

1937.  
NEW ZEALAND.

---

## DEPARTMENT OF LABOUR: EMPLOYMENT DIVISION.

REPORT OF THE SECRETARY OF LABOUR UPON ACTIVITIES AND PROCEEDINGS UNDER THE  
EMPLOYMENT PROMOTION ACT, 1936.

---

*Presented to both Houses of the General Assembly by Command of His Excellency.*

---

### REPORT.

---

To the Hon. the MINISTER OF LABOUR.

SIR,—

Department of Labour, Wellington, 1st October, 1937.

I have the honour to present herewith for the information of His Excellency the Governor-General the report upon the activities of the Employment Division of the Department in administering the Employment Promotion Act, 1936. This report, which is complementary with that submitted under my hand and dated 1st August, 1937, dealing with industrial and other matters, is prepared in compliance with the Labour Department Act, 1908, as amended by the Labour Department Amendment Act, 1936.

The report covers the year 1st April, 1936, to 31st March, 1937, so far as financial statements are concerned, and the period 1st June, 1936, to 28th August, 1937, in respect of other data, except where otherwise indicated.

I have, &c.,

J. S. HUNTER,

Secretary of Labour.

---

### INTRODUCTION.

In this report it is not intended to traverse at length the various schemes by medium of which relief is afforded to persons who are unable to gain a livelihood from their own efforts. The report has been designed rather to clearly outline the alterations of policy effected by the present administration, and a concomitant review of the relative scheme has been presented only where such is necessary to the comprehension of the nature of any particular measure.

It is, of course, fitting that prominence should be given to the improvements in relief measures which have been brought into being over the past twenty months. Although the previous report upon unemployment relief covered a period up to May, 1936, it is necessary to look back beyond that date for the reason that the Unemployment Board, although abolished on 31st May, 1936, virtually ceased to function as a policy-forming body from November, 1935. The report presented last year on behalf of the late Board accordingly contained statistical data only, and the record of changes over the months from November, 1935, to May, 1936, is therefore incorporated in this statement.

## ADMINISTRATION.

The Unemployment Board was abolished on 31st May, 1936, and the administrative activities relating to the assessment, collection, and recovery of employment-tax were transferred to the Land and Income Tax Department, while the administration of the measures dealing with the promotion of employment and assistance to unemployed persons remained with the Labour Department. District offices or employment bureaux have been established in all the main centres. Where there is no permanent Labour Department representative, the local post-office (if the Postmaster is a permanent official and the establishment of a bureau is warranted) has continued to act as an employment bureau with an independent register, the Postmaster acting as certifying officer for the purpose of certifying payments from the Employment Promotion Fund. Unemployment Relief Committees have been disbanded. An exception is the case of the Women's Employment Committees, which still continue to function. Statutory provision is contained in the Employment Promotion Act, 1936, for the appointment of committees to assist in the distribution of relief, but it is unlikely that any will be constituted. Direct administration by the Department has been the keynote of control of relief and employment-promotion activities, and this policy has been carried, in a number of instances, to the point of relieving the Post and Telegraph Department of the administration by setting up departmental offices. Services previously rendered by various Government Departments, which in the early depression years had been enjoined to render necessary assistance without charge, were taken over by the Labour Department. A strengthening of staff has been effected with a more detailed system of administration for the purpose of undertaking a more intensive check to provide against imposition on the Fund. The reorganization of administration on a permanent basis, as distinct from the emergency atmosphere in which unemployment relief was first introduced and continued, has been steadily proceeded with. New measures allied with the study of the general and industrial position have been undertaken in order to promote employment and effect rehabilitation of the unemployed.

## LEGISLATION.

The Employment Promotion Act, 1936, came into force on the 1st June, 1936. It consolidated and concentrated in one Act the provisions dealing with assistance to persons out of employment and the promotion of additional employment, which were previously scattered through the Unemployment Act, 1930, the Amendment Acts of 1931, 1932, and 1934, and sundry Finance Acts. Statutory form was also given to certain administrative details previously dealt with by regulation, and provision was made to correct certain anomalies and to ensure more efficient administration.

The principal legislative changes were as follows :—

## ABOLITION OF THE UNEMPLOYMENT BOARD.

The Unemployment Board was abolished and the administration of the Employment Promotion Act vested in the Department of Labour (under the control of the Minister of Labour). For this purpose the Secretary of Labour was charged with most of the functions previously exercised by the Commissioner of Unemployment, except that the Commissioner of Taxes assumed control of the assessment and collection of employment-tax as if it were income-tax.

## CONTROL OF EXPENDITURE.

All expenditure from the Employment Promotion Fund has been made subject to an approval of the Minister of Labour, with the concurrence of the Minister of Finance.

## EXEMPTION OF EMPLOYMENT-TAX FOR INCOME-TAX.

The previously existing special exemption for income-tax purposes of amounts paid as unemployment-tax has not been provided for in the present Act.

## APPORTIONMENT OF INCOME.

Where income received in advance is apportioned over one or more years by the Commissioner of Taxes for income-tax purposes, that apportionment now automatically becomes operative for employment-tax.

## DEFAULT ASSESSMENTS.

Power was given previously to make default assessments on persons who failed to make declarations of income or made faulty ones, but the complementary power to fix a date by which objection to the default assessment could be lodged was omitted. The necessary power has now been given, and the Commissioner of Taxes may accept, if he thinks fit, objections made after the expiration of the time allowed.

## COSTS OF ADMINISTRATION.

This expenditure was previously charged direct against the Fund. The new Act makes such expenses a charge on the Consolidated Fund in the first place, and such proportion of those expenses as the Minister of Labour (with the approval of the Minister of Finance) shall direct may be recouped to the Consolidated Fund from the Employment Promotion Fund.

## FINES AND PENALTIES.

Penalties for late payment of tax were previously retained by the Post Office to offset the additional expenses of collection, while only a small proportion of fines, &c., inflicted was credited to the Fund. The legislation now provides that all fines and penalties recovered under the Employment Promotion Act or Acts repealed thereby are to be credited to the Employment Promotion Fund.

## SUSTENANCE ALLOWANCES.

Section 20 of the Unemployment Act, 1930, fixed certain limits to rates of sustenance allowances. In lieu of these limits a wide discretion has now been given to the Minister of Labour, who may, with the concurrence of the Minister of Finance, fix the rates to be paid from time to time. The Minister of Labour is also given an over-riding discretion in the matter of determining who may or may not be paid sustenance to enable exceptional cases to be promptly and sympathetically dealt with, where rigid conditions would otherwise prevent the giving of adequate relief. The only persons to whom allowances may not be paid are those under the age of sixteen years and males over twenty years of age who are wholly exempt from liability for the registration levy. This represents a notable improvement, and sustenance is now being paid in specially necessitous cases to males between the ages of sixteen and twenty.

## TAX DUE BY PERSONS LEAVING NEW ZEALAND AND EXECUTORS OR ADMINISTRATORS OF A DECEASED TAXPAYER.

To bring employment-tax procedure into line with income-tax practice, the Act defines the liability for tax of persons ceasing to be ordinarily resident in the Dominion and estates of deceased taxpayers. Tax is now due on income derived up to the date of departure, and must be paid, together with any unpaid instalments of tax which have already accrued, before the taxpayer leaves the country. Similarly the personal representatives of a deceased taxpayer are made liable for all instalments of employment charge due at the date of death, and also for instalments which become due in respect of income derived for any period prior to the date of death.

The corresponding section dealing with liability for the registration levy exempts the taxpayer or his estate from any instalments falling due after the date of departure or death, as the case may be.

## EXEMPTIONS GRANTED TO ELDERLY PEOPLE.

The exemption from the employment charge previously granted by regulation to males over the age of sixty-five years and females over the age of sixty, whose income for the year did not exceed £104 has been included in the Act, and has been extended by providing that, where the income of such persons is just over the limit of £104 per annum, the amount of tax payable will be graduated so that the net income received by that person will not be reduced below £104.

The same exemption is allowed to people who satisfy the Commissioner of Taxes that through physical or mental disability they are unable to follow any regular employment and whose income for the year did not exceed the figure of £104.

## RATE OF EMPLOYMENT CHARGE.

The rate of tax payable has been fixed in the Act at 1d. in every 2s. 6d. of salary, wages, or other income liable for the charge—i.e., 8d. in the pound. Power is conferred whereby the rate may be varied by Order in Council, but a statutory limitation to 1d. in every 1s. 8d. has been imposed.

## RECOVERY OF LEVY AND EMPLOYMENT CHARGE.

Provision has been made for the recovery of overdue registration levies together with accrued penalties from any salary or wages payable to the defaulter. The new legislation prevents an employer charged with employing a person in arrear with levy payments from raising as a good defence that he had asked his employee if he was registered and had made payment up to date. The employer is now obliged to satisfy himself by an inspection of the employee's levy-book that all current instalments of the registration levy have been paid.

