

The total number of men assisted during the year was 2,871. This shows a decrease from last year of 159. The figures for the successive years since the founding of the department are as follows:—

	Men.	Dependents.
June, 1891, to 31st March, 1892	2,593	4,729
1st April, 1892, to 31st March, 1893	3,874	7,802
1st April, 1893, to 31st March, 1894	3,371	8,002
1st April, 1894, to 31st March, 1895	3,030	8,883
1st April, 1895, to 31st March, 1896	2,871	8,424
	<hr/> 15,739	<hr/> 37,840

Total assisted, 53,579 persons. (For detail, see page 1.)

THE LABOUR MARKET.

Skilled labour was subject to great fluctuations during the year, especially when considered locally. In Auckland, Christchurch, and Wellington the building trades were often doing a brisk business. In Wellington there was a great falling-off in trade in engineering workshops and foundries. The boot-manufacture also suffered considerably, but these branches of business are recovering fast. In Christchurch a similar improvement is very marked.

Unskilled labour felt acute pressure on its resources at times, and reports from the country districts showed that large bodies of "swaggers" were on the roads. The number of these has gradually diminished until there is now comparatively little wandering labour. Work for the winter promises well, as many improvements are contemplated by landholders in the way of clearing their properties of bush, scrub, &c., while there will be a very large area prepared for grain-raising in the prospect of another favourable season. It is to be hoped that much of the very large surplus received this year for wool and grain may be spread abroad by the recipients, both as seed for their own prosperity and as a means of living for their poorer or less fortunate brothers.

FACTORIES.

There is a considerable increase in the number of factories and of factory-hands. The returns for the last three years are as follows: March, 1894, 25,851; March, 1895, 29,879; March, 1896, 32,387. To these numbers should be added 768 men and 129 apprentices in the Railway Department service (workshops and maintenance).

The factories have increased in number also, rising from 4,109 last year to 4,647 this year, an addition of 538.

Part of this increase in numbers, both of factories and of factory-hands, may be owing to more complete registration of small establishments, but not all such increase. The Act which extended the definition of "factory" to places where two persons worked at a handicraft for gain was the Act of 1894, and most of the workpeople were included in my last annual report. It will be seen from above figures that there was a rise of 4,028 last year in the number of hands employed, and this year another rise of 2,508. The Town of Wellington shows a singular exception to the general advance, inasmuch as fewer workers were employed this year than last, a fact arising from the lassitude felt in the engineering-shops and boot-factories, and the consequent large reduction in the number of workpeople. On the other hand, Dunedin shows an increase of 500 persons employed. The action of the Government in reducing to 1s. the former five-shilling fee for small factories in which only two persons are employed has given universal satisfaction. The very slight loss in revenue is amply compensated by the reduced burden borne by struggling people, many of whom were carrying on work in straitened circumstances or under conditions of extreme poverty.

Fourth Standard.—Some difficulty has been experienced by Inspectors in regard to the educational limit of employment for young people being fixed at a Fourth Standard pass. That a certain limit of proficiency in scholastic education should be insisted on before a life of manual labour is commenced is an admirable and wise legislative provision. It tends at once to raise the intellectual status of the working-class, and to check the greed of some parents, who care more for the shillings their children can earn than for the mental and moral welfare of their offspring. In some cases, however, peculiar circumstances make the rule one of serious hardship. Boys well fitted physically to earn their living are hereby sometimes prevented from doing so at any manufacturing operation. Girls who have been taken from school after the Third Standard has been reached, and who have worked for a few years as nursemaids, &c., are thereby precluded from entering a factory as a working-hand until the age of sixteen is passed. The matter will, no doubt, right itself in time, when parents have learnt the necessity of a Fourth Standard pass for their children; but it is proper to point out that at present this difficulty exists.

Overtime.—The permission to allow overtime-work has very largely been taken advantage of. There has been little grumbling among the workers themselves on this account, because the Act compels payment for every hour of overtime-work, and this brings very considerable additions to the slender earnings of the employes. The statutory 6d. per hour as the minimum wage for overtime sometimes gives to a girl working for 5s. a week an added 6s. Inspectors take much trouble to see that the overtime-work does not tell to disadvantage upon the physique of those employed; and, considering that at times of the year work in some trades almost ceases, or only half-time is allowed, the extra pay in busy seasons is as much an object to the factory-hand as the elastic extension of business is to the employer. On the other hand, there is grumbling both loud and deep from unemployed persons, and from trade-unions having the welfare of many persons to super-