, has resulted in a considerable increase in unemployment among unskilled labourers.

These and other problems affecting employment, which have been characteristic of economic life in recent years, were considered in detail by the Unemployment Committee set up by the Government in 1928 and 1929 to report on the nature, extent of, and remedies for the unemployment situation in the Dominion, and suggestions for the alleviation of the position are contained in both sections of its report.

The effects on the unemployment situation of the normal seasonal and other influences have been obscured by a sudden increase in unemployment consequent on the acute trade depression through which New Zealand is passing at the present time. In view of the serious effects of this depression on the local unemployment situation, it is advisable at this juncture to examine in some detail its characteristics, and the changes in industry and trade which have occurred as a result of the sudden collapse in overseas markets.

Cyclical fluctuations in industry are a normal feature of modern economic life, and are not, in themselves, a cause for serious alarm. The depression consequent on the ebb of the trade cycle is essentially of a temporary nature; and, while little can be done to hasten the economic forces towards recovery, the unemployment consequent on the cyclical trade depression can quite justifiably be met by the provision of schemes for temporary relief, such as the speeding-up of a public-works policy, as has been done in New Zealand in the past. The depression normally follows a period of business activity, high prices, and general prosperity, so that there are normally sufficient resources available to tide over the temporary distress. The depression of 1921 is a case in point, although on that occasion the period of quiescence was accentuated by the abnormality of the immediate post-war economic conditions. The recovery was, however, rapid.

#### Fluctuations in the Visible Trade Balance.

A disquieting feature of the present trade depression is that it follows a comparatively long period of decline in world prices. Although in New Zealand export prices recovered considerably in 1928, they fell away again in 1929 and collapsed in 1930, the general trend in export prices since 1925 (the peak year) being definitely downward. Wholesale prices in New Zealand have continuously (although slowly) receded since the year 1924. The decrease in prices has fortunately been offset to a large extent by increases in production, a favourable balance of visible export trade having been recorded each successive year since 1920, with the single exception of the year 1926. It is doubtful, however, whether, even with the increased production, this favourable trade balance has been more than sufficient



to meet our external interest obligations in any year, with the possible exception of the year 1928. The following table, showing the total declared values of imports and exports since the year 1920, is of interest in this connection :—

Year.				Imports.	Exports.	Balance of Exports.
				£	£	£
1920	..	..	..	61,595,828	46,441,946	15,153,882*
1921	..	..	..	42,942,443	44,828,827	1,886,384
1922	..	..	..	35,012,561	42,726,249	7,713,688
1923	..	..	..	43,378,493	45,967,165	2,588,672
1924	..	..	..	48,527,603	52,612,711	4,085,108
1925	..	..	..	52,456,407	55,262,272	2,805,865
1926	..	..	..	49,889,563	45,275,575	4,613,988*
1927	..	..	..	44,782,946	48,496,354	3,713,408
1928	..	..	..	44,886,266	56,188,481	11,302,215
1929	..	..	..	48,797,977	55,579,063	6,781,086
1930	..	..	..	43,025,914	44,940,692	1,914,778

\* Excess of imports.

The average annual balance of visible exports over imports for the ten years 1921-30 was £3,817,722. It is interesting to compare this figure with the corresponding average for the prosperous years 1914-19, when the average favourable trade balance was £9,936,987 per annum. The actual favourable visible balance of trade during the year 1930 is probably somewhat less than the amount shown in the foregoing table (£1,914,778). The normal addition of 10 per cent. made to the valuations of imported commodities to cover freight, insurance, exchange, &c., was probably not sufficient to cover these items in the later months of 1930, in view of the adverse movement in the exchange rates on London towards the end of the year. New Zealand is particularly dependent for its prosperity on the state of its overseas trade, the external trade per head being higher than that of any other country in the world. Our remoteness from the great markets of the world and our lack of readily accessible commercial mineral deposits have been, up to the present at least, insuperable handicaps to the development of manufacturing industries on a large scale, so that we are particularly dependent upon our primary produce. The prices realized for this produce in the markets of the world are therefore the final factor determining whether the Dominion is to be prosperous or otherwise, and, to a very large extent, causes completely outside our control regulate these prices. Better marketing methods and increased advertising can help, and, indeed, in recent years have helped very considerably in maintaining prices, while strict attention to quality is essential if we are to hold our place in these markets in the face of increased foreign competition. Much has been done and much remains to be done along these lines; but, while the relative level of the prices we receive as compared with those received by other primary-producing countries depends largely on our own efforts, the general trend of prices in the world's markets is dependent upon economic conditions over which New Zealand has very little control. During a period of falling prices increased productivity can assist, and has assisted very materially, in maintaining a favourable trade balance. During the past few years the volume of our production, both primary and manufacturing, has increased very considerably. There is, however, ample evidence that prosperity has not increased in sympathy with this increased productivity, for unemployment has been an acute problem for some years past, and, in view of the importance of the price factor in the economic situation recently, it is expedient at this stage to consider in some detail the extent of the fall in prices.

#### Recent Movements in Export Prices.

The following table shows the movement in the export prices of the principal items of produce exported from New Zealand since the year 1925. In view of the interest attached to comparisons with the pre-war period, these index numbers are computed on a 1914 base, the average export prices for that year being equated to 1000 :—

#### EXPORT PRICE--INDEX NUMBERS.

(Base: Average of prices during the year 1914 = 1000.)

Month and Year.	Dairy-produce.	Meat.	Wool.	Hides, Skins, and Tallow.	Miscellaneous.	All Groups combined.
<i>Yearly.</i>						
1914	..	..	..	..	..	..
1925	..	..	..	..	..	..
1926	..	..	..	..	..	..
1927	..	..	..	..	..	..
1928	..	..	..	..	..	..
1929	..	..	..	..	..	..
1930	..	..	..	..	..	..

EXPORT PRICE—INDEX NUMBERS—*continued.*  
(Base: Average of prices during the year 1914 = 1000.)

Month and Year.	Dairy- produce.	Meat.	Wool.	Hides, Skins, and Tallow.	Miscellaneous.	All Groups combined.
1929. <i>Monthly.</i>						
January .. ..	1472	1583	1713	1551	1466	1537
February .. ..	1498	1528	1660	1754	1506	1534
March .. ..	1367	1487	1595	1709	1483	1475
April .. ..	1366	1477	1473	1978	1256	1480
May .. ..	1295	1441	1562	1958	1358	1470
June .. ..	1322	1456	1630	1699	1463	1457
July .. ..	1334	1452	1507	1819	1484	1468
August .. ..	1383	1416	1512	1840	1387	1500
September .. ..	1335	1380	1332	1638	1337	1366
October .. ..	1440	1367	1283	1588	1437	1385
November .. ..	1365	1296	1225	1434	1469	1289
December .. ..	1388	1340	1157	1503	1496	1286
1930.						
January .. ..	1309	1447	1149	1462	1268	1257
February .. ..	1309	1422	936	1503	1302	1202
March .. ..	1243	1419	897	1590	1365	1201
April .. ..	1134	1397	804	1428	1348	1117
May .. ..	1181	1354	877	1520	1288	1190
June .. ..	1156	1344	964	1476	1238	1210
July .. ..	1194	1315	961	1202	1207	1174
August .. ..	1188	1267	930	1455	1080	1187
September .. ..	1095	1259	867	957	1262	1063
October .. ..	1062	1180	783	1029	1106	1032
November .. ..	1010	1203	725	908	1215	969
December .. ..	988	1314	539	1126	1252	914
1931.						
January .. ..	952	1207	566	856	1097	873
February .. ..	983	1169	506	882	1185	877
March .. ..	1005	1030	548	720	1389	858

NOTE.—These index numbers show the movements since 1914 in the prices obtained for commodities exported. The f.o.b. declared values at the port of export as recorded by the Customs Department are taken as indicative of the prices realized for these commodities.

Export prices in 1930 were, on the average, only 14·4 per cent. above the 1914 level, the average prices realized for wool being actually 8·5 per cent. below the 1914 prices for that commodity. The monthly figures for 1930 reveal a sharp decline, the falling-away in prices being particularly marked in the later months of the year. Wool prices reached in February, 1931, a level 49·4 per cent. below 1914 prices, while the combined price index for all commodities exported during March, 1931, was 14·2 per cent. below the 1914 level.

#### Comparison of Internal and External Price-levels.

The consequences of this rapid collapse in export prices are only too evident in the stagnation of business activity and the alarming increase in unemployment. While the prices received for our primary produce have fallen with remarkable suddenness, the costs of production have not as yet fallen to the same extent, with the result that our principal business—farming—has become relatively unprofitable. A survey of the effects of price-movements since 1914 on farm expenditure was recently made by the Census and Statistics Office, and the results of this investigation, which are summarized below, shown in conjunction with other indexes, throw considerable light on the economic situation at the present time. It should be noted that the farm expenditure index covers not only prices of materials, but interest, wages, rates, and taxes, and other items making up the farmer's budget of expenditure.

## INDEX NUMBERS OF FARM EXPENDITURE AND OF PRICES, 1914-30.

Year.	Farm-expenditure Index.	Export-price Index.	Wholesale-price Index.	Retail Prices (All-groups Index).
1914	1000	1000	1000	1000
1915	1096	1187	1125	1072
1916	1195	1380	1209	1160
1917	1284	1574	1376	1287
1918	1452	1623	1619	1426
1919	1511	1671	1692	1567
1920	1661	1645	1986	1776
1921	1606	1523	1844	1774
1922	1543	1146	1581	1594
1923	1593	1403	1517	1580
1924	1586	1597	1584	1604
1925	1582	1702	1546	1622
1926	1555	1377	1475	1628
1927	1574	1366	1403	1615
1928	1642	1520	1417	1618
1929	1636	1456	1413	1607
1930	1628	1144	1376	1573

NOTE.—The farm-expenditure index shows the effect of fluctuations in prices since 1914 on the working-expenses of farms, while the export-price index indicates the movement in the prices received for produce exported (which are, in the main, produce of the farm). The wholesale-price index shows the movement in the internal level of prices at wholesale. The price quotations in which this index is based are mainly manufacturers' quotations for New Zealand produce, and merchants' quotations for imported commodities. The retail-price index indicates the movement in the retail prices of the commodities used by the average household.

Comparison of the farm-expenditure index with the general export-price index shows the net effect of price-movements on the economic position of the farmer since 1914. It will be observed that between 1915 and 1919 the export-price index was consistently higher than the farm-expenditure index. This period was, as has been stated before, characterized by exceptionally favourable trade balances. During 1920, 1921, 1922, and 1923 the position was reversed—the export-price index being consistently lower than the farm-expenditure index. The recovery in export prices during 1924 brought the export-price index to a slightly higher level than the expenditure index, while a further rise in export prices during 1925 increased the advantage in favour of the export index number to 120 points. Since the year 1926 the balance has been heavily against the export-price index, the farm-expenditure index being 178 points higher than the export-price index in 1926, 208 points higher in 1927, 122 points in 1928, and 180 points higher than in 1929.