## RECOVERY OF EMPLOYMENT-TAX.

Employment-tax collected from or deducted from the wages of employees and not accounted for by the employer to the Department is deemed to be held in trust for the Crown until paid over in accordance with regulations prescribed in that behalf. The Crown is now protected in the case of the bankruptcy of an employer who has failed to account for amounts deducted.

## PENALTIES FOR FAILING TO PAY EMPLOYMENT-TAX.

An employer who fails to deduct the employment charge and every one who knowingly misapplies amounts deducted is now liable, on conviction, to a fine of £20 and treble the tax due. In addition, unless the Commissioner of Taxes is satisfied that there has been no wilful neglect or default, a penalty of 10 per cent. of the charge accrues without conviction over and above any other penalty or fine which may become due.

## UNPAID TAX TO BE FIRST CHARGE ON ESTATE.

The new Act has made provision for charging unpaid tax upon the real and personal property of a person who deducts tax from salary or wages of his employees, but does not account for it in accordance with the prescribed procedure.

UNEMPLOYMENT POSITION.

Since the presentation of the previous report showing registrations of unemployed and numbers of men who are a charge on the Employment Promotion Fund, there has been a very substantial improvement in the unemployment position. On the 28th August, 1937, the total number of male persons who were wholly or partly dependent on the Fund was 37,316. In August, 1936, the number was 50,847, and in August, 1935, it was 60,806.

To show exactly what improvement has taken place in the unemployment position during the past two years, it is necessary to have regard, not only to the reduction in the numbers of persons who are a charge on the Employment Promotion Fund, but also to consider the increase in the numbers of persons who are employed in commerce and industry.

The above-quoted figures of registered unemployed as at August, 1935 (when the total number of persons who were a charge on the Fund was 60,806), and as at August, 1937 (when the number was 37,316), disclose a reduction of 23,490, or a reduction of approximately 40 per cent. These figures represent the total number of persons who were a charge on the Fund. Omitting those persons who were engaged in subsidized employment, the reduction over the last two years is 17,422, or just over 40 per cent.

An examination of the position in regard to the increased numbers engaged in commerce and industry shows that during the last two years 17,449 additional persons have been engaged in factories as compared with the position existing in 1935. In shops the increase is 10,523. Unfortunately, it is not possible to obtain complete figures of the total number of persons employed under a contract of service at any given date, but the figures available show that at least 45,228 additional persons have been employed as compared with the position existing in 1935. This figure, of course, does not include persons employed in other sections of industry.

Briefly summarized, the unemployment figures in the month of August over the past six years appear as follows :—

1932	..	..	..	73,650	1935	..	..	..	60,806
1933	..	..	..	78,627	1936	..	..	..	50,847
1934	..	..	..	66,516	1937	..	..	..	37,316

Details of registrations are contained in the Appendices in Tables VII and VIII.

Coincident with the publication of the above figures it is convenient to refer to the national increase in wages and other income as revealed by the revenue from the employment charge (or unemployment-tax as it was previously known). The following summaries are a pointed commentary upon the improvement in the unemployment position.

*Income as shown by the Employment Charge collected.*

Year.					Wages.	Income.	Total.
					£	£	£
1931-32	..	..	..	..	*	22,837,950	22,837,950
1932-33	..	..	..	..	54,586,800	22,280,460	76,867,260
1933-34	..	..	..	..	57,332,460	29,072,070	86,404,530
1934-35	..	..	..	..	61,163,550	28,324,350	89,487,900
1935-36	..	..	..	..	66,209,280	37,094,910	103,304,190
1936-37	..	..	..	..	78,309,960	†49,500,000	127,809,960

\* Wages-tax not collected.

† Based on estimate of collections of tax on income for the year 1937-38.

*Increase in Total Income represented by Wages-tax and Tax on other Income.*

Year.		Wages.		Income.		Total.	
		Amount.	Per Cent.	Amount.	Per Cent.	Amount.	Per Cent.
			£		£		£
Increase of 1933-34 over 1932-33	..	2,745,660	5·03	6,791,610	30·48	9,537,270	12·41
Increase of 1934-35 over 1933-34	..	3,831,090	6·68	*747,720	2·57	3,083,370	3·57
Increase of 1935-36 over 1934-35	..	5,045,730	8·25	8,770,560	30·96	13,816,290	15·44
Increase of 1936-37 over 1935-36	..	12,100,680	18·28	12,405,090	33·44	24,505,770	23·72

\* Decrease.

ANALYSIS OF UNEMPLOYMENT REGISTRATIONS.

In the early years of the depression it was generally believed that unemployment would prove merely a temporary phase and would disappear with the passing of the depression. In common with the experience of other countries in this matter, the expectation proved unfounded. Examination of the problem in older countries and in the Dominion shows that despite prosperity a certain amount of unemployment always exists. A certain measure of unemployment appears inevitable, and its solution is not a single problem arising from merely any one cause. It is not possible in any country

in the world as it is known to-day to conceive a state of affairs in which every man at every time and in every place is employed at work for which he has been trained. It would appear that there will always be unemployment as long as our economic system is subject to change and growth, and this is especially so in New Zealand where so many of the industries are of a seasonal nature.

To form an adequate appreciation of the unemployment position as it now exists, it is necessary first to ascertain what has been the normal amount of unemployment in predepression years, and then to analyse the present registration figures in order to obtain a basis of comparison between them and the unemployment position of the years prior to 1930.

For the purpose of the first objective recourse is necessary to the Census returns. These returns taken from time to time have revealed that the number without a contract of employment on the night of the Census ranged between 15,000 in 1896 to slightly below 6,000 in 1916: 1916 was the war period when unemployment would no doubt be at its lowest point. In 1926 the Census revealed that there were 10,700 male wage-earners without a contract of employment. These figures were recorded in a period when the building industry was booming, the expenditure on buildings in 1926 being a record for New Zealand. No Census was taken in 1931. For the years covered by the Census return it is thus revealed that the average number of unemployed male wage-earners was 4.5 per cent. To-day there are 460,000 males between the ages of twenty and sixty-five liable for payment of the levy. These, of course, are not all wage-earners, but if only half of them are regarded as wage-earners and the average percentage of unemployed is taken as that revealed by the Census returns, then the normal number of persons without contract of employment (arising mainly from the seasonal nature of our industries) would apparently be not less than 10,000.

As regards an analysis of the present registration figures, it is necessary at this point to refer to the provisions of section 35 of the Employment Promotion Act, 1936. When that Act was placed on the statute-book power, which did not previously exist, was taken in section 35 to provide for assistance not only to persons out of employment, but also to persons otherwise in need of assistance. Under this provision it became possible to widen the original test of eligibility for relief benefits which required that an applicant therefor should be involuntarily unemployed, able and willing to work, and available for work, and to accept as eligible for those benefits men who were not available for work on account of sickness or other incapacity. The registration figures as at 28th August, 1937, relative to persons in receipt of sustenance (relief benefit without work in return) show that 19,973 men were in receipt of that form of relief on the date named. Of this number 2,895 single men and 5,604 married men were unable, for health reasons, to accept employment. Those figures comprised 181 single men and 373 married men reported as temporarily sick, and 2,714 single men and 5,231 married men reported as more or less continuously unable, on account of sickness or other infirmity, to accept employment. Thus, of the total sustenance-recipients to the number of 19,973 there were 8,499 persons who temporarily or continuously were sick or infirm.

For easier reference the figures at 28th August as published by the Department and the above analysis are set out as follows:—

1. Registered but not eligible or not placed on relief .. .. .	2,371	1. Registered but not eligible or not placed on relief .. .. .	2,371
2. Receiving rationed work relief under Scheme No. 5.. .. .	4,979	2. Receiving rationed work relief under Scheme No. 5.. .. .	4,979
3. Receiving sustenance without work .. .. .	19,973	3. Receiving sustenance without work—	
4. Receiving full - time employment wholly or partly paid from the Employment Promotion Fund .. .. .	9,993	(a) Unemployed .. .. .	11,474
		(b) Physically or otherwise unemployable .. .. .	8,499
		4. Receiving full - time employment wholly or partly paid from the Employment Promotion Fund .. .. .	9,993
	<hr/>		<hr/>
	37,316		37,316

The existence of adequate statutory provision in the Employment Promotion Act in the matter of dealing with benefits to persons incapacitated is sufficiently revealed in the foregoing data. The handling of the cases of the 8,499 unfit persons required no alteration in the administrative or internal machinery of the Department, and the experience gained should prove of considerable value to the Government in its administration of this form of social benefit under a general scheme relating to national health and unemployment.

With final reference to the subject of an analysis of the unemployment registrations, it should be observed that the quoted figures of unfit men have been taken from careful estimates which have been made with a view to determining the proportion of those fit for ordinary work, for light work, and those who, for all practical purposes, should be regarded as unfit, for various reasons, for any work under prevailing conditions of employment. The only method of obtaining accurate and detailed information as to present or possible future employability, &c., is by meticulous consideration of all the circumstances of each case. This procedure would necessitate an unhurried personal interview with each individual, with subsequent verification of statements and claims in order to detect intentional or unintentional inaccuracy, and preceded or followed by a searching medical examination.

