

in Blenheim, Greymouth, Invercargill, Timaru, Oamaru, Gore, Rangiora, Nelson, Paekakariki, Levin, Wanganui, Palmerston North, Pahiatua, Otaki, Napier, Gisborne, Masterton, New Plymouth, Hawera, Whangarei, Hamilton, Huntly, Tauranga, and Rotorua.

121. It will be apparent that a policy of decentralized operations is more suited to the lighter industries, and its scope, therefore, is limited in the case of heavy industry where the incidence of transport and distribution costs is high.

122. Related to this matter is the question of industrial and trading estates, the establishment of which, although now well developed overseas in countries such as the United Kingdom and the United States, has not yet been introduced into New Zealand. The problem has, however, during the year received increasing attention by the Government, and the principle of the State acquiring, developing, and subsequently leasing land for industrial purposes has now been approved. An inter-departmental committee—Industrial Areas Committee—representative of the Ministry of Works, Lands and Survey Department, Treasury, Labour and National Employment Department, and this Department is being formed with the object of considering the administrative aspects relating to the setting-up of trading estates along the lines of those overseas, and other allied matters.

123. A complementary development which has been under examination by the Government during the year relates to the question of making available for industrial purposes surplus Government war stores. The overriding control in this matter has been vested in the Ministry of Works, but the intention is that this Department, through the machinery of the Industrial Areas Committee, will be concerned in the allocation of any stores which might become available for factory purposes.

SECTION 13.—NEW INDUSTRIAL PROJECTS

124. There has again been evident during the current year a sustained interest both in regard to the expansion of existing New Zealand industries and also concerning the introduction of new units or new types of manufacturing into this country. Proposals relating to the further development of industry in New Zealand have emanated both from local and overseas sources. There is increasing evidence that, for strategic or other reasons, a number of major British industries are to-day giving serious thought to a policy of decentralization of manufacturing operations to Empire countries such as Australia and New Zealand.

125. The apparent tendency towards an increasing degree of industrialization in this country, following closely as it does a trend that is evident to-day in Australia, is not regarded as an unnatural development, particularly in a period following a major war. The movement is also, in general, not inconsistent with the pattern of New Zealand's industrial growth throughout the past thirty years.

126. Notwithstanding, it is invariably the practice of this Department, particularly having regard to present-day conditions, to examine critically all proposals coming before it which involve the further expansion and development of New Zealand's secondary industries. In particular, regard is had to the immediate and potential effect of the project in relation to the availability of labour, building materials, and power requirements. Inevitably, in the case of major industries, a time-lag of some years is involved before projects in the discussion stages are finally brought to fruition.

127. It may be mentioned at this juncture that cases which have been examined by the Department during the past twelve months have embraced a wide range of manufacturing, including the spinning and weaving of woollen and cotton yarns, the production of salt, algin, food beverages, cocoa-butter, fish-liver oil, and insulin, and the manufacture of wall and corrugated container board, carpets, wool tops, ropes and twines, agricultural and earthmoving equipment, soft and metal toys, domestic and electrical appliances, plastics, and the insulation and drawing of wire.