The farm-expenditure index for 1930 (1628) shows a fall of 8 points as compared with the 1929 figure. Although wholesale prices fell in the later months of 1930, other factors making up the budget of the farmers' expenditure had not up till the end of that year shown any considerable reduction. The divergence between the farm-expenditure index and the export-price index reached an adverse record of 484 points in 1930, the previous record being 397 points in 1922. Evidence that the 1931 farm-expenditure index will be substantially below the 1930 figure is, however, not wanting. The reduction of 10 per cent. in award rates of wages made by the Arbitration Court in May, 1931, will have a material though largely indirect effect in this direction, while wholesale prices have also declined considerably below 1930 levels. The amount of land-tax collected for the year ended 31st March, 1931 (£1,145,617), represents a fall of £361,294 as compared with that for the previous year (£1,506,911). The substitution of income-tax on profits from farm lands above £7,500 in unimproved value in place of special land-tax is, however, largely responsible for this reduction in the receipts from land-tax, so that the effect of this reduction in land-taxation on farm costs is partly illusory.

It is clear that wholesale prices have not, in 1930, fallen to the same extent as export prices. The wholesale-price index number is a "consumption" index—that is, the weights used in compiling it are based on the relative consumption in New Zealand of the different commodities included in the regimen of the index number. It is thus different in type from the export-price index, which includes only the principal commodities exported from New Zealand and is "weighted" by the quantities of the different items exported each month (in the case of monthly indexes) and each year (in the case of the annual indexes). The wholesale-price index thus measures the internal level of wholesale prices, while the export-price index indicates the movement in the external levels of wholesale prices of the principal items exported by the Dominion. Wholesale prices have been falling slowly since 1924, decreases in the general index number having been recorded in each successive year since that year, with the exception of the year 1928, when a slight increase of 14 points was recorded. The 1930 annual average index number (1376) represents a fall of 37 points, as compared with a fall of 312 points in the export-price index. It is noteworthy that in 1928 and 1929 wholesale prices were on a lower level than export prices.

Reference to the retail-price index numbers quoted above shows that retail prices have lagged considerably behind both export prices and wholesale prices during recent years, the 1930 annual average index number for retail prices (1573) being 197 points higher than the wholesale-price index and 429 points higher than the export-price index.

Between January and December, 1930, wholesale prices fell 4·4 per cent, export prices fell 27·3 per cent., and retail prices (between November, 1929, and November, 1930) 3·4 per cent.

#### “Lag” in Retail Prices.

The “lag” in retail prices is not a phenomenon peculiar to the Dominion. The year 1930 was a year of falling prices all over the world, but retail prices have not yet adjusted themselves to the change in wholesale prices. In this connection, the following comparison of the fall in prices in Britain, the Dominions, and the United States is of interest :—

PERCENTAGE DECREASE IN PRICES, JANUARY TO OCTOBER, 1930.

Country.	Wholesale Prices.	Retail Prices (All Groups).
	Per Cent.	Per Cent.
United Kingdom .. .. .	15	6
South Africa .. .. .	7½	2¼
Australia .. .. .	14	3½*
Canada .. .. .	15	5
United States .. .. .	12½	5¼
New Zealand .. .. .	3½	2½†

\* First to third quarters.

† February to November.

NOTE.—This table illustrates the disparity between the fall in prices realized in the wholesale markets and in the prices paid by householders for commodities used in the average household.

Decreases in wholesale prices have been considerably greater than in retail prices in each of the countries examined, the exception being in the case of New Zealand. Wholesale prices dropped gradually in the Dominion throughout the first few months of the year, but the downward movement was checked by the effect of the tariff increases in July, which reflected themselves in the index numbers from the month of August onwards.

From the above analysis it is apparent that, while export prices for our primary produce are very sensitive to the state of the overseas markets, wholesale and retail prices “lag” considerably in responding to such influences. Export prices of dairy-produce and wool are already showing signs of recovery, but it is clear that a very considerable advance in the prices of primary produce would be necessary to bring export prices back to a level corresponding to that of the index number of farm expenditure; or, conversely, a very considerable reduction in expenses of production would be necessary in order to bring the farm-expenditure index back to anything approaching the present level of export prices. Until some readjustment of prices received to prices paid is made, an unsatisfactory state of industry, with consequent acute unemployment, will continue.

The divergence between the farm-expenditure index and the export-price index is in part accounted for by the lag of the wholesale-price level in adjusting itself to the falling export prices. The consequence of this lag is that the prices paid for materials continue on a level relatively high as compared with those received for commodities produced by the farmer. This accounts only in part for the difference; for interest, wages, rates and taxes, freights, insurance, and other items making up the total budget of primary producers' expenditure have not receded to the same extent.

While it does not come within the scope of this report to make suggestions as to the methods to be followed in adjusting costs of production to the low level of export values, it is quite evident that unless some such adjustment takes place in the near future a rising tide of unemployment will drain the resources of the Board unless a very marked improvement in export prices takes place.

#### International Comparison of Movements in Wholesale Prices.

The problem of the receding wholesale-price level is causing grave concern the world over, and it is difficult to predict with any certainty the future trend of events in this economic sphere. The importance of the price factor in the economic affairs of New Zealand has already been stressed, and it is informative at this stage to consider the movement since 1914 in wholesale prices in the United Kingdom and other overseas countries. New Zealand indexes are also inserted for purposes of comparison :—

## WHOLESALE-PRICE INDEX NUMBERS IN VARIOUS COUNTRIES ON BASE.

(Average prices in the year 1914 = 1000.)

Year.	New Zealand (Official).	United Kingdom (Statist).	United States (Bradstreet).	Denmark.	Canada (Official).	South Africa (Official).	Australia (Official)
1914 .. ..	1000	1000	1000	1000	1000	1000	1000
1924 .. ..	1584	1640	1451	1700	1515	1328	1641
1925 .. ..	1546	1600	1567	1440	1564	1317	1605
1926 .. ..	1475	1480	1451	1070	1525	1272	1594
1927 .. ..	1403	1440	1442	1060	1490	1280	1581
1928 .. ..	1417	1412	1485	1140	1469	1242	1560
1929 .. ..	1413	1353	1411	1120	1456	1197	1569
1930—							
January .. ..	1413	1254	1293	1070	1458	1105	1496
February .. ..	1407	1233	1260	1040	1433	..	1457
March .. ..	1404	1212	1255	1010	1401	..	1433
April .. ..	1402	1194	1229	1010	1398	1073	1446
May .. ..	1400	1162	1210	990	1371	..	1465
June .. ..	1391	1127	1185	970	1341	..	1442
July .. ..	1383	1111	1173	960	1308	1032	1431
August .. ..	1399	1085	1171	960	1282	..	1410
September .. ..	1383	1068	1156	940	1258	..	1333
October .. ..	1364	1064	1129	920	1241	1022	1287
November .. ..	1350	1042	1104	..	1219	..	1218

In drawing inferences from the table of wholesale prices in different countries shown above it should be borne in mind that the figures do not indicate the relative levels of prices in the countries shown, but the relative movement in prices in the different countries. A high index number for any one country may not necessarily mean high relative prices at the present time, since it may be caused by a relatively low level of prices in the base year, which is in this case the year 1914. Comparison of the movement in prices in the countries shown is, however, illustrated by the table.

From the above table, it is evident that the trend of wholesale prices has recently been definitely downward. It is difficult to say how far monetary influences have contributed to the fall or to what extent increased competition on the world's markets has been responsible. It is quite evident, however, that some of the important, primary products at least are being sold at a level considerably below costs of production. The "group" wholesale, price index numbers for the United Kingdom compiled by the *Statist* were at the following levels in November, 1930 as compared with 1914:—

		Per Cent.			Per Cent.
Vegetable food .. ..	..	— 3·6	Minerals .. ..	..	+ 7·0
Animal food .. ..	..	+ 27·4	Textiles .. ..	..	— 13·3
Tea, sugar, coffee .. ..	..	— 11·0	Sundry materials .. ..	..	+ 5·3
Total food .. ..	..	+ 8·9	Total materials .. ..	..	+ 1·0
			Grand total .. ..	..	+ 4·2

The "Animal foods" group includes butter, cheese, and meats, which commodities form a very large proportion of New Zealand exports to the United Kingdom. Prices in this group, although only 27·4 per cent. above the 1914 wholesale-price level in the United Kingdom, compare favourably with the other groups in respect of movement since that year. Textiles show a decrease of 13·3 per cent. since 1914. This group includes cotton and other textile materials besides wool, the decrease in wool being even greater than that in the "textiles" group as a whole.

The monetary influences affecting prices indicate a continuation of prices on a comparatively low level, estimates of future gold-production being considerably below the world's requirements. The monetary factor has been further complicated by the action of the United States and France in accumulating huge gold reserves which are prevented from exercising a monetary function.

Our exports are, however, confined to a comparatively few commodities, and it is quite possible that conditions of supply of these commodities may have a greater influence on the future prices of the narrow selection of commodities which we forward to the world's markets than monetary considerations, which affect all commodities impartially. An instance at the present time of peculiar conditions in the market for a single commodity affecting New Zealand very adversely occurs in the case of wool, which receded in price far below the general level of prices. It is possible that influences affecting supply may place New Zealand in the future in an especially favourable or unfavourable position; and the development of new export industries, such as the pig industry (which was strongly recommended by the Unemployment Committee), would make for safety and stabilization of returns, since we would have a wider range of products to spread out losses which special conditions may cause in any one product.

## Inferences drawn from Analysis of Recent Price-movements.

The foregoing analysis of recent price-movements has been somewhat detailed, but, since the collapse in prices has been the main cause of the present distressing unemployment situation,

consideration of this aspect of our economic affairs is necessary towards a true understanding of the position. The main conclusions to be drawn from this analysis may be summarized as follow :—

- (1) Our favourable balance of visible exports has fallen from £11,302,215 in 1928 to £1,914,778 in 1930.
- (2) The collapse in prices during 1930, superimposed upon a considerable decrease in 1929, has been responsible for this unsatisfactory state of affairs.
- (3) Costs of production of primary produce have not fallen appreciably.
- (4) The present level of the export-prices index is considerably below that of the farm-expenditure index.
- (5) While the long term trend of prices on the overseas markets would appear to be downward, the immediate future outlook points to a recovery from the present exceptionally low level.
- (6) Conditions of supply may affect the comparatively few commodities which make up our export trade more than monetary conditions, so that prices for these commodities may move to a less or greater extent than the general price level.
- (7) Wholesale prices in New Zealand have not fallen to the same extent as export prices, and retail prices have “lagged” still further behind.