A thorough analysis on the lines indicated above is hardly practicable where large numbers are concerned, but an attempt is being made to evolve a practical but modified plan which would probably include personal interviews by specially selected departmental officers who would invite each individual to supply information along lines calculated to afford a reliable opinion, not only in regard to the

applicant's degree of employability or unemployability at that time, but as to any reasonable course of training or treatment considered likely to render him again employable. Even this modified programme would entail a great deal of effort, time, and cost, but would be an undoubted advance in the direction of measuring the problem and, it is hoped, be the means of improving the future employment prospects of a substantial number of people who for a considerable period have been wholly or mainly dependent upon relief assistance. It is confidently felt that some plan on the above basis will be found practicable, although, in view of the importance of the question, examination of and decision in regard to the problem must be unhurried.

#### EMPLOYMENT PROMOTION FUND.

The particulars as to receipts and payments for the year ended 31st March, 1937, are contained in the audited statement as per Table V of the Appendices hereto, while a summarized comparison of the figures for last year with those of previous years is set out in Table I.

The revenue received into the Fund for the year ended 31st March, 1937, totalling £4,224,965, exceeded that for the previous year by £304,939. As stated earlier in the report, the increased wages-tax receipts point to a rise of £12,000,000 in salaries and wages, and additional amounts provided by the charge on "other income" indicates an increase of over £8,700,000 in this class of income.

Payments during the year ended 31st March, 1937, aggregated £4,414,011, and showed a decrease of £468,841 as compared with the preceding year.

The financial year closed with a cash balance of £253,245.

The position of the Fund as at 31st March, 1937, was thus a satisfactory one. The revenue for the year 1937-38 is expected to reflect the improvement in the national income, and the yield from employment-tax is estimated at £5,180,000.

It is appropriate to refer here to the measures which have been taken and which are projected in the matter of promotion of employment. Although the subject is dealt with more fully in another part of this report, the expenditure necessary to give effect to the statutory provisions in this behalf (section 35 (a) and (b) of the Employment Promotion Act, 1936) may, and often does, exceed what would be required if the only statutory objective was to make relief payments to persons out of employment or otherwise in need of assistance.

The improving position of the Fund will also, no doubt, be taken into account when proposals now under consideration are brought to finality in the matter of the national superannuation health and unemployment scheme. Consideration will, it is expected, be given to the possibility of any surplus moneys in the Employment Promotion Fund forming the nucleus of the funds necessary to bringing those proposals into operation.

#### REVIEW OF BENEFITS TO UNEMPLOYED.

It is necessary to cover a period of two years to give a complete record of increases in rates of relief pay and of other measures for the amelioration of the conditions affecting relief-recipients. For the purpose of conveying an adequate presentation of what improvements have been effected comparative tables have in certain cases been included in the following review:—

##### CHRISTMAS RELIEF, 1935-36.

The extra relief usually given at the Christmas and New Year holiday periods was increased by 150 per cent. over and above the provisions made in this direction in previous years. The amount expended on the provision of the Christmas relief in 1934 was £44,240, as compared with £127,186 in 1935. Due to the considerable increase in the scale of relief payments during 1936, the bonus for that year was disbursed on the basis of £1 for single men and £2 for married men, and the total amount expended thereon was £56,981.

The scope of the qualification for the bonus in 1936 was somewhat widened in order to permit all relief workers who were employed on a part-time basis for a period of one week only—namely, the week ended 5th December—to receive the bonus. Previously a stipulation for participation in the bonus was that the relief recipient was required to be in receipt of relief for a period of not less than thirteen weeks during the preceding twelve months.

##### RELIEF PAYMENTS.

The relief rates of pay have been considerably increased over the past two years, the first review taking place as from 2nd March, 1936, when all districts were placed on an equal footing with the four main centres, in which the relief rates had previously been higher. This resulted in an increase of from 4s. 6d. to 5s. per week for single men and 6s. per week for married men in the country districts, and an increase of from 2s. to 3s. per week for single men and 3s. per week for married men in the secondary towns. The sum of £175,000 per annum was involved in this increase.

Then, as from 1st June, 1936, Scheme No. 5 and sustenance-rates were further increased in all districts. A further amount of £590,000 per annum was required to meet this improvement. The sustenance-rates were then again raised as from 30th November, 1936, by 3s. per week for single men and 6s. per week for married men. The difference between the sustenance and Scheme No. 5 rates, as from that date, has been reduced to 1s. per week for single men and 3s. 6d. per week for married men.

The following tables set out the weekly relief rates which previously operated, together with the increases granted over the period under review. The percentage of increase is also shown :—

Scheme No. 5.

Class.	Old Rates.			Present Rates.	Amount of Increase.					
	Country Districts.	Secondary Towns.	Main Centres.	As from 1/6/36.	Country Districts.		Secondary Towns.		Main Centres.	
	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.	Per Cent.	£ s. d.	Per Cent.	£ s. d.	Per Cent.
A ..	0 12 0	0 14 0	0 17 0	1 1 0	0 9 0	75	0 7 0	50	0 4 0	24
B ..	1 1 0	1 4 0	1 7 0	1 18 6	0 17 6	83	0 14 6	60	0 11 6	43
C ..	1 5 0	1 8 0	1 11 0	2 2 6	0 17 6	70	0 14 6	52	0 11 6	37
D ..	1 9 0	1 12 0	1 15 0	2 6 6	0 17 6	60	0 14 6	45	0 11 6	33
E ..	1 13 0	1 16 0	1 19 0	2 10 6	0 17 6	53	0 14 6	40	0 11 6	30
F ..	1 15 0	1 18 0	2 1 0	2 14 6	0 19 6	56	0 16 6	43	0 13 6	33
G ..	1 17 0	2 0 0	2 3 0	2 18 6	1 1 6	58	0 18 6	46	0 15 6	36
H ..	1 19 0	2 2 0	2 5 0	3 2 6	1 3 6	60	1 0 6	49	0 17 6	39
I ..	2 1 0	2 4 0	2 7 0	3 6 6	1 5 6	62	1 2 6	51	0 19 6	42

Sustenance.

Class.	Old Rates.			Present Rates.	Amount of Increase.					
	Country Districts.	Secondary Towns.	Main Centres.	As from 30/11/36.	Country Districts.		Secondary Towns.		Main Centres.	
	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.	Per Cent.	£ s. d.	Per Cent.	£ s. d.	Per Cent.
A ..	0 9 6	0 12 0	0 14 0	1 0 0	0 10 6	111	0 8 0	67	0 6 0	43
B ..	0 18 0	1 1 0	1 4 0	1 15 0	0 17 0	94	0 14 0	67	0 11 0	46
C ..	1 2 0	1 5 0	1 8 0	1 19 0	0 17 0	77	0 14 0	56	0 11 0	39
D ..	1 6 0	1 9 0	1 12 0	2 3 0	0 17 0	65	0 14 0	48	0 11 0	34
E ..	1 10 0	1 13 0	1 16 0	2 7 0	0 17 0	57	0 14 0	42	0 11 0	31
F ..	1 12 0	1 15 0	1 18 0	2 11 0	0 19 0	59	0 16 0	46	0 13 0	34
G ..	1 14 0	1 17 0	2 0 0	2 15 0	1 1 0	62	0 18 0	49	0 15 0	38
H ..	1 16 0	1 19 0	2 2 0	2 19 0	1 3 0	64	1 0 0	51	0 17 0	41
I ..	1 18 0	2 1 0	2 4 0	3 3 0	1 5 0	66	1 2 0	54	0 19 0	43

Comparison of the old and new scales shows that the average weekly increases in unemployment-relief rates were—

		Per Week.
	s. d.	
(a) Men resident in country districts—		
Scheme No. 5 .. .. .	18 8	
Sustenance .. .. .	18 6	
(b) Men resident in secondary towns—		
Scheme No. 5 .. .. .	15 11	
Sustenance .. .. .	15 7	
(c) Men resident in main centres—		
Scheme No. 5 .. .. .	12 11	
Sustenance .. .. .	12 8	
(d) Maoris—		
Scheme No. 5 .. .. .	21 9	

## IMPROVEMENT IN STATUS, ETC., OF MAORIS.

As from 2nd March, 1936, Maoris were placed on the same footing as the pakeha, and the lower rates of pay which had previously obtained were increased as from that date accordingly.

