

## REPORTS.

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The SECRETARY, Department of Labour, to the Hon. the MINISTER OF LABOUR.

SIR,—

Department of Labour, Wellington, 3rd July, 1909.

I have the honour to present herewith the eighteenth annual report of this Department for transmission to His Excellency the Governor in accordance with section 68 of "The Factories Act, 1908," and section 12 of "The Labour Department Act, 1908." The report covers the late financial year—viz., from the 1st April, 1908, to the 31st March, 1909.

I have, &c.,

EDWARD TREGEAR,

Secretary.

The Hon. J. A. Millar, Minister of Labour.

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ALTHOUGH the majority of the workers in this Dominion have been fully employed during the year, certain classes of labour have felt severely pinched by the scarcity of employment, especially as winter approaches. In spite of those who told us that New Zealand was too far distant from the great centres to be affected by the financial crisis which was marked by "the Wall Street panic," that event gradually but surely wrought its effect even on our small and distant community. The shortness of money among our customers in Europe and America prevented the purchase of our exports, or, rather, lowered the ability to give the high prices for them which were obtained in former years, so that some millions of pounds less than their estimated income were received by the producers of the Dominion. Within the Dominion itself, also, long prosperity had induced "boom prices" for land; much money had been withdrawn from circulation and sunk in properties from which returns could not be realised when required. This adversely affected speculative building and speculative investment to an extreme extent. The building trades (carpenters, painters, bricklayers, plumbers, &c.) not only found many of their members out of work for the first time for years, but employment continued difficult to find, and hard to keep, if found at all. Nevertheless, the Dominion as a whole has not suffered except by a diminished margin of profit; work and production have steadily proceeded, and if some hundreds have been compulsorily idle or precariously employed, still tens of thousands have remained steadily and profitably at work. In some localities pressure of unemployment has not been noticeable. Christchurch felt the depression less than any other of the cities, whilst in the towns of Timaru, Blenheim, Hawera, New Plymouth, and their surrounding districts employment of both skilled and unskilled labour continued steady. The sudden drop in the price of flax caused the closure of many flax-mills and the discharge of the men employed. The quick fall in market value, the heavy charges for royalties to landholders, and higher award rates of wages, calculated on high profits for the manufacturer, have all been put forward as reasons for the partial decadence of the industry. Already the times are brightening, exports and revenue are increasing in quantity and value, the harvest promises to be exceptionally good, the prices of wool and other staples are advancing, and there appears to be every prospect of good times in the near future.

As above stated, the building trades were much affected, the southern towns, however, not feeling the depression so much as those of the North Island. In woollen-mills, employment was **very** steady, with a falling-off towards summer; but complaint was made of being short-handed in the junior branches of work. The clothing trade was brisk. The iron and engineering establishments generally were dull, as also were the woodworking occupations. The leather-working trades were fairly supported; the food-preparing factories and the suppliers of frozen meat for export, very busy. Coach-building maintained an even pace; agricultural labour was well employed, and the retail trades did good business. Auckland felt some pressure from unskilled labour when, on the completion of the construction-works of the Main Trunk Railway, some hundreds of men came into the town; but other public works were provided, and the labour became to a large extent absorbed therein. A large body of workers has been engaged on the roads and railways this year (much higher than in any previous year), their numbers rising during the year from about six thousand to ten thousand men.