#### Effects of Depression on the Banking Situation.

The stagnation in industry and trade consequent on the price-movements which have been examined in the preceding pages is reflected in the official banking statistics. The following table shows the total amount of deposits, the total of advances, and the ratio of advances to deposits each month of 1930 and the early months of 1931 :—

Month.	Deposits.	Advances.	Ratio of Advances to Deposits.
	£	£	Per Cent.
1930.			
January .. .. .	56,101,904	53,508,578	95·38
February .. .. .	57,151,252	53,083,920	92·88
March .. .. .	58,803,127	54,285,598	92·32
April .. .. .	59,201,765	54,940,841	92·80
May .. .. .	59,016,402	54,291,956	91·99
June .. .. .	58,428,332	53,177,632	91·01
July .. .. .	57,728,232	52,289,888	90·58
August .. .. .	56,545,190	52,544,150	92·92
September .. .. .	54,572,657	52,650,707	96·48
October .. .. .	53,413,268	53,421,800	100·02
November .. .. .	53,172,354	53,324,720	100·30
December .. .. .	53,136,779	53,219,865	100·20
1931.			
January .. .. .	53,325,129	53,059,951	99·50
February .. .. .	54,039,144	53,306,944	98·65
March .. .. .	54,935,342	53,393,890	97·19

The ratio of advances to deposits has increased very considerably during the later months of 1930, the October, November, and December figures reaching an actual excess of advances. It is interesting, in this connection, to take cognizance of the relation between free and fixed deposits during 1930 and 1931.

Month.	Free Deposits.	Fixed Deposits.	Ratio of “Free” to Fixed Deposits.
	£	£	Per Cent.
1930.			
January .. .. .	23,345,888	30,313,068	77·02
February .. .. .	24,024,401	30,179,432	79·61
March .. .. .	24,244,301	29,859,297	81·13
April .. .. .	24,016,259	29,967,398	80·14
May .. .. .	23,273,271	30,582,953	76·10
June .. .. .	22,555,389	30,917,262	72·95
July .. .. .	21,743,931	31,249,558	69·58
August .. .. .	20,552,141	31,646,012	64·94
September .. .. .	20,251,386	32,226,434	62·84
October .. .. .	18,993,705	32,654,956	58·16
November .. .. .	18,474,116	32,828,637	56·30
December .. .. .	18,380,121	32,829,565	56·00
1931.			
January .. .. .	18,198,910	32,940,040	55·25
February .. .. .	18,613,861	33,092,923	56·25
March .. .. .	18,207,391	32,831,054	55·46

The abnormally low ratio of free to fixed deposits is a significant indication of the inactivity in industry, investors apparently preferring an assured return on their money, either on account of a lack of confidence in the business outlook or because of a lack of attractive investments offering.

### Production and Employment in Primary Industries.

The rapid abnormal movement in prices has been too recent to have reflected itself yet in the official statistics of agricultural, pastoral, and factory production. Figures for the year ended 31st March, 1930, do not show the full effects of the slump in prices, since the movement had by no means reached its lowest point by the end of March, 1930. Nevertheless, the following summary of production and employment in the principal industries of the Dominion during the last five years throws some light on the present situation.

The quantities of the principal items of produce exported from New Zealand during each year since 1926 were:—

Year.	Wool.	Frozen Meat.	Butter.	Cheese.	Tallow.
	Ib.	Cwt.	Cwt.	Cwt.	Cwt.
1926 .. .. .	213,154,399	3,034,356	1,168,040	1,461,548	422,560
1927 .. .. .	220,500,720	3,364,965	1,455,539	1,492,792	477,500
1928 .. .. .	226,804,744	3,793,828	1,449,570	1,567,272	514,960
1929 .. .. .	234,955,978	3,336,200	1,653,807	1,779,093	416,640
1930 .. .. .	197,219,509	4,041,231	1,884,237	1,812,981	492,560

The quantity of wool exported increased steadily each year between 1926 and 1929. In 1930 exports of this commodity showed a decline. Evidence that this falling-off in exports of wool was due in part at least to the withholding of wool from sale owing to the abnormally low prices ruling during that year is borne out by the official statistics showing the number of sheep in the Dominion, the total number of sheep on the 30th April, 1930—(30,841,287)—being the highest figure yet recorded in the history of the Dominion. The quantities of frozen meat, butter, cheese, and tallow exported are on a considerably higher level than in 1926. Consideration of these figures emphasizes the fact that the recent fall in prices has been responsible for the reduction in the favourable balance of trade from £11,302,215 in 1928 to £1,914,778 in 1930.

There seems little doubt that the increases shown in the quantities of our principal farm-products exported during the past few years have been caused largely by the adoption of more scientific methods of cultivation. Statistics are now collected by the Census and Statistics Office as to the quantities of manure used by farmers in top-dressing. In 1929-30, 8,585,399 cwt. of manures were so used—an increase of 1,070,040 cwt. as compared with the 1928-29 figure (7,515,359 cwt.). These figures were not collected prior to the 1928-29 season.

With the present low prices prevailing, there is a grave danger that many farmers will not be able to maintain their holdings at the existing high level of productive efficiency. Apart from the immediate effects on the unemployment situation of the farmer's lack of funds for the proper maintenance and development of his pastures, any retrogression in this respect will necessarily be accompanied by a lowering in the volume of primary production in the future, which would have a very adverse effect on the economic position of the Dominion. With these considerations in mind, the Board has allocated part of its available funds to the payment of wages on farm-development work.

Statistics as to the number of wage-earners ordinarily employed on farms are available for the 1928-29 season and the 1929-30 season. In 1929-30 there were 31,427 male and 1,484 female wage-earners employed on farms—a decrease of 1,286 males and 1,276 females as compared with the 1928-29 figures (32,713 males and 2,760 females).

The total number of persons engaged on farm-work, including occupiers and members of occupier's families engaged in farm-work during the last five years, were (males only)—

1925-26 .. .. .	102,771	1928-29 .. .. .	112,885
1926-27 .. .. .	102,335	1929-30 .. .. .	119,321
1927-28 .. .. .	106,649		

### Production and Employment in Secondary Industries.

The steady growth in the volume of factory production in recent years is illustrated by the following table, showing the added value created in process of manufacture during the past eleven years. The "added value" is obtained by deducting the cost of materials from the gross value of the products.

Year.	Added Value (uncorrected).	Index of Prices of New-Zealand-manufactured Products (1909-13 = 1000).	Added Value (corrected).	Relative Numbers Corrected. (1919-20 = 1000.)	Number of Employees, including Working Proprietors.	Relative Numbers. (1919-20 = 1000)
	£		£			
1919-20 .. .. .	21,538,209	1592	13,529,025	1000	72,889	1000
1920-21 .. .. .	25,555,220	1737	14,712,274	1087	78,853	1082
1921-22 .. .. .	27,101,944	1670	16,228,708	1200	70,316	965
1922-23 .. .. .	28,757,736	1467	19,603,092	1449	73,662	1011
1923-24 .. .. .	29,969,364	1650	18,163,250	1343	77,661	1065
1924-25 .. .. .	31,939,893	1750	18,251,367	1349	80,327	1102
1925-26 .. .. .	32,569,430	1690	19,271,852	1424	82,618	1125
1926-27 .. .. .	32,799,021	1545	21,229,139	1569	81,904	1124
1927-28 .. .. .	32,423,806	1527	21,233,664	1577	81,756	1122
1928-29 .. .. .	33,301,652	1633	20,392,928	1507	83,680	1148
1929-30 .. .. .	34,255,719	1559	21,908,736	1619	85,797	1177

It will be observed that the "added value" has increased from £21,538,209 in 1919-20 to £34,255,719 in 1929-30, an increase of 59 per cent. The effect of price-fluctuations, which obscure to a certain extent the movements resulting from increased and decreased production, is eliminated by "correcting" the figures by a series of wholesale-price index numbers of New-Zealand-manufactured products which has been specially compiled for the purpose. The corrected figures show that the volume of factory production has increased by 61·9 per cent. since 1919-20. The 1929-30 volume-of-production index is the highest recorded during the period under review. An increase of approximately 3 per cent. in the actual added value as compared with 1928-29 was achieved by an increase of 7 per cent. in the volume of production, the increase in volume being largely offset by a fall in prices received. The index number for wholesale prices of New-Zealand-manufactured produce for the calendar year 1930 has fallen to 1332, so that it is obvious that a very considerable increase in the volume of production for the 1930-31 year will be necessary if the added value is to be maintained at the high level reached in 1929-30.

The number of employees (including working proprietors) has not increased in ratio with the increase in volume of production or added value. In fact, actual decreases were recorded between 1925-26 and the two immediately succeeding years, although an increase between 1927-28 and 1928-29 more than recovered the fall in numbers recorded during the preceding two years. The 1929-30 figure (85,797) represents an increase of 17·7 per cent. as compared with 1919-20, whereas during the same period the volume of production has increased by 61·9 per cent.

Although the increase in the number of employees has not kept pace with the increase in the volume of factory production in recent years, the importance of the secondary industries as a means of employment is realized when it is considered that no less than 85,797 persons were employed in factory production during the year ended 31st March, 1930, as compared with 119,321 persons engaged in farm-work. Both figures include working proprietors as employees. It is obvious from these figures that the considerable expansion in our secondary industries which would result if purchasers exercised a marked preference for New-Zealand-made goods would contribute very materially towards providing a permanent cure for unemployment in this Dominion.

The movement in employment in the secondary industries is illustrated in the following table, which shows the number of employees (including working proprietors) in the larger industries during each year since 1926:—

Industry.	Number of Employees (including Working Proprietors), Year ended 31st March,				
	1926.	1927.	1928.	1929.	1930.
Meat freezing and preserving .. .. .	5,798	5,428	6,139	6,581	6,139
Ham and bacon curing .. .. .	353	401	394	374	396
Butter and cheese and condensed-milk manufacture .. .. .	4,140	3,996	4,167	4,288	4,228
Grain-milling .. .. .	675	648	697	693	731
Biscuits and confectionery making .. .. .	2,592	2,655	2,501	2,570	2,719
Fruit-preserving and jam-making .. .. .	247	260	309	325	298
Brewing and malting .. .. .	978	997	990	981	987
Aerated-water and cordial manufacture .. .. .	664	689	702	698	697
Soap and candle making .. .. .	460	473	470	474	452
Sausage-casing manufacture .. .. .	322	212	245	494	442
Coopering and case-making .. .. .	218	275	274	366	381
Sawmilling and sash and door making .. .. .	9,642	8,198	7,305	7,130	7,381
Woodware and turnery manufacture .. .. .	1,042	1,108	1,012	1,039	1,112
Paper bag and box making .. .. .	360	358	361	361	348
Gasmaking and supply .. .. .	2,053	1,929	1,878	1,849	1,796
Electricity generation and supply .. .. .	1,985	2,363	2,196	2,408	2,459
Electric tramways .. .. .	3,310	3,291	3,136	3,062	2,936
Lime crushing and burning and cement-making .. .. .	851	899	915	875	928
Brick, tile, and pottery making .. .. .	1,392	1,316	1,300	1,233	1,156
Leadlight-making and glass-bevelling .. .. .	359	375	380	406	423
Concrete block and pipe and fibrous-plaster making .. .. .	564	607	613	698	780
Tinned plate and sheet-metal working .. .. .	1,436	1,489	1,412	1,419	1,494
Iron and brass founding, boilermaking, &c. .. .. .	955	947	885	850	798
Engineering: General .. .. .	3,807	3,778	3,668	3,741	3,890
Range-making .. .. .	330	331	319	325	400
Printing and publishing and bookbinding .. .. .	7,274	7,874	8,053	8,322	8,255
Agriculture and dairying machinery .. .. .	1,040	885	779	826	963
Coachbuilding .. .. .	1,496	1,497	1,469	1,405	1,522
Motor-cycle engineering .. .. .	3,549	4,331	4,483	4,522	5,511
Tanning .. .. .	495	483	422	409	449
Fellmongering and wool-scouring .. .. .	466	454	456	407	390
Ship and boat building .. .. .	844	780	739	753	750
Furniture and cabinet making .. .. .	2,767	2,751	2,708	2,675	2,774
Mattress-making .. .. .	318	352	361	392	384
Chemical-fertilizer refining .. .. .	..	583	672	722	719
Woollen-milling .. .. .	2,326	2,380	2,451	2,576	2,478
Boot and shoe making .. .. .	2,541	2,376	2,338	2,293	2,307
Hosiery-making .. .. .	498	575	631	701	729
Clothing-manufacture .. .. .	6,833	6,881	7,101	7,501	7,852
Flax-milling .. .. .	1,241	1,193	1,020	879	903
Other .. .. .	5,796	5,486	5,805	6,057	6,440
Totals .. .. .	82,018	81,904	81,756	83,680	85,797



Although the 1930 (March year) figures in the above table do not show the full effects of the 1930 slump in prices, nevertheless a decline in the volume of employment is recorded in many industries. In the sawmilling industry a downward tendency in employment has been recorded during the five years under review, the number of employees in 1930 (7,381) being 2,262 below the 1926 figures (9,643)—a decrease of 23.46 per cent.