The following table sets out the old Scheme No. 5 rates of relief for Maoris as compared with the increases granted from 2nd March and from 1st June, 1936 :—

Class.	Weekly Rates previously operative.	New Rates.		Total Weekly Increase.	Percentage Increase.
		Increased Rates from 2nd March to 31st May.	Increased Rates from 1st June, 1936.		
	£ s. d.	£ s. d.	£ s. d.	£ s. d.	
A ..	0 9 6	0 14 0	1 1 0	0 11 6	121
B ..	0 18 0	1 4 0	1 18 6	1 0 6	114
C ..	1 2 0	1 8 0	2 2 6	1 0 6	93
D ..	1 6 0	1 12 0	2 6 6	1 0 6	79
E ..	1 10 0	1 16 0	2 10 6	1 0 6	68
F ..	1 12 0	1 18 0	2 14 6	1 2 6	70
G ..	1 14 0	2 0 0	2 18 6	1 4 6	72
H ..	1 16 0	2 2 0	3 2 6	1 6 6	74
I ..	1 18 0	2 4 0	3 6 6	1 8 6	75

The above rates represent an average increase over the old rates of 21s. 9d. per man per week.

As far as practicable an endeavour is made to provide work for all unemployed Maoris on Native-land development schemes through the Native Department. (See *post* under Maori Unemployment.)

Where relief employment is provided, Maoris are engaged on contract work, the contracts being based on the public-works standard rate of 16s. per day. At the completion of each contract the men are required to stand down for a period to permit of average earnings over the whole period according to the following special scale :—

						Per Week.
						s. d.
Single men	..	..	..	..	..	30 0
Married with up to five children	..	..	..	..	..	60 0
Married with six children	..	..	..	..	..	62 6
Married with seven or more children	..	..	..	..	..	66 6

PRIVATE EARNINGS AND CAPITAL ASSETS.

To encourage men to seek and accept available private work, the scale of permissible income was increased to permit a single man to earn from all sources, including relief, at least £2 per week, and a married man from £3 to £3 18s., according to the number of his dependants, without his relief pay being affected.

The following sets out the scale of permissible earnings which operated previously as compared with the increased scale which came into operation on 1st June, 1936 :—

	Weekly Scale previously operative.			New Scale as from 1st June, 1936.		
	£	s.	d.	£	s.	d.
Class A—Single man	2	0	0	2	0	0
Class B—Married, with wife only	2	5	0	3	0	0
Class C—Married, wife and 1 child	2	9	0	3	0	0
Class D—Married, wife and 2 children	2	13	0	3	0	0
Class E—Married, wife and 3 children	2	17	0	3	2	0
Class F—Married, wife and 4 children	3	1	0	3	6	0
Class G—Married, wife and 5 children	3	5	0	3	10	0
Class H—Married, wife and 6 children	3	9	0	3	14	0
Class I—Married, wife and 7 or more children	3	13	0	3	18	0

House and land property have been disregarded as a capital asset, and now only liquid assets are taken into consideration.

WAR VETERANS.

Special consideration has been given to persons in receipt of war veterans' allowances who are still fit for employment. In such cases a sustenance allowance is granted to build their veteran's allowances up to the maximum income scale permitted under the War Veterans' Allowances Act.

The following statement sets out the weekly rate of war veterans' allowances, together with the maximum sustenance payment in each case, and the total income from both sources :—

	War Veterans' Allowance.	Maximum Sustenance Payment.	Total.
	£ s. d.	£ s. d.	£ s. d.
Single men	1 0 0	0 10 0	1 10 0
Married, wife only	1 15 0	0 15 0	2 10 0
Married, 1 child	2 0 0	0 15 0	2 15 0
Married, 2 children	2 5 0	0 15 0	3 0 0
Married, 3 children	2 10 0	0 12 0	3 2 0
Married, 4 children	2 15 0	0 11 0	3 6 0
Married, 5 or more children	2 15 0	0 15 0	3 10 0

In addition, provision has been made in certain cases where persons are on a reduced war veterans pension to permit them to forgo the war veteran's allowance and thus qualify for the full sustenance allowance.

SCHEME NO. 5.

As already stated, the daily rates of pay on Scheme No. 5 were increased as from 1st June, 1936. Scheme No. 5 works (and all works subsidized from the Employment Promotion Fund) were brought into line with the new public-works standard rates, which provide a minimum of 16s. per day for both single and married men, and for both pakeha and Maori, thus eliminating the previous differentiation which existed.



However, owing to the hourly rates of pay under many local body awards being in excess of the public-works rate of 2s. per hour, it was decided, as from 31st October, that the minimum hourly rates of pay under Scheme No. 5 were to be increased to 2s. 3d. If in any case the award rate is higher than 2s. 3d. per hour, the higher rate must, of course, be paid.

#### ASSISTANCE TO MEN TAKING UP DISTANT EMPLOYMENT.

Provision is made for the maintenance of the dependants of workers who secure distant full-time employment whilst awaiting their first wages payment. Sustenance allowance in respect of *bona fide* dependants with a maximum of £2 per week is paid by the Department for a period of up to two weeks from the date the men go off relief. This assistance is available whether the employment is offered by the Public Works Department or by any other employing authority, public or private. This concession is available only to men who, at the time of proceeding to the full-time work, were actually in receipt of Scheme No. 5 or sustenance relief.

Payment of fares to distant jobs is also granted in certain cases.

#### SPECIAL FULL-TIME WORK SCHEME (SHORT TERM).

In June, 1937, a scheme was inaugurated, with the assistance of local bodies, to provide full-time work of up to four months duration for 7,000 fit men who were in receipt of relief. Subsidies covering up to the full labour costs were offered to local bodies, and the results were extremely satisfactory, commitments having been made covering 3,696 men in the North Island at an expenditure of £260,147 from the Employment Promotion Fund, and 2,821 men in the South Island at an expenditure of £201,150, a total of 6,517 men at a cost of £461,297 to the Employment Promotion Fund.

All of these men have been employed full time under ordinary industrial conditions at the rates of wages provided for in the award to which the employing authority is a party. A special condition, however, is that time lost through wet weather may be made up by extending the allotted period of employment by the number of days so lost, subject to a minimum extra period of one week.

#### SICKNESS AND WET WEATHER.

Payment of relief during sickness has been extended from one to three weeks, with an aggregate of six weeks' sick-pay in any twelve months.

Scheme No. 5 workers are paid for time lost through wet weather without requiring them to make it up later. Similar provision is made for odd days lost on account of sickness.

#### CAMPS.

All relief camps have been converted to standard works at standard full-time rates of pay.

#### ADDITIONAL COST.

The cost of the various measures introduced to make more adequate provision for the unemployed has been estimated to involve an additional annual expenditure from the Employment Promotion Fund of approximately £1,700,000.

### UNEMPLOYMENT RELIEF.

#### SUSTENANCE.

The principal measures for the relief of unemployment take the form of work relief (Scheme No. 5) and of sustenance (relief benefit without work). Over the past two years the form of relief through sustenance has become an increasingly noticeable feature of the Department's relief measures. The principal cause of this—admission to relief benefit of sick and infirm persons—is explained earlier in this report under the analysis of registrations. Other contributing factors are the absence of suitable work in certain localities for relief of unemployment and the policy of inaugurating full-time works under State or local-body control on a rotational or short-term basis. In the interim between spells of full-time work the men are placed on sustenance.

The payment of sustenance requires carefully designed safeguards to prevent abuse and imposition on the Employment Promotion Fund through the practice of fraud or misrepresentation. The system of relief benefit without work is inherently open to abuse, and its prevention causes considerable expenditure of time and work on the part of the Department's staff. Unfortunately, many persons have been unable to resist the temptation to obtain relief to which they were not entitled, and severe measures have been found necessary to deter repetition of offences. Consideration is being given to other means of closing the avenues which exist for commission of fraud by soliciting the co-operation of employers for the purpose of notifying to the Employment Bureau certain particulars as to earnings of temporary and casual employees, &c.

Apart from the question of imposition by fraud, cases have come under notice where persons in receipt of unemployment assistance have been spending their relief pay in the excessive purchase of intoxicating liquors, and in gambling, &c. The payment of relief may be suspended in such cases, and is not restored unless and until the Department is satisfied that there is reasonable prospect of the applicant utilizing the payment in a proper manner. Where the relief allocation is later restored, consideration is given to invoking the provisions of section 37 or section 42 of the Employment Promotion Act for the purpose of paying an allowance direct to the dependants instead of to the applicant personally.

Men who are refused relief in accordance with the above have the right of appeal to the Head Office of the Department, which decides the matter after giving due consideration to all the relevant evidence.

A brief outline of the procedure governing payment of sustenance is as follows: Sustenance recipients are required to report in person once each week and again later in the week to uplift the payment. This practice is a necessary safeguard to ensure that men in ordinary employment do not draw sustenance pay. In certain cases, where hardship would be entailed by requiring the applicant to report twice weekly, only one attendance may be required. In those cases where applicants reside at too great a distance from the town where they are required to report, and the distance also prevents them calling for the sustenance payments, the applicants are allowed to complete their declaration forms before a responsible person (J.P., police constable, &c.) at their point of residence, and post the forms to the district employment officer or certifying officer. Payment is then effected by means of sustenance warrants.

