

to pay the increased rate necessary to allow improvements to existing drains to be carried out. Scheme No. 5 has therefore been of material assistance to this Board, which has employed an average of seventy relief workers for the last few months.

Up to the present, approximately seven miles of drains have been widened and deepened by unemployed labour, improving the drainage of some 12,000 acres of rich grazing land, a proportion of which would otherwise have been flooded in the wet season.

Employment in Secondary Industries.

Owing to the necessity for providing urgent relief to an ever-increasing number of the unemployed and the consequent absorption of the whole of the Board's funds, it has not been possible to allocate finance for the development of secondary industries. The Board has, however, with the assistance of the Secondary Industries Committee (Messrs. Hutchinson, McBrine, and Young), passed several very important resolutions and made recommendations to the Prime Minister.

The first of these resolutions to be confirmed by Cabinet referred to the purchase, wherever possible, of New-Zealand-made goods by Government Departments.

Government Purchase of New-Zealand-made Goods.—The Board asked, as a first measure, that the provisions of the resolution of Cabinet of the 21st September, 1929, be given full effect to and that instructions be reissued to all Departments to carry out these provisions.

A copy of the resolution is as follows:—

- “(1) That the existing preference afforded to goods manufactured in New Zealand be confirmed. (In considering tenders received, the Stores Control Board adds the existing tariff rates, plus all freight and handling charges. Where no duty operates, 10 per cent. is added to British goods and 20 per cent. to foreign, plus above charges.)
- “(2) That where tenders are invited from abroad for goods which are made in the Dominion, manufacturers in New Zealand be given equal and full opportunity to quote.
- “(3) In considering quotations where the employment of labour is a large factor in the cost of production, the Stores Control Board will be expected to exercise a bias in favour of the New Zealand tenders.
- “(4) That the Government desires in its purchase of goods for departmental use to give those produced in New Zealand the most favourable treatment, provided quality, price, and other factors relating to delivery are equal.”

Representations have been made to the Unemployment Board that considerable purchases from overseas are made by Government Departments of goods and materials which could be manufactured and purchased in New Zealand, and that purchases are made without reference to the Stores Control Board and without giving consideration to the economic necessity for purchasing, wherever possible, the products of this country's industries.

In order to facilitate tendering by Dominion manufacturers, the Unemployment Board asked that complete lists of goods required for Government Departments be made available to manufacturers. The Board also requested that the following paragraph be added to the above resolution:—

“That the leading Departments of the Government are instructed to give definite preference when granting loans to those applicants who provide for the use of New Zealand timbers and locally manufactured materials in the buildings offered as security for their loans.”

The Unemployment Board asked also that local bodies receiving grants or help from the public funds be required to give preference to New-Zealand-made goods, and that purchases from overseas shall not be made unless satisfactory reasons can be given for doing so.

Statistics submitted with the Board's recommendation showed that for every one million pounds' worth of goods manufactured in the Dominion, approximately 1,500 persons are provided with employment. Stress was laid also on the fact that development in any specific industry would result in development of allied industries supplying raw materials, &c.

Publicity Campaign.—An important recommendation by the Board urged the institution of a campaign by the Government to stimulate the demand for New-Zealand-made goods, with the object of absorbing as many of the unemployed as possible in the Dominion's secondary industries.

The Unemployment Act gives the Board authority to utilize its funds in any direction calculated to promote employment, and the Minister of Finance authorized the expenditure of £800 towards this campaign on condition that the New Zealand Manufacturers' Federation, who would benefit indirectly, contributed a sum of £400 for the same purpose. The Manufacturers' Federation accepted this condition, and arrangements were made for the Department of Industries, Commerce, and Publicity to carry out the proposal.

Assistance from Retail Traders.—Recognizing that an increased production of and demand for New-Zealand-made goods cannot be effective unless retail traders do their share in making these goods available to the public, the Board endeavoured to arrange a conference between the Prime Minister and representatives of certain retail trades. It was felt that such a meeting would have a twofold object, in that the retailers would be able to give expression to difficulties connected with the stocking and selling of New Zealand manufactures as compared with dealing in imported goods, while the national aspect would be placed clearly before them, and also the importance to themselves of increased employment in local factories and the consequent enhanced purchasing-power in wages thereby made available to their own trades.

Applications for Financial Assistance.—In connection with the many applications from individuals and firms for assistance in establishing or extending a business of a character similar to other already established businesses in the Dominion, the Board decided that all such applications be declined, on the grounds that assistance of this nature would merely aid one competitor against another without increasing the volume of trade, and consequently without affecting the unemployment position.