The number of employees engaged in the gasmaking industry has steadily declined each year since 1926. The substitution of electricity for gas is no doubt the main cause contributing to this decrease; employment in the electric generating and supply industry having increased from 1,985 in 1926 to 2,459 in 1930.

Electric-tramway employees numbered 2,936 in 1930, as compared with 3,310 in 1926. Employment in this industry has also decreased year by year since 1926. A similar position is recorded in the brick, tile, and pottery making industry, which had 1,392 employees in 1926, and 1,156 in 1930. The boot and shoe industry also had fewer employees in 1930 than in 1926.

Employment in the engineering trades increased considerably in the years immediately prior to 1930, particularly in the motor-engineering industry, which employed 5,511 persons in 1930, an increase of 1,962, or 55 per cent., since 1926. This industry was, however, affected very adversely by the slump in 1930, imports of motor-vehicles having fallen from £4,278,924 in the calendar year 1929 to £2,448,781 in 1930.

Employment in flax-milling is on a definitely lower level than in previous years, the number of employees in 1930 (903) being 338 less than in 1926, a decline of 27 per cent.

### Building Activity.

The value of building permits issued by cities, boroughs, and town districts during the last ten years is shown below as an indication of the movement in building activities during that period :—

Year.	Number of New Buildings.	Value of New Buildings.	Value of Alterations to Existing Buildings.	Total Value of all Permits
		£	£	£
1921-22 .. ..	5,015	4,602,834	680,178	5,283,012
1922-23 .. ..	6,563	6,124,439	977,242	7,101,681
1923-24 .. ..	7,804	7,708,933	1,437,546	9,146,479
1924-25 .. ..	6,907	7,823,331	1,480,829	9,304,160
1925-26 .. ..	7,917	8,613,549	1,555,981	10,169,530
1926-27 .. ..	8,354	9,357,977	1,661,412	11,019,389
1927-28 .. ..	6,914	8,127,732	1,537,484	9,665,216
1928-29 .. ..	6,199	7,326,464	1,727,957	9,054,421
1929-30 .. ..	6,705	7,917,349	2,042,528	9,959,877
1930-31 .. ..	4,111	4,240,238	1,233,157	5,473,395

The value of building permits issued by cities, boroughs, and town districts during the year ended 31st March, 1931, was £5,473,395, a decrease of £4,486,472 as compared with the 1929-30 figure. During the previous seven years the value of building permits issued varied between £9,054,421 (in 1928-29) and £11,019,389 (1926-27). The sudden falling-off of such great magnitude in building activity has had far-reaching effects on the unemployment situation generally. Apart from the resultant unemployment in the building trades and in industries supplying building-materials, serious repercussions in other industries are caused by the diminished purchasing-power of those directly affected by the slump in building activity. The falling-off in the building trade was particularly marked in the later months of 1930 and early in 1931, as is illustrated in the following table, which shows the actual value of building permits issued in the larger towns during each month of 1930 and the early months of 1931 :—

### VALUE OF BUILDING PERMITS ISSUED IN LARGER TOWNS.

Month.	New Buildings.	Alterations to Existing Buildings.	Total.
	£	£	£
1930.			
January .. ..	546,133	119,823	665,956
February .. ..	404,105	148,189	552,294
March .. ..	667,090	159,893	826,983
April .. ..	301,275	102,831	404,106
May .. ..	406,980	133,316	540,296
June .. ..	352,460	164,492	516,952
July .. ..	451,838	113,248	565,086
August .. ..	335,546	85,152	420,698
September .. ..	331,160	103,863	435,023
October .. ..	407,348	87,638	494,986
November .. ..	235,320	81,065	316,385
December .. ..	176,702	80,448	257,150
1931.			
January .. ..	174,321	55,285	229,606
February .. ..	234,814	65,327	300,141
March .. ..	196,686	60,411	257,097

The total value of building permits issued in December, 1930 (£257,150), was considerably less than half the corresponding figures for December, 1929 (£580,116). The January, February, and March, 1931, figures are also much lower than the totals for the corresponding months of 1930.

The abnormality of economic conditions when the Board commenced operations, in November, 1930, is illustrated by the survey given in the preceding pages of this report. The magnitude of the task confronting the Board is shown in the next section of the report, in which an analysis of registrations at the employment bureaux of the Labour Department is made.

### Extent of Unemployment in New Zealand.

#### *Census Data.*

Direct statistical evidence as to the extent of unemployment in New Zealand is available from the census (since 1896) and from the records of the Labour Department (since 1892). In addition, statistics of unemployment among trade-unionists, and of monthly employment in factories and works, have been collected in recent years by the Census and Statistics Office—the former since 1925 and the latter since 1926.

The great disadvantage of the Census inquiry as an indicator of the trend of unemployment is that it provides data at quinquennial intervals only, and consequently does not throw light on the rapid fluctuations in unemployment which are characteristic of periods of economic stress. Nevertheless, the census provides reliable data as to the actual numbers unemployed on the census dates, and, while information has been available from other sources as to the movements in unemployment from time to time, it has hitherto been extremely difficult to gauge the actual total of unemployed wage-earners in the country at any particular time from any other source. The following table showing the numbers and the proportion to total wage-earners of the unemployed at successive censuses is of interest in showing the state of employment at intervals over a long period of years:—

Census.	Number of Males Unemployed.	Proportion per Thousand Male Wage-earners.
12 April, 1896 .. ..	14,759	100
31 March, 1901 .. ..	8,467	48
12 April, 1906 .. ..	8,189	39
2 April, 1911 .. ..	7,152	30
15 October, 1916 .. ..	5,920	26
17 April, 1921 .. ..	11,061	39
20 April, 1926 .. ..	10,694	34

It will be observed from these figures that the unemployment position at the 1896 census date, when there were 100 males unemployed for every 1,000 male wage-earners, was considerably more serious than at any other of the census dates on which this data was collected. The proportion of males unemployed on the 1926 census date (34 per 1,000 male wage-earners) was considerably less than that recorded at the 1921 census, but higher than the figure shown by the 1911 and 1916 censuses.

A more comprehensive survey of unemployment than had previously been attempted was made at the 1926 census, data being obtained as to the number of working-days lost during the twelve months immediately preceding the census through sickness, accident, or injury, and through lack of employment not due to strikes or lockouts. The average number of working-days lost through lack of employment among males was shown to be 18·8 days during the year prior to the census date (20th April, 1926).

#### *Registrations at Labour Bureaux.*

The annual reports of the Labour Department (parliamentary paper H.—11) contain valuable information as to the registrations and placements through the employment bureaux of that Department. Details as to the number of unplaced applicants on registers of the bureaux at the end of each week have been obtained for each week since the beginning of April, 1921. The annual average of these weekly totals shown below gives an indication of the growth of the unemployment problem since that year.

Year.	Weekly Average of Unplaced Applications.	Year.	Weekly Average of Unplaced Applications.
1921 (nine months) .. ..	1,097	1926 .. ..	1,196
1922 .. ..	1,237	1927 .. ..	1,982
1923 .. ..	599	1928 .. ..	2,504
1924 .. ..	437	1929 .. ..	3,023
1925 .. ..	426	1930 .. ..	5,055

While the number of unfilled applications at the bureaux is an indication of the state of the labour-market, it is unsafe to draw conclusions as to the extent of the movement in unemployment from these statistics unless certain reservations are borne in mind. In the first place, the figures will tend to minimize the extent of unemployment in times of economic prosperity, for in good times the unemployed worker will usually manage to find employment without the assistance of the employment bureaux of the Labour Department. On the other hand, in periods of economic depression, when the chances of obtaining employment are considerably lessened, workers will avail themselves of the services of the employment bureaux to a far greater extent. Consequently the movement in the total of unfilled applications tends to exaggerate fluctuations in unemployment. Apart from this consideration, the Department has during recent years considerably widened the scope of the activities of its employment bureaux. Registrations prior to February, 1928, could only be made at the bureaux; but since that month facilities have been provided whereby registrations are accepted at any post-office. A further factor which, in 1929 and 1930, undoubtedly caused a larger proportion of unemployed to register with the Labour Department is the recently adopted policy of engaging all men for public works and local bodies' relief works through the bureaux, where such a course is practicable.

It will be observed from the table published above that the weekly average numbers of unfilled applications on the employment registers has varied, since 1921, between 426 (in 1925) and 5,055 (in 1930). Evidence that the unplaced registrations in the years prior to 1930 formed only a portion of the total unemployed is revealed by the 1926 census inquiry. On the date of the census (20th April, 1926) there were 10,694 males unemployed, while the unplaced registrations on the 19th April of that year totalled only 571.

A detailed statement showing the number of unfilled applications on the registers of the employment bureaux week by week since the beginning of the year 1926 is contained in Table I of the appendix to this report. A progressive upward tendency is revealed by these weekly figures, comparisons between approximately similar dates in one year and the immediately succeeding year almost invariably showing an increase. The seasonal ebb and flow of unemployment is well illustrated by this table, a notable exception to the seasonal fluctuation being recorded in October, 1929, when, following on the announcement by the Government that work would be found for able-bodied men registered at the bureaux, the unfilled registrations increased from 2,466 on the 30th September of that year to 4,924 on the 7th October and further to 6,264 on the 14th October. Successive decreases in succeeding weeks brought the total down to 1,242 on the 30th December of that year. The year 1930 saw a rapid rise in the registrations at the labour bureaux. The average of the weekly totals of unfilled applications for each of the months of that year showed progressive increases, the actual figures being:—

January .. .. .	2,345	July .. .. .	5,465
February .. .. .	2,442	August .. .. .	5,455
March .. .. .	2,834	September .. .. .	5,765
April .. .. .	3,382	October .. .. .	6,038
May .. .. .	4,519	November .. .. .	6,671
June .. .. .	5,306	December .. .. .	9,615

The rapid increase in the number of registered unemployed towards the end of the year made it imperative that the Board immediately upon commencing its sittings on the 25th November, 1930, should devise schemes for the relief of the position before taking time to consider its permanent policy. Consequent on the pronouncement of the Board's schemes for the provision of immediate employment a sudden increase in registrations took place, and, despite the placement of a large number of men in various works subsidized by the Board, the number of unplaced applicants on the registers has continued to increase. The following table shows the registrations, placements, the numbers remaining on the registers, and the number of registered unemployed obtaining relief under Schemes 2 and 5 of the Unemployment Board:—

REGISTERED UNEMPLOYED, OCTOBER, 1930, TO MARCH, 1931.