Persons in receipt of sustenance payments are required to make weekly declarations of their income for the week preceding that in which they report for sustenance. On this information the sustenance payable for the current week is assessed.

In the first week in which an applicant becomes eligible for relief assistance after registration or re-registration, he is granted the full sustenance allowance applicable to his conjugal classification except where the income declared for the previous week exceeds the scale maximum permissible, in which case a corresponding reduction in the sustenance allowance is effected.

In order to encourage the acceptance of such private work as may be offering, a special concession applies where a sustenance recipient secures full-time employment for one calendar week only. He is then eligible in the week following that in which he secured the full-time employment for either his full sustenance allowance or an amount that will bring his total income for the two weeks up to the maximum permissible income for a fortnightly period—whichever is the lesser sum.

Any adjustments required on account of earnings in the previous week affect only the sustenance for the current week, and are not carried over to a subsequent period.

The present maximum rates of sustenance are—

Classification.	Rate.	Classification.	Rate.
	s.		s.
Class A—Single men .. .. .	20	Class F—Married, with wife and four children	51
Class B—Married man, with wife only ..	35	Class G—Married, with wife and five children	55
Class C—Married, with wife and one child	39	Class H—Married, with wife and six children	59
Class D—Married, with wife and two children	43	Class I—Married, with wife and seven or more children	63
Class E—Married, with wife and three children	47		

SCHEME NO. 5 (WORK RELIEF).

The policy of the Department is to encourage local bodies to put in hand full-time works for the employment of displaced labour. Subsidies are offered by the Department for this purpose, and many local bodies have changed over from Scheme No. 5 part-time work to full-time employment.

Scheme 5 refers to the organized intermittent employment which was the main feature of the early administration of unemployment relief. Generally speaking, it is the intention of the Government to allow Scheme 5 to gradually disappear and to concentrate on full-time employment.

To bridge the gap during short periods of unemployment there is much that can be said in favour of organizing intermittent employment as an alternative to sustenance or “dole payments.” By this method the worker temporarily displaced from industry is enabled to maintain his spirit of independence, physical deterioration is prevented, and the State salvages at least some proportion of the economic waste, which is the worst feature of unemployment.

These advantages which might be obtained in favourable circumstances by organizing intermittent employment were completely negated in the early administration of this scheme. The scheme appears to have been introduced originally not because of the advantages mentioned above, but because of a declared policy not to grant relief payments except when work had been performed in exchange for the payment. This policy produced a search for work rather than for value, with the obvious result that tasks were set to be performed in exchange for relief which obviously had no value. This procedure, as might be expected, caused local authorities, who were in the main charged with organizing the work, to become indifferent as to adequate supervision, and in all cases where this happened (and there were many) not only physical, but moral, deterioration quickly resulted.

A second feature which tended to destroy any value that might be obtained from the early operation of this scheme was the practice of paying the worker less than the recognized standard rate for the work he performed. This policy not only presupposed a lower standard of work, but provided the greatest incentive to a lowering of effort on the part of the workers engaged.

No time was lost in correcting these weaknesses. Standard rates were arranged for all work performed, and Scheme 5 was limited to approved works that promised some value in return for effort expended.

In spite of the improvements made in Scheme 5 administration it seems desirable that if relief work must be intermittent—that is to say, if the worker cannot be engaged for the whole length of the job because there are more men than jobs—it is more advantageous to employ the men full time for short periods than it is to employ them for broken periods of a week. It would be possible in this way to avoid the worst features of unemployment; to the extent that local authorities are able to assist, this policy is being carried out.

The industrial history of the country, and of many countries, shows that there is always a proportion of working-people who must rely for a livelihood on part-time employment. This is particularly pronounced in such industries as building, engineering, and coal-mining.

Intermittent employment, however, when organized by largely providing the finance from the Employment Promotion Fund, is not without weakness, whether it is organized on the basis of full time for given periods or for a given number of days in every week. Experience goes to show that the greatest weakness arising from this is the tendency of the worker to organize his living standard to suit the restricted income and to be content with that work provided near his home rather than accept employment farther afield involving the inconveniences of travelling and living away from home, and this problem is still engaging the attention of the Minister and of the Department.

The present nature of the scheme differs greatly from that previously in operation. It is intermittent employment, and in only that respect is it the same as the Scheme No. 5 as originally known. The employment is carried out at award wages, the weekly amount has been increased, and in a number of cases the local authorities employing the men are supplementing the wages over the maximum allowed from the Employment Promotion Fund. Many of the men are earning on relief, plus supplementary earnings paid by the local authority, or other private earnings, up to the basic wage. It is true that this employment is wholly dependent upon the bulk of the wages being paid from the Employment Fund, and that in the absence of such an arrangement they would be included in the sustenance figures, but, from the worker's point of view, he is, in the majority of cases, at least in no worse position than the casual labourer in industry subject to loss of wages for wet weather and other stoppages over which he has no control.

The conditions of employment under Scheme No. 5 are as follows :—

Intermittent work relief is provided on a basis ranging from 21s. per week for 9½ hours' work in the case of a single man to 66s. 6d. per week for 29½ hours in the case of a married man with seven or more children.

The works undertaken as Scheme No. 5 relief are regarded as standard works under ordinary industrial conditions. The work is accordingly required to be performed in full on the basis of 2s. 3d. per hour; where the award rate is more than 2s. 3d. per hour, then the award rate must be paid and the hours to be worked will be reduced in consequence.

The following table shows the present rates of Scheme No. 5 relief and the additional assistance which the Department encourages the local bodies to provide :—

Classification.	Amount of Scheme No. 5 Relief, and Number of Hours.		Additional Minimum Amount, and Hours which Local Bodies are encouraged to Provide.		Total.	
	Rate.	Hours.	Rate.	Hours.	Rate.	Hours.
	s. d.		s. d.		s. d.	
Class A—Single men .. .. .	21 0	9½	6 0	2½	27 0	12
Class B—Married men with wife only .. ..	38 6	17½	6 6	2½	45 0	20
Class C—Married, with wife and one child .. ..	42 6	18½	2 6	1½	45 0	20
Class D—Married, with wife and two children .. ..	46 6	20½	7 6	3½	54 0	24
Class E—Married, with wife and three children .. ..	50 6	22½	3 6	1½	54 0	24
Class F—Married, with wife and four children .. ..	54 6	24½	8 6	3½	63 0	28
Class G—Married, with wife and five children .. ..	58 6	26	4 6	2	63 0	28
Class H—Married, with wife and six children .. ..	62 6	27½	0 6	½	63 0	28
Class I—Married, with wife and seven or more children	66 6	29½	5 6	2½	72 0	32

This scale applies both to Europeans and Maoris and to town and country districts.

Where local bodies are unable to provide the additional work to employ the men to the nearest half-day above the actual time factor covered by the new scale of relief, on account of the extra wages cost they would have to find, each worker's relief time may be adjusted, if the local body so desires, over a four-weekly period and time less than half-days may be disregarded. Such an adjustment relieves local bodies of the necessity for providing transport, tools, &c., for working-periods of less than half a day.

Where this arrangement is adopted by employing authorities the time factor is adjusted as follows in the matter of work to be provided by the men according to their various classifications :—

					Weeks.				Number of Days over Four Weeks.
					First.	Second.	Third.	Fourth.	
					Days.	Days.	Days.	Days.	Days.
Class A	..	..	..	..	1½	1	1	1	4½
Class B	..	..	..	..	2½	2	2	2	8½
Class C	..	..	..	..	3	2	2	2	9
Class D	..	..	..	..	3	2	3	2	10
Class E	..	..	..	..	3	3	3	2	11
Class F	..	..	..	..	3	3	3	3	12
Class G	..	..	..	..	4	3	3	3	13
Class H	..	..	..	..	4	3	3½	3	13½
Class I	..	..	..	..	4	3½	4	3	14½

OTHER FORMS OF RELIEF.

The measures for relief assistance other than by means of Scheme No. 5 work or sustenance are few in number, and retain the form which characterized them in previous years. Relief to persons upon their own farms is one of these measures. The rates payable, however, have been recently increased. The scheme is known as "Scheme No. 4A," and it provides for a measure of assistance to those farmers whose circumstances are such that without relief they would be forced to abandon their properties.

The current rates of sustenance payable are as under, the old rates being shown in parentheses :—

					Per Week.			
					s.	d.	s.	d.
Single men	..	..	..	..	15	0	(10)	0
Married men, wife only	..	..	..	..	25	0	(15)	0
Married men, wife and one child	..	..	..	..	29	0	(19)	0
Married men, wife and two children	..	..	..	..	33	0	(23)	0
Married men, wife and three children	..	..	..	..	37	0	(27)	0
Married men, wife and four children	..	..	..	..	41	0	(29)	0
Married men, wife and five children	..	..	..	..	45	0	(31)	0
Married men, wife and six children	..	..	..	..	49	0	(33)	0
Married men, wife and seven or more children	..	..	..	..	53	0	(35)	0

The new rates represent a considerable increase over the assistance previously available.

