

The overtime worked in both factories and shops has been more than double that of last year, which is another evidence of the busy nature of trade generally.

Skilled labour generally has had no difficulty whatever in finding occupation, while unskilled labour has not been in excess of the demand.

Assistance has been given to 182 persons, with 96 dependents, in the shape of railway tickets at reduced rates to places where work was available.

Next to flax-milling, the dairying industry is the most important in this district. During the past year evidences of prosperity and good times for the dairy-farmers have not been wanting, and, except during the last two months or so, the factories generally show a substantial increase in output over the previous season. Land values, near Palmerston particularly, show a marked increase, and prices rival those of the Waimate Plain in Taranaki. There can be no doubt that as a dairying centre this district has a great future before it, and as the industry develops, the Town of Palmerston North and the other towns in the Manawatu district will feel the benefit. The unusually dry weather of the last two or three months has, of course, adversely affected the milk-supply to the factories, but as the season now ending had an exceptionally early start, and good conditions prevailed up till two months ago, taken as a whole it has been good, and the broken weather now setting in relieves the farmers of anxiety in regard to the winter. On the 10th October last year a new award came into force in the butter and cheese factories. So far as I can learn, it has not occasioned any friction, and employers as a whole have shown themselves willing to comply with the new conditions and work harmoniously with their employees and the union. The principal change made by the new award—viz., the reduction of hours in the butter-factories to fifty per week from 1st April to 30th September—has, of course, yet to be experienced, but it is not expected to cause any friction.

Flax-milling.—During the past year the hemp industry has been subjected to a trying time, owing to the very serious fall in the values of fibre. This was possibly caused by the accumulated surplus of the world's fibre-production over immediate requirements. As the cost of labour represents so substantial a proportion of the productive cost of New Zealand hemp, and a minimum wage has been fixed by an award of the Arbitration Court on a scale commensurate with the cost of living, millers were forced to turn their attentions to a cheapening of production by the introduction where possible of mechanical appliances to supplant hand-labour. It would appear that the necessity for this has provided the means, and machinery is now and has recently been introduced which has had the effect not only of decreasing the number of men usually employed in the milling operations, but has materially cheapened the cost of production. From the activities of those engaged in the invention of further labour-saving appliances, it is possible that the scope of mechanical processes may be enlarged in the near future. It is not suggested that this innovation will interfere with the employment of all available manual labour, as the result of mechanical milling has had the effect of increasing outputs and enterprises, thereby creating a greater demand for manual labour in those spheres in which it is not only essential but indispensable. Indeed, in this respect the greater difficulty has been experienced in getting sufficient labour during that part of the season in which harvesting, shearing, and other work are being actively prosecuted, so that the introduction of machinery, if for that reason alone, has been of double value to the millers, enabling them to carry on despite the shortage of labour.

On the whole, workers have done remarkably well, the award wages having insured them a steadier income in spite of the low prices of fibre, and in the case of pieceworkers astonishing results have been achieved by some of the men who are able to stand heavy work.

FACTORIES ACT.

There have been 260 factories registered during the year, an increase of 6 over last year.

Certificates of fitness permitting young persons under the age of sixteen to work in factories have been issued in 53 cases, 22 to males and 31 to females.

Overtime has been worked in 22 factories by 141 boys under the age of sixteen and females, and the hours so worked have been 5,571. This is a big increase on last year's overtime.

The accidents reported during the year numbered 26. In one case the injury consisted of a broken leg, but none of the others were very serious. The sufferers were all made aware of the provisions of the Workers' Compensation Act. In no case was the employer to blame by reason of neglect.

SHOPS AND OFFICES ACT.

During the year 317 shops have been registered, 24 more than last year.

In 22 shops 1,658 hours' overtime have been worked by 144 employees. This is also a very big increase upon last year's overtime.

Last year I expressed the hope that wage-books would be made compulsory for shops in the same way as for factories. The amendment of 1910, making provision for these books, will make inspection of shops much easier and more effective. The system prescribed by the Department's regulations is simple and effective, and is of special advantage to the employers themselves.

YOUNG PEOPLE WORKING IN SHOPS AND FACTORIES.

Again I would draw attention to what I consider an anomaly between the Factories Act and the Shops and Offices Act. A boy or girl aged from fourteen to sixteen cannot work in a factory without a certificate of fitness, and such certificate can be granted only if the Fourth Standard, or its equivalent, has been passed; yet a boy or girl of any age can work in a shop, irrespective of his or her educational qualification. It cannot be said that the work in the shop is in any wise healthier or less tiring than in a factory; in fact, the shop-work means longer hours, and in big shops far more tiring work.