

PART II.—INDUSTRIES DIVISION

SECTION 1.—INTRODUCTORY

10. Throughout the year under review the Department has continued to extend the maximum assistance to industrial and commercial interests in all questions having relation to the maintenance and development of New Zealand's manufacturing industries. Through direct liaison with the Customs Department in the administration of the import licensing system it has been possible, with due regard to the consumer interests, to exercise reasonable safeguards to ensure that efficient local production is not unduly prejudiced by the unrestricted admittance of imports.

11. Basic objectives of Government policy in the industrial sphere are long range in character, and demand that encouragement be given to a gradual and progressive development of efficient manufacturing industry within New Zealand as a means of increasing and widening avenues of future employment, conserving the Dominion's resources of overseas funds, and generally imparting a greater measure of stability to the country's economic structure through an increasing diversification of industrial effort. It is the Government's view that New Zealand can make its best contribution to world prosperity, and therefore to world stability, by ensuring full employment at home in accordance with rational economic principles. These principles require that industrial expansion should be such as to give preference to the development of those industries which utilize in their manufacturing processes raw materials indigenous to this country, those which for strategic or other reasons must be carried on here, and those in which we can expect to obtain the greatest measure of efficiency and which offer scope for useful and productive employment.

12. Obviously, however, any long-range policy of industrial development requires to be co-ordinated with other movements in our economy. The shortages of labour, building materials, and power apparent to-day, although perhaps of a short-term nature, must be, and are, taken into account in shaping the course of our manufacturing industry. It is believed that the gradual return to more stable world conditions, with consequent adjustments within New Zealand, coupled with the Government's announced policy of immigration, will gradually bring about a correction of the present difficult position.

13. The following table, prepared from information published by the Census and Statistics Department, indicates the progressive development of secondary industry in New Zealand over the past three decades :—

Year.				Number of Establishments.	Number of Employees.	Value of Wages paid.	Value of Output.
						£	£
1910-11	..	..	..	3,483	45,924*	4,786,698*	29,317,023
1920-21	..	..	..	4,022	69,681	13,172,996	77,828,013
1930-31	..	..	..	5,194	77,914	15,617,052	77,745,249
1940-41	..	..	..	6,395	113,999	26,946,799	147,153,559

* Productive employees only.

SECTION 2.—BUILDING AND METAL PRODUCTS DIVISION

14. Included in the group of industries within the scope of this Division are some of New Zealand's basic secondary industries—for example, cement, brick, tile and pottery, glass, soft board and hard board, rope and twine. Also of importance is the domestic production of fibrous plaster, asbestos roofing, plywood, bituminous roofing fabrics, kraft, paper products, baths, and other building hardware.

15. The group of industries is an important one not only because of the essential end-use of its production, but also because of the relatively high incidence of male labour involved, and the fact that indigenous raw materials enter largely into the production.