Week ended	Number of New and Renewed Applications for Employment during the Week.	Number of Placements through the Bureaux during the Week.	Number of Registered Unemployed at End of Week.	Number of Registered Unemployed obtaining Relief under Schemes 2 and 5 of the Board.	Number Totally Unemployed.
1930.					
6th October .. .. .	1,451	262	6,052	..	6,052
13th " .. .. .	1,508	277	6,028	..	6,028
20th " .. .. .	1,603	296	6,055	..	6,055
27th " .. .. .	1,272	271	6,018	..	6,018
3rd November .. .. .	1,716	372	6,080	..	6,080
10th " .. .. .	1,813	294	6,432	..	6,432
17th " .. .. .	1,901	294	6,768	..	6,768
24th " .. .. .	2,202	297	7,402	..	7,402
1st December .. .. .	2,455	447	8,038	..	8,038
8th " .. .. .	3,788	781	9,630	..	9,630
15th " .. .. .	4,433	1,083	11,442	..	11,442
22nd " .. .. .	3,152	1,219	11,371	..	11,371
29th " .. .. .	3,237	4,412	7,596	..	7,596
1931.					
5th January .. .. .	4,938	1,006	8,703	..	8,703
12th " .. .. .	6,335	1,465	12,230	..	12,230
19th " .. .. .	5,766	1,365	14,875	..	14,875
26th " .. .. .	5,779	1,594	16,607	..	16,607
2nd February .. .. .	4,935	1,543	17,556	..	17,556
9th " .. .. .	5,773	3,613	17,002	..	17,002
16th " .. .. .	6,138	1,180	22,842	7,226	15,616
23rd " .. .. .	8,166	214	27,662	10,978	16,684
2nd March .. .. .	6,066	291	29,434	12,119	17,315
9th " .. .. .	5,476	299	29,941	13,096	16,845
16th " .. .. .	5,704	366	31,678	16,236	15,442
23rd " .. .. .	5,402	369	33,946	21,618	12,328
30th " .. .. .	7,669	272	38,028	24,941	13,087

NOTE.—Since the 16th February the numbers temporarily employed on Schemes 2 and 5 of the Unemployment Board are shown. These men, though now partially employed, are still included as registered unemployed.

*Causes of Recent Increase in Unemployment Registrations.*

The phenomenal increase in the number of registered unemployed since the Board commenced operations is well revealed by this table. Despite the progressive increases in the number of placements through the bureaux the registrations have increased from 7,402 on the 24th November, 1930, to 38,028 on the 30th March, 1931. This increase in the number of registered unemployed is by no means entirely due to a change in economic conditions generally since last November. Indeed, signs of at least partial recovery in the economic sphere are not lacking. In making comparisons of recent unemployed registrations with periods prior to the inception of the Board's activities the following facts should be borne in mind:—

- (1) The Board has made every effort to induce unemployed to register, for it realizes the absolute necessity of possessing complete and authoritative data as to the extent of unemployment before it can cope effectively with the situation. Wide publicity has been given to the Board's statement of its policy in this respect.
- (2) The coming into operation of the Board's schemes for the relief of unemployment has provided the unemployed worker with a definite incentive to register, since the Board has made it clear that all workers engaged under its schemes will be recruited from the ranks of the registered unemployed only.
- (3) Owing to the prevailing economic conditions, local bodies have been unable to provide employment to the same extent as previously, and so a considerable extra burden has been placed on the shoulders of the Board.
- (4) The very existence of the Board has caused a relaxing of the efforts of employers—both private and local bodies—to provide employment. Some employers who retained workers from motives of sympathy now have no compunction in making dismissals, since they know that some provision is being made for the workless.
- (5) The uncertainty of the immediate economic outlook, particularly in regard to wage-reductions, has meant that many employers are postponing all but absolutely urgent and immediately essential work, in the hope that they will be able to obtain cheaper labour in the near future. The number of registered unemployed thus is probably considerably larger than is strictly justified by the economic state of the country at the present time.
- (6) Many cases have come under the Board's notice where farmers and farmers' sons, superannuated workers, owners of small businesses, and men with considerable private means have been registering as unemployed in order to qualify for relief work; consequently the Board has been forced to take action to ensure that only genuinely unemployed wage-earners shall be registered and so qualify for employment under its schemes in the future.
- (7) Since the coming into operation of the Board's Scheme No. 5 on the 9th February the total of registered unemployed includes many thousands who are receiving partial employment under this scheme.

*Distribution of Unemployment Registrations.*

Table II of the Appendix shows the distribution of registered unemployed among the larger towns, week by week, during 1930 and 1931. Throughout 1930 a considerably larger number of registered unemployed has been recorded in Auckland City than in the other major centres of population. In Wellington and Christchurch the number of registered unemployed has been considerably less than in Auckland, while in Dunedin registrations have been on a much lower level, as regards numbers, than in any of the other three larger cities.

On the 30th March, 1931, the numbers of registered unemployed in the main centres were: Auckland, 8,545; Wellington, 4,642; Christchurch, 4,517; Dunedin, 2,569.

Among the smaller centres of population 1,111 unemployed were registered at Greymouth, 1,026 in Invercargill, 947 in Wanganui, and 851 in Palmerston North. There were 9,358 unemployed registered at various post-offices throughout the Dominion. Registered unemployed on the 30th March totalled 23,183 in the North Island and 14,845 in the South Island.

These figures represent 108 registered unemployed in the North Island and 118 in the South Island per 1,000 wage-earners in each Island as estimated for the 31st December, 1930.

*Analysis of Unemployment Registrations during 1930.*

An analysis of the unemployed registered at the end of the first week in each month of 1930 is given in Tables III - V of the Appendix. In Table V similar data for the years 1929 and 1931 are also given. These are now briefly summarized.

As in previous years, the majority of the registered unemployed were labourers, the percentage for each month being as follows:—

	Per Cent.		Per Cent.
January .. ..	61·5	July .. ..	59·5
February .. ..	55·5	August .. ..	60·6
March .. ..	56·1	September .. ..	63·9
April .. ..	48·5	October .. ..	63·8
May .. ..	64·4	November .. ..	61·0
June .. ..	65·8	December .. ..	51·9

Of the 8,432 men included in the classifications for the month of December, 1930, 3,364 were single and 5,068 married men. The classification according to dependency shows that 3,168 men had no dependants; 1,406, one dependant; 1,403, two dependants; 1,089, three dependants; 652, four dependants; and 714, five dependants or over. The total number dependent on the 9,630 men on the registers at that date was 15,800, approximately (assuming that the unspecified cases had the same general average number of dependants as the specified cases).

The percentage of unemployed fitted for heavy work varied between a maximum of 91·6 in May and 83·7 in December, 1930.

Table III (attached) shows for each month of 1930, the duration, in weeks, of unemployment during the past six months. The average duration of unemployment of registered unemployed at the end of the first week in each month of 1930 was:—

	Weeks.		Weeks.
January .. ..	12	July .. ..	12
February .. ..	11	August .. ..	12
March .. ..	12	September .. ..	13
April .. ..	11	October .. ..	13
May .. ..	11	November .. ..	13
June .. ..	11	December .. ..	13

The classification according to the duration of unemployment, in weeks, shows that on the 9th December, 1930, 2,027 men had been out of employment for less than six weeks during the immediately preceding six months, 1,524 between six and ten weeks, 1,387 between ten and fourteen weeks, 1,102 between fourteen and eighteen weeks, 1,122 between eighteen and twenty-four weeks, while 1,266 men had been out of employment for twenty-four weeks or more during the preceding six months. The percentages of registered unemployed in the various groupings made during each month of the year 1930 were:—

Duration of Unemployment during the past Six Months.	Percentage of Total.											
	Jan.	Feb.	March.	April.	May.	June.	July.	Augu.	Sept.	Oct.	Nov.	Dec.
Under 2 weeks .. ..	6·0	8·6	7·0	6·5	6·2	6·4	4·8	4·8	3·3	3·5	4·9	6·2
2 weeks and under 4 .. ..	11·2	10·8	11·2	11·1	10·7	11·0	10·3	9·9	8·1	7·9	7·2	8·3
4 .. ..	11·8	10·6	11·0	12·8	12·7	11·4	10·8	10·9	9·4	8·7	7·6	9·5
6 .. ..	19·6	20·7	20·3	21·5	22·9	22·6	22·1	21·4	21·2	18·8	18·9	18·1
10 .. ..	16·9	16·5	16·0	17·0	15·9	16·8	18·2	17·5	19·1	18·8	18·2	16·5
14 .. ..	13·9	12·6	12·4	12·4	11·7	12·1	12·5	13·7	13·3	17·1	14·4	13·1
18 .. ..	9·6	10·9	10·5	9·5	10·0	10·5	10·5	10·8	12·8	13·4	14·8	13·3
24 and over .. ..	11·0	9·3	11·6	9·2	9·9	9·2	10·8	11·0	12·8	11·8	14·0	15·0
Total specified cases .. ..	100·0	100·0	100·0	100·0	100·0	100·0	100·0	100·0	100·0	100·0	100·0	100·0

The increase in the severity of unemployment during the year is illustrated by the increase in the proportion of men included in the class "18 to 24 weeks" and "24 weeks and over." In December, 1930, 15 per cent. of the men registered as unemployed had been out of employment for twenty-four weeks or more during the six months prior to that month, while a further 13 per cent. had been unemployed for between eighteen and twenty-four weeks during the same period.

The occupations of registered unemployed in the various districts on the 8th December, 1930, are shown in Table VI of the Appendix.

The seasonal variation in unemployment is illustrated by the attached Tables VII and VIII. In Table VII the average number of registered unemployed on the register during each month of the years 1926 to 1930 is expressed as a percentage of the average number so registered during these five years. During the years 1926, 1927, and 1928 the maximum monthly numbers of registered unemployed was recorded in June, July, or August, while in January of 1926 and 1927 and in December of 1928 the lowest numbers were recorded. During 1929 the normal seasonal fluctuation is observed, except for the sudden increase in October of that year consequent on the announcement by the Government that work would be found for registered unemployed. In 1930, however, the seasonal fluctuation was lost sight of in the abnormal increase in registrations during the later months of that year. Table VIII shows the seasonal fluctuations in employment in the main "secondary" industries. As data are not yet available for the year 1930, these figures do not show the effect of the 1930 depression.

