

During the year the Tribunal held public inquiries into the price of milk in Napier and in Christchurch, of fish in Auckland, and of the amounts of tramway fares and Harbour Board charges in Wellington.

Mention was made earlier that the Tribunal had completed satisfactory working arrangements with trade associations to provide for prices in those trades and industries being controlled with the minimum of inconvenience to those trades. Such arrangements have been made with the following federations or associations :—

New Zealand Manufacturers' Federation, and affiliated associations ;

New Zealand Federation of Drapers, Clothiers, and Boot Retailers ; and

Price Committees hereunder covered the whole of New Zealand : Associations of coal-mine owners ; shipowners ; tire-importers ; tanners ; footwear-manufacturers ; grindery merchants ; carton and box-makers ; coal retailers and wholesale merchants ; wrapping-paper merchants ; licensed victuallers ; wholesale distributors to printers and stationers ; retail stationers ; sawmillers ; timber-merchants ; the major oil companies ; the motor trade ; paint-manufacturers ; butter-box and cheese-crate manufacturers ; plywood-importers ; fertilizer-manufacturers ; lime-companies ; bitumen contractors ; chemists' guilds ; pumice-manufacturers ; hardware merchants' guilds and associations ; spouting and downpipe manufacturers ; canister-makers ; glass, oil, and colour merchants ; electrical traders ; galvanized-sheet guild ; tube guild ; plumbers' and builders' merchants ; storage-battery manufacturers ; and the New Zealand Master Grocers' Federation.

The arrangements made with the above branches of trade have been evolved to suit the peculiar conditions operating in each of them and, while giving the Tribunal complete control as regards prices, have enabled the industries concerned to comply with the requirements of the Price Control Regulations with the minimum of difficulty or disturbance to their normal methods of operation.

The success of price-control in New Zealand can be gauged from the extent to which the retail-price index has risen since the outbreak of war, which is 6·2 per cent. up to the 31st March, 1941. Comparable figures for the other Empire countries are not available for a date later than December, 1940. At this date the increases shown since August, 1939, were—New Zealand, 5·6 per cent. ; Australia, 7·7 per cent. ; Canada, 7·2 per cent. ; and the United Kingdom, 26 per cent. Thus New Zealand showed the smallest increase of any of the above countries.

In addition to the factors brought about by the war which forced all prices upward, there was also an increase in the sales-tax from 5 per cent. to 10 per cent., which involved some increase in the retail-price index, although not, of course, to the extent of 5 per cent., since the sales-tax does not apply to all commodities and is only paid on the wholesale value of goods.

Relative movements in the various groups of prices, as expressed by the official index numbers, comparing indexes at the 31st March, 1940, with those of the same date in 1939, were as follows :—

Retail Prices.—The all-groups index rose from 1012 to 1057—that is, by 45 points, or 4·5 per cent. Clothing, drapery, and footwear showed the greatest rise, from 1003 to 1137—that is, a rise of 134 points, or 13·4 per cent. Groceries came next with a rise of 44 points, or 4·3 per cent., from 1030 to 1074. The other two food groups showed smaller increases, meat being up by 1·2 per cent. and dairy-produce rising by 0·5 per cent. The three food groups combined rose from 1060 to 1081, or 2 per cent. Rent rose from 903 to 933, or 3·3 per cent., fuel and light from 998 to 1012, or 1·4 per cent., and the miscellaneous index from 1139 to 1201, or 5·5 per cent.

Wholesale Prices.—The all-groups index rose 11·2 per cent. from 1158 to 1288. This total increase was made up of a rise in the index of locally-produced commodities from 1073 to 1119, or 3·5 per cent., and in the index of imported goods from 1218 to 1416, or 16·2 per cent. Of the various groups which went to make up the average for the whole, textile manufactures, with a rise of 23·2 per cent., and metals and their products, with a rise of 23·4 per cent., showed by far the greatest increases. Agricultural produce came next in the list of increases with a rise of 12·9 per cent., followed by leather 10·9 per cent., wood and wood products 8·8 per cent., foods and groceries of vegetable origin 7·0 per cent., chemicals and manures 4·8 per cent., and foods and groceries of animal origin 4·3 per cent.

Export Prices.—The all-groups index declined from 1542 to 1510, or 2·1 per cent. Dairy-produce, wool, and agricultural produce showed little or no changes. Meat was lower by 2·2 per cent., and other pastoral produce showed a fall of 25·3 per cent. The timber index fell 14·4 per cent., and minerals by 5·1 per cent.

Effective Wage-rates.—The nominal wage-rate index rose from 1102 to 1163, or 5·5 per cent., compared with a rise in retail prices of 4·4 per cent.

STATISTICS RELATING TO MANUFACTURING INDUSTRIES.

The latest available statistics relating to manufacturing industries of the Dominion cover the year ended 31st March, 1940. The figures are shown hereunder in comparison with those for the two previous years. It should be noted, however, that the rise in the value of products and in "added value" in the years 1938–39 and 1939–40 is not strictly comparable with the year 1937–38, due to the fact that the value of products in 1937–38 included, in the case of some returns received, an unknown amount of selling and distributing charges. These charges were excluded from the total returned for 1938–39 and 1939–40.

At the 31st March, 1940, 6,342 factories were in operation, representing an increase of 196 on the previous year. The number of employees increased by 6,187, from 102,538 to 108,722. Salaries