

Furniture and Cabinetmaking.—From a poor beginning the year improved considerably, and skilled labour is now in great demand.

Clothing.—Here also there has been gradual improvement, and firms are eagerly competing for any experienced labour available. It is reported that difficulty has been met with in obtaining adequate supplies of Dominion-made light-weight woollen cloths.

Confectionery and Biscuits.—There has been a satisfactory trade offering during the year, and the demand is increasing, with labour none too plentiful. Overseas competition is not seriously affecting the position.

Rope and Twine.—By reason of good harvests last year the demand was heavy, and, provided that the "yellow-leaf" disease in the flax-growing districts does not become increasingly troublesome, the coming year should be satisfactory.

Tanneries.—Conditions in 1921 were entirely unsatisfactory, but 1922 saw marked improvement in the trade. The prospects for 1923-24 are at present fair, though English and Australian competition is particularly keen. The industry is likely to be adversely affected by the depression in the boot-manufacturing industry due to heavy importations.

Boots and Shoes.—The demand during the past year has been only fair, and in recent months heavy importations have affected the industry most seriously. Competition among local factories is keen, and the maintenance of full staffs is possible only by making to stock—a policy which cannot, of course, be maintained for any lengthy period. It is alleged that the low prices at which imported goods are available are due to the use of German and French leathers landed into England at low cost. This may be correct, but there is also a clear indication that manufacturers in England and America are making special efforts to regain a dominant position in the colonial markets.

Chemical Fertilizers.—Very successful business has been done during the past year, and the demand for phosphatic manures is increasing. Local works have no tariff protection, but have nevertheless been able to capture substantially the whole trade in this class.

Cement.—With the general improvement in business and financial conditions the demand for cement is increasing, and reports indicate that a satisfactory year in 1922 will be improved on in the current period.

Woolleens.—The industry does not appear to have suffered in any material degree from the general trade depression. Competition is keen, however, and large importations have affected to some extent the demand for certain classes of New Zealand woolleens. Generally, however, the manufacturers' difficulty lies in the persistent shortage of skilled labour, and if this difficulty could be overcome manufacturers are confident that, at least in certain lines, an export trade could be built up. Efforts are now being made to test the market for light-weight woolleens in the East, and the prospects in that connection appear to be bright.

In general, it may be said that the secondary industries of the Dominion were affected materially by the world-wide depression of business. These industries, however, were not subject during the war period to the conditions pertaining in regard to primary production. The depression was apparently not felt in the secondary industries immediately upon the general recession of prices in other countries, since costs of production in many of the local industries did not climb to such heights as abroad. In consequence of this the difficulties have been comparatively easily met. Undoubtedly, keen competition will have to be met from abroad, but there are good grounds for expecting that stability of industrial conditions may be looked for.

SCIENTIFIC RESEARCH.

This subject has recently been receiving the earnest attention of the Industrial Corporation of New Zealand, and a special committee has been set up to endeavour to formulate a scheme which will have the effect of co-ordinating and enlarging the industrial research work which at present is being conducted by various scientists in New Zealand.

Inquiries have been received from abroad in regard to the possibility of manufacturing power alcohol from waste timber. This matter is now under consideration by the State Forest Service. The main difficulty in this regard apparently lies in the collection of sufficient raw material at one point at a sufficiently low cost to enable manufacture to be economically carried on.

Consideration is also being given by the Dominion Analyst to the question of the distillation of brown coals.

It is clear that until steps are taken to co-ordinate the research work, which is being done both officially and by private investigators, satisfactory progress in this matter cannot be attained.

EXHIBITIONS.—SECONDARY INDUSTRIES.

During the latter end of last year and early in January of this year an Exhibition devoted entirely to the manufactures of the Dominion was held on a large scale in Christchurch under the auspices of the New Zealand Industrial Corporation. The Exhibition was opened to the public for a period of seven weeks, and was attended by 126,000 people.

The King Edward Barracks, one of the largest open buildings in New Zealand, was engaged for the purpose, and a spacious temporary annexe was built to provide room for the exhibits. In all some 72,000 ft. of floor-space was made available, and every foot was readily taken up by approximately 250 exhibitors. The arrangement of the stands and avenues reflected the greatest possible credit upon the designers. The Exhibition gave, in miniature, a rapid picture of the industrial activities of the Dominion, and demonstrated conclusively that locally made goods are of wide range and of good quality. This Department co-operated both in the management and in providing an exhibit. The latter included special charts and diagrams showing the industrial progress of the Dominion for a period of twenty years, and models of sections of the British Empire Exhibition, to be held in