TABLE I.—NUMBERS ON UNEMPLOYMENT REGISTER OF LABOUR DEPARTMENT FOR EACH WEEK, 1926-31.

1926.		1927.		1928.		1929.		1930.		1931.	
Week ended	Number.	Week ended	Number.	Week ended	Number.	Week ended	Number.	Week ended	Number.	Week ended	Number.
Jan. 11	384	Jan. 10	1,063	Jan. 2	1,213	Jan. 7	1,828	Jan. 6	1,565	Jan. 5	8,703
" 18	422	" 17	1,406	" 9	1,507	" 14	2,419	" 13	2,520	" 12	12,230
" 25	425	" 24	1,396	" 16	2,018	" 21	2,476	" 20	2,723	" 19	14,875
" ..	..	" 31	1,349	" 23	2,192	" 28	2,457	" 27	2,572	" 26	16,607
" ..	..	" ..	..	" 30	2,185	" ..	..	" ..	..	" ..	..
Feb. 1	428	Feb. 7	1,372	Feb. 6	2,096	Feb. 4	2,369	Feb. 3	2,398	Feb. 2	17,556
" 8	428	" 14	1,501	" 13	2,267	" 11	2,491	" 10	2,402	" 9	17,002
" 15	466	" 21	1,506	" 20	2,787	" 18	2,429	" 17	2,449	" 16	22,842
" 22	448	" 28	1,433	" 27	3,137	" 25	2,440	" 24	2,520	" 23	27,662
Mar. 1	472	Mar. 7	1,410	Mar. 5	3,002	Mar. 4	2,534	Mar. 3	2,578	Mar. 2	29,434
" 8	489	" 14	1,708	" 12	2,799	" 11	2,692	" 10	2,652	" 9	29,941
" 15	480	" 21	1,725	" 19	2,436	" 18	2,790	" 17	2,806	" 16	31,678
" 22	499	" 28	1,824	" 26	2,509	" 25	2,956	" 24	3,006	" 23	33,946
" 29	547	" ..	..	" ..	..	" ..	..	" 31	3,130	" 30	38,028
April 5	517	April 4	1,940	April 9	2,358	April 1	2,787	April 7	3,328	" ..	..
" 12	531	" 11	1,904	" 16	2,534	" 8	2,796	" 14	3,522	" ..	..
" 19	571	" 18	1,752	" 23	2,807	" 15	3,211	" 21	3,297	" ..	..
" 26	576	" 25	1,553	" 30	2,938	" 22	3,198	" 28	3,379	" ..	..
" ..	..	" ..	..	" ..	..	" 29	3,263	" ..	..	" ..	..
May 3	605	May 1	1,712	May 7	3,014	May 6	3,211	May 5	3,953	" ..	..
" 10	621	" 8	1,877	" 14	3,095	" 13	3,335	" 12	4,464	" ..	..
" 17	711	" 15	2,043	" 21	3,120	" 20	3,388	" 19	4,576	" ..	..
" 24	931	" 22	2,146	" 28	3,348	" 27	3,427	" 26	5,084	" ..	..
" 31	1,185	" 29	2,282	" ..	..	" ..	..	" ..	..	" ..	..
June 7	1,894	June 6	2,328	June 4	3,414	June 3	3,638	June 2	5,259	" ..	..
" 14	2,169	" 13	2,322	" 11	3,220	" 10	3,418	" 9	5,067	" ..	..
" 21	2,247	" 20	2,462	" 18	3,313	" 17	3,431	" 16	5,263	" ..	..
" 28	2,092	" 27	2,408	" 25	3,317	" 24	3,662	" 23	5,448	" ..	..
" ..	..	" ..	..	" ..	..	" ..	..	" 30	5,491	" ..	..
July 5	1,889	July 4	2,141	July 2	3,305	July 1	3,796	July 7	5,445	" ..	..
" 12	1,760	" 11	2,399	" 9	3,153	" 8	3,896	" 14	5,447	" ..	..
" 19	1,719	" 18	2,573	" 16	3,069	" 15	3,850	" 21	5,609	" ..	..
" 26	1,674	" 25	2,708	" 23	3,186	" 22	3,735	" 28	5,360	" ..	..
" ..	..	" ..	..	" 30	3,042	" 29	3,349	" ..	..	" ..	..
Aug. 2	1,784	Aug. 1	2,765	Aug. 6	2,949	Aug. 5	3,368	Aug. 4	5,279	" ..	..
" 9	1,800	" 8	2,928	" 13	2,628	" 12	3,082	" 11	5,441	" ..	..
" 16	1,815	" 15	2,700	" 20	2,536	" 19	2,941	" 18	5,639	" ..	..
" 23	1,784	" 22	2,642	" 27	2,434	" 26	2,795	" 25	5,463	" ..	..
" 30	1,697	" 29	2,498	" ..	..	" ..	..	" ..	..	" ..	..
Sept. 6	1,653	Sept. 5	2,327	Sept. 3	2,337	Sept. 2	2,722	Sept. 1	5,371	" ..	..
" 13	1,634	" 12	2,316	" 10	2,318	" 9	2,618	" 8	5,536	" ..	..
" 20	1,762	" 19	2,302	" 17	2,292	" 16	2,608	" 15	5,793	" ..	..
" 27	1,795	" 26	2,229	" 24	2,344	" 23	2,617	" 22	6,099	" ..	..
" ..	..	" ..	..	" ..	..	" 30	2,466	" 29	6,025	" ..	..
Oct. 4	1,711	Oct. 3	2,235	Oct. 1	2,361	Oct. 7	4,924	Oct. 6	6,052	" ..	..
" 11	1,625	" 10	2,118	" 8	2,425	" 14	6,264	" 13	6,028	" ..	..
" 18	1,604	" 17	2,035	" 15	2,278	" 21	5,505	" 20	6,055	" ..	..
" 25	1,472	" 24	1,993	" 22	2,255	" 28	4,142	" 27	6,018	" ..	..
" ..	..	" 31	1,952	" 29	2,212	" ..	..	" ..	..	" ..	..
Nov. 1	1,452	Nov. 7	1,851	Nov. 5	2,081	Nov. 4	3,108	Nov. 3	6,080	" ..	..
" 8	1,350	" 14	1,783	" 12	1,909	" 11	2,589	" 10	6,432	" ..	..
" 15	1,345	" 21	1,747	" 19	1,903	" 18	2,624	" 17	6,768	" ..	..
" 22	1,325	" 28	1,634	" 26	1,815	" 25	2,544	" 24	7,402	" ..	..
" 29	1,328	" ..	..	" ..	..	" ..	..	" ..	..	" ..	..
Dec. 6	1,308	Dec. 5	1,639	Dec. 3	1,823	Dec. 2	2,404	Dec. 1	8,038	" ..	..
" 13	1,226	" 12	1,613	" 10	1,788	" 9	2,080	" 8	9,630	" ..	..
" ..	..	" 19	1,575	" 17	1,894	" 16	1,854	" 15	11,442	" ..	..
" ..	..	" ..	..	" 24	1,886	" 23	1,453	" 22	11,371	" ..	..
" ..	..	" ..	..	" 31	1,476	" 30	1,242	" 29	7,596	" ..	..
Totals	58,650	Totals	99,125	Totals	130,325	Totals	157,222	Totals	262,871	" ..	..
Average	1,196	Average	1,982	Average	2,504	Average	3,023	Average	5,055	" ..	..

TABLE II.—NUMBERS ON UNEMPLOYMENT REGISTER OF LABOUR DEPARTMENT FOR EACH WEEK OF 1930.

Week ended	Auckland.	Wellington.	Christchurch.	Dunedin.	Hamilton.	Napier.	Wanganui.	New Plymouth.	Palmerston North.	Timaru.	Invercargill.	Other Districts and Post-offices.	Total.
1930.													
Jan. 6	353	257	470	135	10	6	27	14	19	14	55	205	1,565
„ 13	754	386	583	211	33	17	42	18	23	21	76	356	2,520
„ 20	869	437	484	209	39	25	47	29	23	29	92	440	2,723
„ 27	857	399	505	134	35	29	41	30	21	30	84	407	2,572
Feb. 3	813	401	458	124	26	25	39	25	12	37	81	357	2,398
„ 10	804	468	444	146	19	21	33	22	11	42	70	322	2,402
„ 17	817	483	400	169	29	33	32	17	25	23	75	346	2,449
„ 24	841	467	456	137	34	41	43	29	26	22	78	346	2,520
Mar. 3	875	390	552	134	27	43	37	34	22	30	89	345	2,578
„ 10	857	423	583	131	30	48	35	30	14	38	103	360	2,652
„ 17	913	459	627	141	29	42	43	36	19	46	111	340	2,806
„ 24	1,012	519	628	132	26	49	43	35	19	49	92	402	3,006
„ 31	1,069	520	728	147	24	51	51	31	19	39	79	372	3,130
April 7	1,140	523	736	230	30	64	48	32	25	28	116	356	3,328
„ 14	1,154	570	696	269	44	86	70	37	41	34	112	409	3,522
„ 21	1,172	533	554	279	45	81	59	36	43	26	121	348	3,297
„ 28	1,091	563	634	265	38	75	85	35	42	22	112	417	3,379
May 5	1,131	614	710	298	50	70	171	45	39	35	124	666	3,953
„ 12	1,269	595	809	361	63	61	180	37	48	37	143	861	4,464
„ 19	1,295	622	792	383	66	91	167	57	77	48	155	823	4,576
„ 26	1,494	650	858	367	75	117	141	62	93	60	161	1,006	5,084
June 2	1,380	650	911	336	92	137	159	60	97	73	161	1,203	5,259
„ 9	1,293	647	915	267	71	135	174	44	101	94	135	1,191	5,067
„ 16	1,483	703	919	276	66	111	153	37	93	109	146	1,167	5,263
„ 23	1,524	680	915	273	67	108	195	27	93	110	141	1,315	5,448
„ 30	1,517	686	868	308	62	102	202	34	95	120	146	1,351	5,491
July 7	1,471	644	890	364	66	93	256	36	134	105	145	1,241	5,445
„ 14	1,389	633	903	384	64	86	242	29	99	196	164	1,258	5,447
„ 21	1,413	756	960	414	47	99	202	16	81	241	147	1,233	5,609
„ 28	1,220	766	914	422	66	115	217	10	59	194	157	1,220	5,360
Aug. 4	1,218	861	931	452	42	101	181	14	44	189	160	1,086	5,279
„ 11	1,297	855	936	536	59	117	178	65	44	156	157	1,041	5,441
„ 18	1,296	1,006	979	566	42	112	168	77	51	145	164	1,033	5,639
„ 25	1,304	910	994	470	49	103	179	72	46	137	178	1,021	5,463
Sept. 1	1,408	768	1,039	443	38	107	197	40	46	112	158	1,015	5,371
„ 8	1,518	783	1,032	472	49	106	179	42	55	96	135	1,069	5,536
„ 15	1,470	882	1,122	481	42	119	176	41	105	89	173	1,093	5,793
„ 22	1,556	922	1,150	497	33	116	179	78	93	104	205	1,166	6,099
„ 29	1,689	934	1,090	444	28	110	147	90	111	107	191	1,084	6,025
Oct. 6	1,747	892	1,057	455	53	93	133	80	125	84	186	1,147	6,052
„ 13	1,722	850	1,052	469	70	94	134	59	119	75	184	1,200	6,028
„ 20	1,785	844	1,027	430	74	99	118	53	101	87	194	1,243	6,055
„ 27	1,834	814	956	468	101	96	111	52	86	75	182	1,243	6,018
Nov. 3	1,903	804	1,024	508	69	107	115	64	79	76	148	1,183	6,080
„ 10	2,023	901	1,072	461	83	135	122	65	115	90	172	1,193	6,432
„ 17	2,132	1,057	1,018	436	76	149	128	64	115	88	171	1,334	6,768
„ 24	2,258	1,194	1,089	582	86	128	122	59	125	90	189	1,480	7,402
Dec. 1	2,329	1,200	1,389	547	125	140	176	72	126	93	184	1,657	8,038
„ 8	2,625	1,221	1,671	742	154	165	296	146	121	137	213	2,139	9,630
„ 15	3,101	1,854	1,771	687	159	167	289	154	167	168	216	2,709	11,442
„ 22	3,113	1,735	1,835	628	139	131	198	131	191	212	192	2,866	11,371
„ 29	1,592	975	1,136	460	120	83	94	116	208	209	196	2,407	7,596
1931.													
Jan. 5	1,577	1,860	1,381	491	136	129	276	65	191	159	143	2,295	8,703
„ 12	2,544	2,119	1,875	723	235	208	368	145	262	241	316	3,194	12,230
„ 19	3,495	2,233	2,056	828	261	254	416	199	445	280	365	4,043	14,875
„ 26	3,900	2,253	2,106	994	274	308	441	202	557	274	281	5,017	16,607
Feb. 2	4,400	2,415	2,055	1,051	292	363	460	208	462	311	309	5,230	17,556
„ 9	4,647	1,896	1,883	1,456	255	†	403	260	456	389	404	4,953	17,002†
„ 16	4,647*	3,313	3,058	1,872	429	459	682	375	606	379	457	6,565	22,842
„ 23	7,166	3,751	3,455	1,923	520	417	788	444	804	461	566	7,367	27,662
Mar. 2	6,639	4,088	4,082	2,216	572	402	879	435	855	510	699	8,057	29,434
„ 9	6,718	4,363	3,635	2,339	620	422	867	537	838	496	791	8,315	29,941
„ 16	6,976	4,257	3,931	2,571	594	404	863	549	783	526	898	9,326	31,678
„ 23	7,606	4,461	4,293	2,730	610	537	874	613	808	490	932	9,992	33,946
„ 30	8,545	4,642	4,517	2,569	703	553	947	620	851	537	1,026	12,518	38,028
April 6	6,403	4,613	4,634	2,389	703*	503	933	644	846	502	1,091	14,337	37,598