The numbers of men assisted under this scheme were 235 at 28th August, 1937, as compared with 532 on 31st August, 1935.

Assistance to unemployed persons eligible for relief benefits continues to be provided under the gold-prospecting scheme, but assistance of this nature has diminished, as the activities under this scheme have been converted to what is, in effect, a subsidization or promotion of an industry. Persons still assisted as relief recipients, or grub-staked, to use the usual term, are not permitted to remain indefinitely on the scheme, but must show results from their claims or reasonable prospects to the satisfaction of the Department's engineers in order to continue drawing assistance from the Fund. The number of men in receipt of ordinary assistance and special development (of claims) rates dropped from 3,007 at 31st August, 1935, to 768 at 31st August, 1937.

Those schemes which have been recently instituted and which in past years may have been regarded as relief measures are dealt with under what would appear to be the more proper heading of measures for promotion of employment. The schemes referred to include absorption of single men and youths into farming activities, and into the carpentry and building trades, &c.

MAORI UNEMPLOYMENT.

Natives are exempted from payment of the registration levy, but if any Native wishes to obtain relief benefits he may apply for permission to become a contributor to the Employment Promotion Fund. If accepted as such the eligibility of a Native applicant for relief is determined in the same manner as in the case of unemployed Europeans; furthermore, the relief benefits available under Scheme No. 5, or by way of sustenance, to Natives are on the same scale as applicable to Europeans.

When a Native is first accepted as a contributor to the Employment Promotion Fund, information is obtained as to his financial position and that of his wife, and periodical reports are obtained from the Native Department as to rents from Native land payable to the Native applicant or his wife.

It is the Government's desire, as far as practicable, to engage registered unemployed Maoris on the development of Native lands. It is only when such work is not available that Scheme No. 5 relief is approved, and then only until such time as the Native Department is in a position to formulate further contracts for developmental work.

Sustenance payments are not regarded as being in the real interests of the Maori, and that form of relief is not introduced except in very special cases where such a course is unavoidable. Unless the whole circumstances are reported to the Secretary and approval obtained from him, sustenance may not be granted to Natives.

The payment of sustenance to Natives is effected by way of one-third in cash and two-thirds in orders for rations, rent, &c., both proportions being to the nearest shilling.

In order to enable the recipient to purchase goods at more than one store or to use part of his allowance for the purchase of groceries and part for the payment of rent, two or even three separate orders may be issued each week. The orders are negotiable with storekeepers, who may not pay cash to the recipient to satisfy the unexpended portion of the order. If this were not provided against, the whole purpose of the system would be rendered nugatory. Storekeepers endorse on the back of the negotiated orders details of goods supplied, with the prices charged.

As only district employment officers deal with the issue of ration orders to Natives, registrations under certifying officers are transferred to bureaux in charge of district employment officers, but the certifying officers continue to act as reporting officers for the purpose of receiving the weekly declarations of income and transmitting them to the district employment officer.

Natives are employed on Scheme No. 5 under the same conditions as Europeans, but if Natives so employed are found to be misapplying their relief earnings the Secretary may direct that part of the earnings be paid by the issue of ration orders.

In some cases, where relief employment is provided for Natives by local bodies, the men's time, according to their conjugal classification, is made up to the nearest half-day above their allocation, the whole cost being borne by the Fund.

In other cases the local body supplements the wages of the men by at least one day's work each week at a minimum of 16s. per day in addition to making up the men's times where necessary to the nearest complete half-day.

As far as practicable, the Native Department endeavours to find work for all unemployed Maoris, and that Department's supervisors engage all their labour through Government employment bureaux.

With regard to those Natives employed as relief workers on contract work through the Native Department, the contracts are based on the public-works rate of 16s. per day for both single and married men for full-time work. At the completion of each contract the men are required to stand down for a period so that their earnings over the whole period (including the stand-down) will average out at the following special relief rates:—

						Per Week.	
						s.	d.
Single men	..	..	..	..	..	30	0
Married, with up to five children	..	..	..	..	..	60	0
Married, with up to six children	..	..	..	..	..	62	6
Married, with up to seven or more children	..	..	..	..	..	66	6

The above scale is higher than the usual relief rates, and has been adopted because Natives engaged on contract work are not paid for sickness or wet time, and in addition are generally required to provide their own tools. Private income (but not private earnings) of the Native (and his wife) is taken into account in assessing the stand-down.

A similar system is sometimes used with regard to employment with local bodies—*e.g.*, in one instance married Natives only are employed five days per week at 16s. per day. At the end of six weeks they stand down two weeks or less, so that their relief earnings for eight weeks will coincide with that allowed by the special Native scale. The Employment Fund finances the scheme to the extent of £3 per man per week, and the local body supplements this by amounts ranging from 5s. to 10s. per week to make up the earnings to the desired amount.

Maori youths seventeen to nineteen years of age may register for placement on Native Department relief contracts. Their eligibility is determined in the same manner as other Maoris, and on the completion of contracts their stand-down period is assessed on a scale of 20s. per week.

These youths are not required to pay the registration levy, and generally are not eligible for assistance under any other relief scheme.

Maori farmers, whether or not their land has been brought under the Native Land Amendment Act, 1936, are not permitted to register for relief. Assistance may, however, be provided by the Native Department.

Full time work schemes are provided by the Native Departments as under:—

- (1) Development scheme contracts comprising works on the Native Department's schemes which are financed by the State.
- (2) Assistance to units—*i.e.*, Native farmers, where land has been brought under the Native Land Amendment Act, 1936—similar to that provided under the small-farms development scheme.
- (3) Indigent housing scheme for Natives, where approval is given to utilize registered unemployed Maoris as builders' labourers.
- (4) Private contracts comprising works on all other Native lands including Maori Land Board, Native Trust, and East Coast Commissioner's stations.

These schemes, although the necessary finance is provided from the Employment Promotion Fund, are regarded as ordinary full-time employment, and therefore the names of Natives engaged thereon are removed from the unemployment register. No stand-down period such as is imposed

under the Native relief contracts is enforced on "standard work" contracts, and it is only when the Native registers after having been off relief over three months that the usual two weeks' requalifying period is enforced.

If the Native Department is unable to provide employment for all registered Maoris, every endeavour is made to place them per medium of the Public Works Department or with local authorities or other employing bodies, and to make special arrangements to provide light work for those unfitted for ordinary manual labour.

#### UNEMPLOYED WOMEN AND GIRLS.

Assistance is granted to unemployed women and girls through the medium of Women's Employment Committees, which committees carry out their work on a voluntary basis and are representative mainly of the various women's social organizations. These committees operate to any extent in the four main centres only, where registered unemployed women and girls are assisted in obtaining employment, and are granted a measure of relief while they are unemployed.

The work performed by the Women's Employment Committees has been very efficiently carried out, and the Department is indebted to them for the time and care given to the administration of the functions entrusted to them in the disbursement of relief to women. In the event of any major developments in the matter of payment of relief or other benefits to women, special departmental organization would possibly require to be set up to deal with the problem rather than to increase the existing number of committees. The experience gained from the able administration of the committees would prove invaluable to the Department in dealing with extended benefits to women.

The relief assistance granted to registered and eligible unemployed women and girls is by way of a cash payment of 10s. per week, increased to 14s. per week where the recipient is living away from home. In addition, a substantial measure of assistance is granted by way of free meals, clothing, &c.

Work centres have been established in some of the main centres where those registered as unemployed are assisted to qualify for employment by training in cooking, sewing, and domestic work generally.

During the financial year ended 31st March, 1937, grants totalling £10,203 were made to the various Women's Employment Committees from the Employment Promotion Fund.

The following table sets out the occupations by age-groups of those unemployed women and girls registered at the four main centres as at 31st July, 1937. The total of 238 registrations shows a decline of eighty-seven when compared with the total of 325 registered at 31st July, 1936.

*Occupations and Ages of Unemployed Women and Girls registered at the Four Main Centres as at 31st July, 1937.*

Usual Occupations.	16-19 Years.	20-24 Years.	25-29 Years.	30-39 Years.	40-49 Years.	50-59 Years.	60 Years and over.	Total.
Office work .. ..	..	3	1	4	5	2	..	15
Shop-assistants ..	2	6	2	1	2	..	1	14
Factory employees ..	8	12	2	1	1	..	1	25
Dressmakers or tailoresses	1	2	..	..	3	2	..	8
Milliners .. ..	..	..	..	1	..	..	..	1
Housemaids .. ..	..	1	..	1	..	..	..	2
Waitresses .. ..	1	2	1	..	..	..	..	4
Cooks .. ..	..	..	..	1	1	1	..	3
Laundresses .. ..	..	1	..	1	2	1	..	5
Charwomen .. ..	..	..	..	2	9	10	..	21
Domestics .. ..	9	23	13	20	33	26	2	126
Nurses (trained) ..	..	..	..	..	1	1	..	2
Nurses (children's) ..	..	1	..	1	..	..	..	2
Housekeepers .. ..	..	..	..	1	..	2	..	3
Others .. ..	..	2	..	..	..	5	..	7
Total .. ..	21	53	19	34	57	50	4	238

During the year ended 31st July, 1937, 744 temporary and 1,338 permanent placements in private employment were effected by the committees, 67,117 meals were supplied to unemployed women and girls, and, in addition, 421 garments and 24 articles of footwear were provided in necessitous cases.

