

wages only, up to the sum of £15,588, on condition that two gangs of 100 men each be employed in relays, giving two weeks work alternately to each gang. As far as practicable, the men were to be engaged through the Labour Department's bureau. Approval of the granting of a subsidy on these conditions was obtained early in February.

Loan to Kauri-gum Control Board.—Towards the end of 1930 the Kauri-gum Control Board made application to the Unemployment Board for financial assistance by way of a loan to enable the kauri-gum industry to be carried over the period of depression, and to obviate the spread of unemployment on the gum-fields. The Kauri-gum Control Board assists this industry by arranging a market for the gum and also by making advances to gum-diggers during difficult periods. Ordinarily its revenue is derived from an export levy of $\frac{2}{4}$ per cent. and a commission on sales of gum, but the prevailing slackness of the market had resulted in a material reduction in the finances at the disposal of the Board. After full consideration the Unemployment Board decided to grant assistance in the form of a loan of £650, such loan to be repayable within six months (with a possible extension to eighteen months) from the date of the advance.

Grants to Earthquake Area.—The disastrous earthquake in Hawke's Bay on the 3rd February, prevented local bodies in the stricken area from immediately operating under Scheme No. 5, besides creating a great deal of further unemployment. The Unemployment Board therefore made grants totalling £11,000 to enable an early start to be made at Napier, Hastings, and Wairoa in the clearing of debris. Scheme No. 5 also came into operation as soon as the various local authorities were able to resume functioning. It is hoped that when the rehabilitation of the earthquake area is commenced the unemployment position so far as skilled tradesmen are concerned will be materially relieved, provided arrangements can be made for satisfactory rebuilding operations.

Sustenance.

The measures of temporary relief provided under the Board's first three emergency schemes were realized to be totally inadequate to meet the situation which was rapidly developing. The unprecedented fall in export prices has been discussed earlier in this report. Apart from the general reaction throughout the community, the effect upon the primary industries was immediate. At a period when these industries are at the height of seasonal activity, and when normally work is to be found easily and in plenty in the country, farmers were not absorbing the usual number of casual workers, and in many cases were discharging permanent hands. This supplied eloquent indications of what might be expected when the seasonal occupations were over and the winter season arrived.

In the face of such a situation the Unemployment Board deemed it wise, in case the necessity of paying sustenance was forced upon it, to be prepared to do so. The Board was unanimous in the determination to find work, if at all possible, but saw that circumstances might arise in which the payment of sustenance in some cases might be required. Towards the end of January rules and regulations, with the necessary forms and instructions, were therefore prepared and distributed to certifying officers. So far, however, the payment of sustenance has not been resorted to, and it is the earnest desire of the Board that it may be avoided.

Committees of the Board.

With a view to exploring every possibility of reduction of unemployment by means of the rehabilitation of industry, the Board, on the 24th January, 1931, appointed from its members three committees, viz. :—

- No. 1 (Messrs. Small, Finn, and Leadley): To consider avenues for the promotion of employment in primary industries.
- No. 2 (Messrs. Hutchinson and McBrine): To consider avenues for the promotion of employment in secondary industries.
- No. 3 (Hon. S. G. Smith, Messrs. Bromley and Burdekin): To consider economic and finance matters relating to unemployment.

These committees have devoted earnest consideration to a very large number of matters of wide range arising out of the administration of the Act and the operations sponsored by the Board. The various suggestions and schemes submitted by individuals, organizations, and public bodies, as mentioned earlier in this report, were distributed amongst the three committees and were carefully considered and investigated. In many cases reports were obtained from experts in Government Departments as to the practicability of the schemes. As a result of their deliberations the committees have brought down numerous reports and recommendations for the consideration of the Board as a whole.

The Primary Industries Committee in its investigations has rendered invaluable service in connection with the inauguration and administration of schemes for placing unemployed men on farms, &c. The Board approved this committee's programme for the future, indicating its intention to submit further schemes for the absorption of unemployed men in productive work on the following lines :—

- (1) Clearing, subdivision, and development of Crown lands.
- (2) Rehabilitation of abandoned soldier settlers' farms.
- (3) Drainage of settlements with a view to increasing productivity.
- (4) Clearing of noxious weeds from lands suitable for settlement.
- (5) To encourage and foster the pig industry in New Zealand.
- (6) Reclamation of lands suitable for afforestation.
- (7) Vigorous propaganda amongst farmers with a view to increasing production, such as growing of root crops and grain for the feeding of cattle, sheep, and pigs.