\* Figures given are for previous week.

† Napier figures omitted.

TABLE III.—DURATION OF UNEMPLOYMENT OF APPLICANTS ON REGISTER, FIRST COMPLETE WEEK OF EACH MONTH FOR YEAR 1930.

Duration, in Weeks.	Number of Applicants.											
	Jan.	Feb.	March.	April.	May.	June.	July.	Aug.	Sept.	Oct.	Nov.	Dec.
Under 2 .. .. .	145	204	183	211	273	324	230	251	182	203	307	526
2 and under 4 .. ..	273	257	293	362	470	553	491	519	446	462	449	700
4 „ 6 .. .. .	286	253	288	417	556	574	518	573	512	512	473	801
6 „ 10 .. .. .	477	493	532	700	1,003	1,139	1,055	1,122	1,159	1,103	1,185	1,524
10 „ 14 .. .. .	410	394	419	554	697	844	872	918	1,048	1,103	1,137	1,387
14 „ 18 .. .. .	338	301	324	405	512	612	598	716	726	999	899	1,102
18 „ 24 .. .. .	236	260	276	311	434	532	501	567	702	786	935	1,122
24 and over .. ..	267	222	307	298	431	460	515	572	700	691	877	1,266
Unspecified .. ..	88	18	30	70	88	29	665	203	61	169	170	1,202
Totals .. .. .	2,520	2,402	2,652	3,328	4,464	5,067	5,445	5,441	5,536	6,028	6,432	9,630

TABLE IV.—ANALYSIS OF APPLICANTS ON REGISTER, FIRST COMPLETE WEEK OF EACH MONTH OF YEAR 1930.

	Jan.	Feb.	March.	April.	May.	June.	July.	Aug.	Sept.	Oct.	Nov.	Dec.
Conjugal condition—												
Single .. .. .	1,159	1,092	1,270	1,453	2,092	2,456	2,224	2,149	2,114	2,444	2,542	3,364
Married .. .. .	1,340	1,292	1,354	1,805	2,333	2,582	2,733	3,089	3,361	3,443	3,721	5,068
Period unemployed during past six months—												
Under six weeks .. ..	736	714	764	990	1,312	1,451	1,310	1,343	1,140	1,167	1,229	2,027
Six weeks and over ..	1,763	1,670	1,860	2,268	3,113	3,587	3,647	3,895	4,335	4,720	5,034	6,405
Birthplace—												
New Zealand .. .. .	1,423	1,301	1,512	1,818	2,613	3,055	3,145	3,200	3,310	3,474	3,879	4,934
Elsewhere .. .. .	1,076	1,083	1,112	1,440	1,812	1,983	1,812	2,038	2,165	2,413	2,384	3,498
Number of dependants—												
0 .. .. .	1,078	1,017	1,152	1,347	1,865	2,230	2,022	1,878	1,902	2,193	2,294	3,168
1 .. .. .	343	371	396	498	707	761	710	792	833	911	1,010	1,406
2 .. .. .	402	380	394	517	667	762	780	877	943	1,006	1,084	1,403
3 .. .. .	282	270	300	383	537	580	629	735	738	764	845	1,089
4 .. .. .	192	180	172	266	325	355	386	445	500	490	478	652
5 and over .. .. .	202	166	210	247	324	350	430	511	559	523	552	714
Age (in years)—												
Under 25 .. .. .	567	564	637	756	1,084	1,360	1,157	1,123	1,065	1,169	1,263	1,542
25-44 .. .. .	1,192	1,111	1,206	1,510	2,009	2,249	2,296	2,526	2,439	2,865	3,008	3,902
45-64 .. .. .	708	682	749	953	1,276	1,366	1,452	1,538	1,921	1,781	1,899	2,824
65 and over .. .. .	32	27	32	39	56	63	52	51	50	72	93	164
Fitted for—												
Heavy work .. .. .	2,162	2,027	2,234	2,802	4,052	4,531	4,359	4,725	4,953	5,340	5,541	7,060
Light work only .. ..	337	357	390	456	373	507	598	513	522	547	722	1,372
Period on registers—												
Under three months ..	1,431	1,309	1,426	1,895	2,905	3,569	3,304	3,490	3,174	3,752	3,817	5,541
Three and under twelve months ..	556	586	625	679	773	720	821	979	1,264	1,133	1,268	1,280
Twelve months and over ..	512	489	573	684	747	749	832	769	1,037	1,002	1,178	1,611
Unspecified cases .. ..	21	18	28	70	39	29	488	203	61	141	169	1,198
Totals .. .. .	2,520	2,402	2,652	3,328	4,464	5,067	5,445	5,441	5,536	6,028	6,432	9,630



TABLE V.—NUMBERS ON UNEMPLOYMENT REGISTER OF LABOUR DEPARTMENT, CLASSIFIED ACCORDING TO OCCUPATIONAL GROUPS, FOR THE FIRST COMPLETE WEEK OF EACH MONTH FOR THE YEARS 1929-31.

Date.	Building Trades.	Engineering Trades.	Other Skilled Trades.	Labourers and Quarrymen.	Farm Hands.	Hotel and Restaurant Workers and Cooks.	Others.	Total.
1929.								
Jan. 7 ..	102	95	41	1,208	91	29	262	1,828
Feb. 11 ..	173	140	57	1,489	128	67	411	2,491*
Mar. 11 ..	148	135	60	1,731	147	75	380	2,692*
April 8 ..	130	137	51	1,802	163	82	406	2,796*
May 13 ..	146	150	78	2,139	194	110	432	3,335*
June 10 ..	143	161	64	2,215	188	115	483	3,418*
July 8 ..	232	195	49	2,468	225	96	548	3,896*
Aug. 12 ..	175	175	47	1,864	182	90	498	3,082*
Sept. 9 ..	117	122	67	1,698	132	72	386	2,618*
Oct. 14 ..	445	378	173	3,472	259	172	1,144	6,264*
Nov. 11 ..	197	176	65	1,498	127	78	379	2,589*
Dec. 9 ..	169	153	60	1,163	98	74	316	2,080*
1930.								
Jan. 13 ..	201	158	71	1,549	116	50	354	2,520*
Feb. 10 ..	258	144	74	1,332	126	67	383	2,402*
Mar. 10 ..	272	141	82	1,489	169	84	387	2,652*
April 7 ..	280	182	109	1,857	229	106	495	3,828*
May 12 ..	293	196	80	2,874	242	124	616	4,464*
June 9 ..	384	228	86	3,332	279	120	609	5,067*
July 7 ..	431	235	81	3,239	260	120	591	5,445*
Aug. 11 ..	486	268	111	3,298	267	119	689	5,441*
Sept. 8 ..	492	273	102	3,535	212	146	715	5,536*
Oct. 13 ..	* 540	267	129	3,847	203	138	763	6,028*
Nov. 10 ..	608	279	192	3,923	230	135	896	6,432*
Dec. 8 ..	1,014	450	251	5,002	298	204	1,213	9,630*
1931.								
Jan. 12 ..	..	..	..	..	..	..	..	12,230†
Feb. 9 ..	1,830	672	1,315	8,512	646	445	1,078	17,002*
Mar. 9 ..	3,367	1,192	2,086	13,613	1,262	680	1,550	29,941*

\* Includes cases unspecified as to classification.

† Details as to trades not available.

TABLE VI.—REGISTERED UNEMPLOYED ON 8TH DECEMBER, 1930.—OCCUPATIONS, BY DISTRICTS, INCLUDING POST OFFICE REGISTRATIONS.