The table set out above provides ample evidence that the female unemployment problem at the present time is not a serious one. It will be noted that approximately 50 per cent. of those registered are over forty years of age, and a considerable proportion of these would in all probability experience difficulty in securing permanent positions even in the most prosperous times. In addition, it was estimated by the committees that at least 84 persons, or over 30 per cent., of the above total of 238, could safely be regarded as permanently unemployable due to physical unfitness, &c.

The committees report that there is a distinct shortage of capable domestic workers and hotel workers, and also that there is a shortage of efficient girls for factory-work and for clerical positions, particularly of junior shorthand-typistes. Generally, no difficulty at all is experienced in placing any girl or young woman who is physically fit for normal employment.

The position as disclosed by the above figures indicates that the female unemployment problem is probably less serious at the present time than it has been for many years.

#### TERMINATION OF BUILDING SUBSIDY SCHEMES.

The House-building Subsidy Scheme (Scheme No. 12) was terminated on the 30th September, 1936, after being in operation since July, 1934, it being considered that the conditions then prevailing in the industry did not warrant assistance by way of subsidy being continued. During the currency of the scheme 12,635 applications were received, of which 11,840 were approved, as a result of which work to a total value of £7,942,891 was carried out. In all, 11,412 dwellinghouses were erected under the scheme. The amount expended by way of subsidy totalled £552,305.

A subsidiary scheme, known as B 1, which was introduced in March, 1935, and which provided for such work as alterations to, and the painting of, dwellinghouses and certain non-profit-earning buildings, was brought to a close in March, 1936; 5,181 applications were approved, resulting in the carrying-out of work costing approximately £526,823. The subsidies approved amounted to £43,968.

In June, 1935, a scheme, known as B 2, providing for the erection of new, or the modernizing of existing, dairy factories and milking-sheds, and the equipping of such buildings with up-to-date machinery of New Zealand manufacture commenced to operate. The scheme was later extended to cover the construction of general farm buildings, and the purchase of New-Zealand-made farm implements. The scheme ceased to function on the 30th April, 1936. During the period of operation, 8,111 applications were approved, and the building work to the value of £343,237 was carried out. The total cost of the machinery and implements purchased amounted to £334,998; subsidies granted amounted to £54,024.

#### PROMOTION OF EMPLOYMENT IN INDUSTRY.

As indicated earlier in this report, there has been a large reduction in the volume of unemployment since the end of 1935, 37,316 only remaining on the registers in August of this year. Of these, it is estimated that less than 17,000 are able-bodied and available for employment.

The absorption of unemployed men into industry is necessarily a process that is slow in nature; and, in many cases, it can be accomplished only in two stages. In the first stage, the able-bodied worker who is capable of and available for work, but unemployed, must be kept physically fit, industrially alert, and conscious of the desirability of employment for engagement in industry when it becomes available. For this reason able-bodied unemployed men have been given work on expanded public works, both national and local-body, and, where necessary, the cost of such work in excess of its reproductive value met from the Employment Promotion Fund. The labour required, however, for such relief public work is, of necessity, frequently unskilled, while its productive value may be considerably less than it would be in other occupations. For that reason the second function of the employment administration is to find work for the jobless in private industry, and attention has been paid, and continues to be paid, to industrial-employment possibilities in many industries—*e.g.*, gold-mining, tobacco-growing, flax development, steel, and kauri-gum. Some of the more recent of the developments in connection with these industries may be mentioned.

Originally, in the case of gold-mining, subsidies were payable to groups of previously unemployed men sent out prospecting for gold. While this was valuable at the time, in that jobless men were given employment, the prospecting was undirected. More recently the operations on the goldfields have been converted into a co-ordinated plan for the systematic prospecting of areas where possibilities of profitable exploitation may exist. Although in some areas gold in payable quantities has not been found, success has been achieved in other areas, offering permanent employment to numbers of men. Many of these men have come across rich patches of alluvial ground and rich sections of reef body which have placed such miners in the position of not requiring further financial aid from State funds.

Whilst the Department's gold-mining scheme did not commence as a commercial mining venture, the objective now is rather in the nature of prospecting being conducted as a State enterprise for the purposes of proving areas for the interest of subsequent enterprise. To this end, activities are not put in hand without first examining existing geophysical and geological data and carrying out preliminary testing operations. This work is carried out almost wholly on a contract basis, the contracts being set to enable the average worker to earn at least the equivalent of public-works standard rates for the classes of work involved.

The average number of men employed on the scheme during 1936 was 1,800. The cost of providing sustenance to this number would have been equal at least to the cost of maintaining gold-mining operations—approximately £160,000; but whereas the State would have reaped no return in respect of sustenance granted, under the gold-mining scheme the State has benefited to the extent of some 7,000 oz. of gold, valued at approximately £50,000.

Assistance to tobacco-growers has been given by providing an advance export-price guarantee. In the past the export guarantee amounted to 1s. per pound, but as a result of the improvement in the prices received for the leaf already exported, and of the promising reports obtained on this leaf

from experts, the price guarantee has been increased to 1s. 6d. per pound for the 1937-38 season. As the following figures indicate, there has been no net loss to the Employment Promotion Fund, the amount advanced being equalled by the amount recovered :—

Year.						Quantity. exported.	Advanced.	Recovered.
						Lb.	£	£
1934-35	..	..	..	..	..	65,341	3,267	3,267
1935-36	..	..	..	..	..	79,043	3,952	3,952
1936-37	..	..	..	..	..	68,975	3,503	Not yet sold.

The guarantee given on the export of tobacco-leaf has enabled a very promising market to be built up in Great Britain for New-Zealand-grown leaf. As a result of Government aid to this industry a large number of additional men have been employed, and there is every indication of an increasing number of persons being engaged in the industry in the next twelve months.

To further promote the industry, the Government is prepared to grant financial assistance to tobacco-growers by way of loans for the erection of curing-barns and the purchase of necessary equipment.

The flax industry has been granted assistance by way of an export subsidy on hemp, ranging at the present time from £3 per ton for "rejected," to £4 10s. per ton for "good fair." At the same time interest has been taken in the development of the woolpack industry, based upon the use of native flax by rendering financial assistance to New Zealand Woolpack and Textiles, Ltd., upon the directorate of which the Government has two representatives. Woolpack and Textiles, Ltd., give direct and indirect employment for over 250 persons. In order to ensure the proper and efficient development of the whole industry, an industrial committee has been set up under the provisions of the Industrial Efficiency Act, 1936.

The kauri-gum industry, once giving substantial employment in North Auckland, has, through the exhaustion of some of the better-class fields and the competition of synthetic resins, been a problem for some years. A new survey of the remaining gumfields has been undertaken, and a process has been developed for the purification of the gum in order to increase its competitive strength. A plan is being formulated whereby the purified gum can be produced sufficiently cheaply to enable it to compete effectively with the production of synthetic products overseas, and so effect the re-establishment of the industry.

The steps outlined above have, however, been experimental in nature, and it is now considered necessary to give far wider consideration to industrial possibilities in general in the light of changing world economics. The developing and progressive economy that has been characteristic of New Zealand throughout its whole economic history has been conditioned by the existence of an overseas market continually expanding by virtue of increasing population and growing wealth. For many decades we have been, as a nation, so accustomed to the growing development of a specialized export trade dependent upon the United Kingdom that it is now difficult for us to realize that the world economic factors have so altered as to suggest that future national development will be radically different from what it has been in the past. All competent authorities are now agreed that given the continuation of present trends the population of the United Kingdom will reach a peak within five or six years, after which will set in a decline marked by increasing rapidity as the years go by. This trend will be seen not only in the population of the United Kingdom, but in the population of the majority of other countries as well. The importance to the Dominion of declining populations in our overseas markets compensated for only to some small extent by rising standards of living is too obvious to require prolonged discussion. For not only will an export trade concentrated largely upon a single market not continue to expand as it has done in the past, but it will by force of circumstances be compelled to decline. To some extent the expected decline may be offset by the development of alternative markets, but though these policies must be pushed to the limit by a country whose economy is built upon its export trade, as is New Zealand, there are, even apart from the fact that declining populations are likely to become general, other factors which may operate to hinder the full benefits being realized.

