

#### HEMP INDUSTRY.

Early in 1925 the Department made inquiries concerning the extension of markets for New Zealand hemp and tow, the export of which had decreased from 34,391 tons in 1913 to 15,178 tons in 1924. A request by the Department to the High Commissioner's Office for general information on the state of our trade in this commodity in Europe brought forth a very comprehensive and informative report, which has been discussed with the representatives of the flax-milling industry who were met in conference by officers of this Department and of the Department of Agriculture. The Department is satisfied that for the better satisfaction of both millers and buyers of hemp there is a great need for an improvement in the classifying or sorting of the hemp, which at the present time is tendered for sale in parcels containing qualities which vary over a wide range. This latter fact has caused much annoyance and dissatisfaction to buyers, with consequent detriment to our market, and has also apparently resulted in some friction between flax-millers and the Government Graders. Grading to the satisfaction of all will not eventuate until such time as better and closer classifying is undertaken by the flax-millers. This matter now seems to be receiving recognition, and millers will, it is believed, take active steps along these lines. To arrange effectively and economically for classifying the product of mills, both large and small, some form of co-operative organization may be required, and it has been suggested that in the larger producing areas a co-operative company might handle for classification the output of all mills, making payments to each producer on the basis of the qualities sent in. It is certainly increasingly evident that buyers must be satisfied of the reasonable uniformity of any parcel bought by them, and, failing such uniformity, the tendency is for New Zealand hemp to be neglected, and to suffer in price as compared with the better classified fibres of other countries.

There appears also to be considerable complaint from buyers regarding the alleged unsatisfactory cleaning of New Zealand hemp, this defect giving rise to certain manufacturing difficulties. Whether or not existing machine methods in the Dominion will enable any improvement to be made in this respect is open to doubt, but the matter is now closely under the notice of leading hemp-manufacturers, who recognize the necessity of maintaining a high-quality product.

Both in respect of the shipping and scutching of the hemp, efforts are continually being made to evolve improved processes, and several such investigations have been brought before the Department's notice.

The increasing production of sisal, and the uniformly high standard of quality maintained by producers of that fibre, has during recent years brought about a decided change in the competitive position of New Zealand hemp. It is reliably reported that sisal production costs leave an ample margin on present-day prices; production consequently continues to expand and prices tend to fall. Better organizations for classifying and marketing the Dominion product is essential even to the maintenance of our existing position in the European markets, and very strong action will be required to secure appreciable development of the trade.

#### MANUFACTURERS' DIRECTORY.

Some years ago the Department undertook the work of compiling a directory of New Zealand manufacturers, and by arrangement with the Industrial Corporation of New Zealand the directory was published in 1923. While every effort was made to have the publication complete and accurate, difficulty was to some extent experienced in securing from manufacturers the data required. It has now been found that industrial change and progress necessitates the revision of the directory, and accordingly this work has been taken in hand. With the support of manufacturers it is hoped that a fully authoritative work can be made available for reference by buyers of Dominion-made goods.

#### SCIENTIFIC AND INDUSTRIAL RESEARCH.

This important matter has during the past year received special consideration, and the desire of manufacturers and others that a definite research organization should be established appears likely to be realized.

The committee referred to in last year's report of this Department was able to arrive at certain conclusions in regard to the subject, but formulated no plan of action pending a visit to New Zealand by Sir Frank Heath, Secretary of the British Department of Scientific and Industrial Research. Sir Frank was able to spend some six weeks in the Dominion, and in that time make a comprehensive tour of both Islands. During his visit the Department co-operated in arranging visits to points of interest, and particularly to industrial plants in the various centres.

The report submitted to Government by Sir Frank Heath is a comprehensive document which can be referred to here only in brief outline. The main recommendation of the report centres around the establishment of a new State Department which, like Sir Frank's own Department in England, would act as a central administrative organization to encourage and organize research and its application to industry, to administer and co-ordinate certain State scientific services, including a laboratory for standards and tests, to advise Government on the subject of scientific and industrial research, and to maintain and administer such special institutes as may be established for the application of science to particular primary or secondary industries.

The organization of the Department is suggested to be based upon an Advisory Council of not more than six members, which would have the assistance of certain Government officers as assessors. The Department would be administered by a permanent secretary.

Special research institutes are suggested as the appropriate organizations necessary to control research in particular industries. Such institutes are suggested in the case of the dairying industry, for research in forestry, and for fuel research. Sir Frank indicates that in these three matters the