	Auckland.	Wellington.	Christchurch.	Dunedin.	Thames.	Whangarei.	Hamilton.	Gisborne.	Napier.	New Plymouth.	Wanganui.	Palmerston North.	Masterton.	Nelson.	Greymouth.	Timaru.	Oamaru.	Invercargill.	Total.
Acetone-welders .. .. .	..	3	..	1	..	..	..	..	..	..	..	..	..	..	..	..	..	..	4
Bakers and pastrycooks .. .. .	6	5	12	7	..	..	1	..	1	2	..	..	..	..	..	1	2	2	39
Biograph operators .. .. .	..	1	..	..	..	..	..	..	..	..	..	..	..	..	..	1	..	..	2
Blacksmiths .. .. .	19	8	20	7	..	..	1	1	1	1	1	2	..	..	..	2	1	3	67
Boilermakers .. .. .	11	7	10	..	..	..	1	..	..	..	..	..	..	..	..	..	..	..	29
Boot operatives .. .. .	23	10	16	8	..	..	..	..	..	..	..	..	..	..	..	2	1	..	60
Bricklayers .. .. .	17	15	15	1	..	..	2	..	1	1	2	..	..	..	..	3	..	..	57
Brushmakers .. .. .	..	..	..	1	..	..	1	..	..	..	..	..	..	..	..	..	..	..	2
Butchers .. .. .	9	8	13	7	..	..	3	..	2	1	4	1	1	..	..	..	2	3	54
Caretakers and liftmen .. .. .	13	7	5	3	..	..	..	..	..	..	..	..	..	..	..	..	..	..	28
Carpenters and joiners .. .. .	263	139	110	53	2	..	18	13	14	15	18	12	3	4	..	7	3	14	688
Clerical workers .. .. .	65	40	29	14	..	..	5	2	1	8	2	1	2	..	..	3	1	4	177
Coach-workers .. .. .	2	2	8	1	..	..	1	..	2	..	1	..	..	..	..	1	..	1	19
Confectioners .. .. .	1	2	4	4	..	..	..	..	..	..	..	..	..	..	..	..	..	..	11
Cordial-factory workers .. .. .	2	..	2	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	4
Curriers .. .. .	..	..	4	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	4
Drivers .. .. .	152	65	60	40	1	..	14	9	..	5	5	8	7	3	..	2	4	8	383
Electrical workers .. .. .	20	5	7	7	..	..	2	1	1	..	..	..	1	..	..	..	..	..	44
Engine-drivers .. .. .	19	6	10	6	..	..	4	..	..	..	1	1	1	..	..	1	1	3	53
Engineers—																			
Fitters and turners .. .. .	45	19	32	26	..	..	3	..	1	7	4	1	..	1	..	..	1	4	144
Platelayers .. .. .	2	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	2
Toolsmiths .. .. .	..	1	..	..	..	..	1	..	..	..	..	..	..	..	..	..	..	..	2
Marine .. .. .	..	1	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	1
Factory workers .. .. .	4	..	4	..	..	..	..	..	..	1	1	..	..	..	..	3	..	2	15
Farm hands .. .. .	43	22	32	20	..	..	22	12	5	5	2	7	17	2	..	13	6	15	223
Furniture-trade employees .. .. .	26	19	34	9	..	..	..	..	2	1	3	1	1	..	..	4	..	1	101
Gardeners .. .. .	19	13	42	6	..	..	2	1	2	..	..	1	7	1	..	3	1	1	99
Grocers' assistants .. .. .	22	5	11	5	..	..	1	..	1	3	2	..	..	..	..	2	..	2	54
Hairdressers' assistants .. .. .	3	1	6	2	..	..	..	..	1	..	1	..	..	..	..	..	..	..	14
Hotel workers and cooks .. .. .	89	50	27	11	..	..	3	4	2	1	6	2	2	1	..	2	1	2	203
Labourers .. .. .	1,400	684	912	455	123	117	198	49	248	128	335	290	53	192	57	77	72	170	5,560
Leadlight-workers .. .. .	..	..	2	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	2
Married couples .. .. .	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	2	..	2
Mechanics—																			
Cycle and motor .. .. .	18	20	24	6	..	..	5	1	1	2	4	..	2	1	..	1	..	1	86
Piano .. .. .	..	1	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	1
Dental .. .. .	..	1	..	1	..	..	..	..	..	..	..	..	..	..	..	..	..	..	2
Message-boys .. .. .	2	1	2	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	5
Metal-workers .. .. .	13	5	13	12	..	..	1	..	..	2	..	..	..	..	..	..	..	..	46
Miners .. .. .	10	14	4	8	..	..	3	2	..	..	..	..	..	..	..	1	..	..	42
Moulders, iron and brass .. .. .	7	4	9	7	..	..	1	..	2	..	..	..	..	..	..	..	..	1	31
Painters and glaziers .. .. .	83	19	37	17	1	..	3	4	7	4	6	2	..	..	..	..	1	2	186
Pattermakers .. .. .	..	..	..	1	..	..	..	..	..	..	..	..	..	..	..	..	..	..	1
Plasterers .. .. .	15	14	12	3	..	..	..	1	..	..	..	1	3	..	..	..	..	..	51
Plumbers .. .. .	34	27	19	10	..	..	7	1	1	1	1	..	..	..	..	..	..	1	102
Printing-trade employees .. .. .	13	10	10	3	..	..	..	..	..	1	..	1	..	..	..	..	..	..	38
Quarrymen .. .. .	..	4	3	7	..	..	1	4	..	..	..	..	..	..	..	..	..	..	19
Riggers .. .. .	..	..	1	..	..	..	1	..	..	..	..	..	..	..	..	..	..	..	2
Saddlers .. .. .	7	2	5	3	..	..	1	..	..	..	..	..	1	..	..	..	..	1	20
Sailmakers .. .. .	..	1	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	1
Seaman and firemen .. .. .	31	71	8	9	..	..	..	..	..	..	..	..	2	..	..	1	..	..	122
Shop-assistants and salesmen .. .. .	27	24	17	10	..	..	..	..	1	2	1	..	1	..	..	3	..	4	90
Stonemasons .. .. .	4	2	4	3	..	..	..	..	..	..	..	..	..	..	..	..	1	..	14
Storemen and packers .. .. .	53	23	32	12	..	..	..	1	..	5	..	..	..	..	..	3	..	1	130
Tailoring-trade employees .. .. .	10	5	7	2	..	..	..	1	..	..	1	..	..	..	..	..	..	1	27
Timber-workers .. .. .	11	13	21	3	1	..	2	2	..	..	..	..	1	..	..	..	..	9	63
Tinsmiths .. .. .	8	1	3	2	..	..	..	..	..	..	..	..	..	..	..	..	..	..	14
Umbrella-makers .. .. .	1	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	1
Warehousemen .. .. .	3	2	2	2	..	..	1	..	..	..	..	..	..	..	..	..	..	..	10
Watchmakers and jewellers .. .. .	..	2	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	2
Other .. .. .	27	23	16	8	..	..	11	1	1	7	2	15	1	..	..	3	..	3	118
Unspecified .. .. .	..	..	114	..	..	..	81	4	..	..	1	1	..	..	77	..	..	..	278
Totals .. .. .	2,652	1,427	1,791	*822	128	117	401	113	299	203	404	347	104	207	134	141	100	259	9,649

\* Dunedin figures for the 8th December were 803; figures given on schedule are for the 15th December.

TABLE VII.—NUMBERS ON UNEMPLOYMENT REGISTER OF LABOUR DEPARTMENT.—SEASONAL FLUCTUATION.

Average Number on the Register each Month of 1926–30 expressed as a Percentage of Average Registrations during the Five Years.

(NOTE.—A difference of 1 per cent. represents 36 registered unemployed.)

Average 1926–30 = 100.

Month.	1926.	1927.	1928.	1929.	1930.
	Percentage.	Percentage.	Percentage.	Percentage.	Percentage.
January .. ..	15	47	66	88	85
February .. ..	16	53	93	88	89
March .. .. .	18	61	98	100	103
April .. .. .	20	65	97	111	123
May .. .. .	29	73	114	121	164
June .. .. .	76	86	120	129	193
July .. .. .	64	89	114	135	199
August .. .. .	81	98	96	111	198
September .. .	62	83	84	95	209
October .. .. .	58	75	84	189	219
November .. .	49	64	70	99	242
December .. .	46	58	64	66	349
Average for year	43	72	91	110	184

TABLE VIII.—SEASONAL FLUCTUATIONS IN EMPLOYMENT IN NEW ZEALAND, 1926–29.

Table showing the Number of Male Wage-earning Employees (excluding Working Proprietors, Managers, Overseers, Accountants, Clerks) engaged on the 15th or nearest Representative Day of each Month of the Calendar Years 1926–29, in (a) the Meat-freezing, Ham and Bacon Curing, Butter and Cheese Making, Sausage-casing, Wool-scouring and Fellmongery, and Boiling-down Industries; (b) the other Manufacturing Industries; (c) in all Manufacturing Industries; (d) the Building Industry.

Month.	Manufacturing Industries.			Building Industry.	Month.	Manufacturing Industries.			Building Industry.
	Meat-freezing, Ham and Bacon, Butter and Cheese, &c., Industries.	Other Manufacturing Industries.	Total.			Meat-freezing, Ham and Bacon, Butter and Cheese, &c., Industries.	Other Manufacturing Industries.	Total.	
1926.					1928.				
January ..	10,349	43,437	53,786	9,126	January ..	9,829	46,975	56,804	9,464
February ..	10,947	43,800	54,747	9,289	February ..	10,433	47,057	57,490	9,626
March ..	10,805	43,768	54,573	9,231	March ..	9,987	47,556	57,543	9,638
April ..	10,282	43,462	53,744	9,279	April ..	8,647	46,528	55,175	9,373
May ..	8,995	43,104	52,099	9,368	May ..	7,780	46,151	53,931	9,600
June ..	6,805	42,794	49,599	9,155	June ..	6,545	45,310	51,855	9,541
July ..	5,495	42,752	48,247	8,937	July ..	5,146	45,185	50,331	9,571
August ..	5,088	42,828	47,916	9,005	August ..	5,042	45,540	50,582	9,773
September ..	5,620	43,433	49,053	9,348	September ..	5,730	45,615	51,345	9,781
October ..	6,023	43,548	49,571	9,228	October ..	6,136	46,277	52,413	9,854
November ..	6,782	43,923	50,705	9,330	November ..	6,666	46,498	53,164	9,871
December ..	9,150	44,165	53,315	9,178	December ..	8,831	47,206	56,037	9,839
1927.					1929.				
January ..	10,690	45,974	56,664	9,060	January ..	10,419	46,895	57,314	8,946
February ..	10,868	46,219	57,087	8,896	February ..	10,449	47,250	57,699	9,070
March ..	10,830	46,448	57,278	8,748	March ..	10,297	47,438	57,735	9,222
April ..	10,063	45,879	55,942	9,283	April ..	9,044	46,834	55,878	9,303
May ..	9,003	45,391	54,394	9,159	May ..	7,907	46,851	54,758	9,356
June ..	7,184	44,998	52,182	8,736	June ..	6,520	46,209	52,729	9,424
July ..	5,452	45,137	50,589	8,530	July ..	5,170	46,096	51,266	9,455
August ..	5,267	45,165	50,432	8,600	August ..	5,280	46,508	51,788	9,616
September ..	5,792	45,676	51,468	8,889	September ..	5,648	47,087	52,735	9,896
October ..	6,144	46,057	52,201	8,850	October ..	6,011	48,254	54,265	9,942
November ..	6,912	46,328	53,240	9,115	November ..	6,479	48,937	55,416	9,990
December ..	9,433	46,351	55,784	9,075	December ..	8,795	48,946	57,741	9,938

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