

The effect of the introduction of new methods and machinery upon employment is not so great in New Zealand as in countries such as the United States, but there is even in New Zealand a serious effect considered in proportion to our population, both in the primary industries and in the secondary industries.

The Committee are convinced that unemployment is a continuing problem inevitably bound up in the development and progress of our western civilization, and that some permanent organization is required to watch developments and assist in absorbing elsewhere those temporarily displaced by new discoveries, advanced knowledge, improved mechanical and other processes, and more efficient organization in industry. The Committee thought it well, therefore, to investigate how far production in New Zealand was affected in this way in recent years.

Dealing first with New Zealand's mainstay, the agricultural and pastoral industry, it is found that during the four years between 1923-24 and 1927-28 there has been an increase in the volume of production per acre occupied of 24·13 per cent., but the production per person employed increased by 29·69 per cent., while the number of persons per 1,000 acres occupied has decreased by 4·20 per cent.

The agricultural and pastoral statistics cover only occupied areas outside borough boundaries of 1 acre and over not being merely residential; thus the area covered may be reduced by the extension of municipal boundaries, the cutting up into smaller areas than 1 acre or into small areas to be used for residential purposes only, land taken for roads, railways, &c., or by reversion to the Crown. Thus during the four years dealt with the area occupied decreased by 117,110 acres, yet the production, taking 1927-28 at the same values as in 1923-24 to eliminate the price factor, increased from £55,053,486 to £68,172,927. During the same period the number of persons engaged (occupiers, members of occupiers' families engaged in farm-work, and employees, but excluding temporary seasonal workers such as shearers, harvesters, &c.) decreased from 145,158 in 1923-24 to 138,609 in 1928-29, which gives the following interesting comparisons:—

				Production per Acre.	Production per Person engaged.	Persons engaged per 1,000 Acres.
1923-24	..	..	..	£1·264	£379·25	3·33
1927-28	..	..	..	£1·569	£491·84	3·19
				Increase.	Increase.	Decrease.
Difference	..	..	..	24·13%	29·60%	4·20%

Thus to secure the same result as was obtained by 100 persons engaged in primary production in 1927-28 would require 130 persons in 1923-24.

It is recognized that the figures available as to persons engaged shown in the agricultural and pastoral statistics for the period covered above were subject to some fluctuation owing to varying interpretation in those years by the collectors as to the inclusion of members of occupiers' families engaged in the farm-work. In order, therefore, to minimize any exaggeration of the decrease which may have taken place the number of employees for 1928-29 has been used in the computations, which figures the Committee are assured are more strictly comparable with those for 1923-24. The matter can, however, be approached from another angle, which it will be seen confirms the indications shown by the above figures.

New Zealand's agricultural and pastoral products, mainly foodstuffs, form 95 per cent. of our total exports. Exports represent our surplus production after allowing for local consumption. During the five years 1923 to 1928 the total annual exports increased from £45,371,908 to £54,660,365; the total population increased by 124,000, or $9\frac{1}{4}$ per cent.; the rural population by 14,477, or 2·26 per cent. Between the census of 1921 and 1926 the number of persons engaged in primary production fell from 151,936 to 142,076, a decrease of $6\frac{1}{2}$ per cent., while the proportion of primary producers to total breadwinners fell from 28·52 per cent. to 25·30 per cent. Thus during the five years 1923 to 1928, despite an increase of $9\frac{1}{4}$ per cent. in the total population, representing a correspondingly increased local consumption, and with only a 2·26 per cent. increase in the rural population, but an actual decrease in the proportion engaged as primary producers, there was an increase of over £9,000,000 in the recorded value of *surplus* production exported, representing 16·8 per cent. greater volume or quantity.

It is also well recognized generally that farmers and farm-workers have larger than average families, and that the town population is annually swollen by a considerable surplus of the natural increase in rural districts which the farming industry is not itself apparently able to absorb or make provision for, and so they come into the towns seeking entry into other occupations.

Birth statistics for occupation of father in conjunction with number of previous issue were compiled in 1917 and in 1925:—

				Average Number of Issue.	
				1925.	1917.
Agricultural and pastoral occupation	..	..	..	3·22	3·47
All other occupations	..	..	..	2·85	3·11
Difference in favour of agricultural and pastoral	..	..	..	0·37	0·36

Farmers therefore average roughly one-third child more to the family than "all other occupations."