During the last twenty years there have been so many developments in agricultural technique in the application of scientific knowledge to farm production and in the invention of mechanized farm implements as to deserve the description of an agricultural revolution. The potentialities of increased farm production, particularly in peasant countries where the standard of productive efficiency is still so low, are enormous; and, though the potentialities of increased production are greater in the case of agricultural products than in the case of pastoral products with which New Zealand is most concerned, the increased production of the former cannot avoid injuring the price structure of the latter. It is believed also by agricultural economists that these effects will be manifested in greater fluctuations in the world prices of farm products than has been common in the past, so that countries with large groups of peasant farmers will intensify their efforts in the direction of economic nationalism (already actuated by the desire for self-sufficiency) in an attempt to insulate the country from their effects. Important farm exporting countries such as New Zealand may then be faced by an increased world production, the marketing of which is concentrated upon one or two relatively free markets of reduced absorbent capacity. Low prices and the displacement of rural labour may give rise to the necessity for the development of secondary industries.



By the Industrial Efficiency Act, 1936, steps have already been taken for the encouragement development, and economic planning of secondary industry. As stated by the Act, the general purpose of the newly instituted Bureau of Industry is "to promote the economic welfare of New Zealand by providing for the promotion of new industries in the most economic form, and by so regulating the general organization, development, and operation of industries that a greater measure of industrial efficiency will be secured." More particularly the functions of the Bureau of Industry are to make recommendations in relation to the establishment and development of new industries; to co-operate with the State Advances Corporation in the financial promotion of industry; to make recommendations for improvements in industrial efficiency; to act as a licensing authority for businesses or factories, a necessary adjunct to any system of economic planning; and to act as a clearing-house for information likely to be industrially useful. Similarly, section 35 of the Employment Promotion Act lays down that an important object of the expenditure of any moneys from the Employment Promotion Fund must be, *inter alia*, "the development of primary and secondary industries in New Zealand and the establishment of new industries, so that an increasing number of workers will be required for the efficient carrying-on of such industries." As pointed out by the Minister of Finance in the Budget, this "does not mean the bolstering-up of uneconomic enterprises by subsidies or tariffs, but the intelligent control and development of industries which this Dominion should be able to carry on to meet the requirements of her own population." In this inevitable development of secondary industries in New Zealand careful steps need to be taken. The success of the policy will depend, first, upon a thorough non-partisan and scientific examination of the natural resources of the whole Dominion; second, a thorough and equally scientific investigation to discover whether such resources are capable of economic development without permanent subsidization by the rest of the community; if and when such economic possibilities are discovered, the taking of the necessary steps as will lead to the economic exploitation of these resources.

As well as finding avenues for employment, it is also necessary to fit the unemployed and the young recruits to industry for positions that are vacant. Steps have already been taken in this direction. Some time ago a survey of the unemployed revealed the fact that there were over 5,000 disengaged young men between eighteen and twenty-five years of age. A conference was called and attended by representatives of the Y.M.C.A. and employers' and workers' organizations. In seventeen towns committees comprising employers, workers, and officers of the Department were set up with the purpose of overcoming as far as possible the difficulties that prevent the young men from being absorbed in industry. Arrangements have been made for these young men to become shop-assistants and cadets in commercial firms. Particular efforts are being made to find openings in the skilled trades, and many special contracts of apprenticeship under the Statutes Amendment Act of 1936 have been arranged.

A special committee of departmental representatives was set up to consider how best to overcome the shortage of skilled tradesmen in the building trades and at the same time to assist into the industry some of those young men already referred to. The committee made recommendations which were subsequently discussed with the representatives of the workers' unions and the Master Builders' Federation. Details have been worked out for absorbing a number of young men in the carpentering and joinery trade and in the bricklaying trade, either as adult apprentices or as trainees. Trainees will be taught the trade in the same manner as apprentices, but the term of training may be served with several employers. The trainee system will enable a builder to take on a learner without the binding agreement of so many years. Builders have been averse to this, as they were not certain of obtaining a continuity of contracts. The wages are the same whether the workers are apprentices or trainees, but the subsidies payable to the employer from the Employment Promotion Fund are greater in the case of apprentices than in the case of trainees.

Arrangements have been made for the attendance of partially disabled unemployed at technical schools in order that these may increase their chance of absorption into private employment. The Department pays the necessary tuition fee and the charge for material used. Enrolment for the training classes is voluntary, but continuance of attendance is compulsory. Payment of sustenance to eligible trainees is continued during the course, and in individual cases the expenses of transport between the worker's home and the training-school may be met.

The position of the Dominion's primary industries has also been under constant review—in particular, increasing difficulty being experienced in inducing young, able-bodied men to accept employment on the land. This difficulty is not peculiar to New Zealand, as the same position obtains in other countries. It is as much a social as an industrial problem, and the disinclination to accept farm-work probably is attributable to the higher degree of social amenities obtaining in the towns and cities as compared with country districts.

However, active steps are being taken, as far as practicable, to cope with the problem, and relief assistance has been refused to physically fit single men who declined, without some good and sufficient reasons, to accept farm employment which they had been offered.

Considerable assistance has been extended in connection with land development and settlement, particularly in regard to settlement under the small-farms scheme and to a scheme initiated by the Waikato Land Settlement Society.

The small-farm scheme is administered by the Department of Lands and Survey, and the occupier of a holding under this scheme is granted from the Employment Promotion Fund a sustenance allowance of up to 20s. per week until such time as the property is regarded as being self-supporting.

Adverting to the Waikato land-settlement scheme, it should be stated that the financial arrangements in connection with this settlement scheme have been assumed by the Government, and the scheme is financed by the Government just as in the case of the Government's own development schemes, except that the whole of the actual labour development costs are borne by the Employment Promotion

Fund. As is well known, this society was incorporated some five years ago with the object of engaging unemployed married men in the development of suitable land in the Waikato district and the settlement thereon of men selected from those engaged on the initial development-work. A very valuable contribution to land-development has been made by the society, which throughout has displayed a keen and enthusiastic interest in furthering the project. Originally financed by voluntary contributions, the scheme was advanced to a stage when it was considered desirable that it should be incorporated with the Government's general land-development proposals, and arrangements in this direction were satisfactorily finalized. Although all expenditure is now found from State funds, the original directors of the society are still the principal factors in the practical administration of its functions.

An extension of the Government's land-development schemes is represented by the work already put in hand in the Thames and Te Kuiti districts on Crown properties, whereby the whole of the labour-costs in connection with the re-establishment of these Crown securities is being provided from the Employment Promotion Fund. The employment of some 400 men will be provided by this work.

As an illustration of what may be achieved in the way of providing employment in the direction of land development, it is interesting to examine a typical case of farm-development work carried out with the aid of a subsidy from the Employment Promotion Fund on a property situated in a recognized farming-area in the North Island. The area cleared amounted to 200 acres, and the clearing-cost to £400, of which the occupier contributed £200, the balance being the subsidy granted from the Fund. This was only the initial expenditure. Immediately the land was cleared it had to be sown, and working on a basis of 30 lb. of seed per acre at 21s. per 30 lb. of seed, the seed cost was £210. In addition to the purchase price of the seed, the freight, cartage, and incidental charges relating to the shipping of, say, 3 tons of seed amounted to approximately £16, while the packing of the seed and the surface sowing over 200 acres cost approximately £30. Consequent upon the sowing, fencing was necessary; and in this case approximately 80 chains of fencing at 10s. per chain was carried out. In addition, however, the splitting of 300 posts and 1,000 battens was required, and the cost of these, together with that of packing the wire, posts, and battens to the fence-line amounted to £30. The total expenditure on the area, therefore, amounted to £726, of which the landowner was required to meet all except the £200 subsidy in respect of the labour cost of the clearing and a subsidy of £35 on the fencing. In other words, an outlay of private capital of almost £500 was directly brought about by the expenditure of £235 from the Employment Promotion Fund. It is interesting to note that from an analysis of the figures it is estimated that apart from the actual clearing, which is all labour, 80 per cent. of the owner's contribution, or £260, is expended directly and indirectly on labour, the necessity for which was brought about by the clearing of the bush and scrub from the land. The cost of such development might vary according to the nature of the land, but, while on light land the cost would be proportionately less, on heavy bush country it would be greater, and there is no doubt that this case may be regarded as a general illustration of the cumulative effect on employment due to the development of land.

The eradication of ragwort and other noxious weeds has been a useful avenue for promoting work on a full-time basis at standard rates of wages. This work is arranged on a forty-hour-week basis, and one of the schemes under which it is carried out is controlled by County Councils under the supervision of the Department of Agriculture. The rate of wages is that prescribed by the governing award or industrial agreement, subject to a minimum rate of 16s. 6d. per day. The Agriculture Department provides 2s. per day towards the labour-cost, and the balance is provided by way of a subsidy from the Employment Promotion Fund. An alternative scheme enables the placement of labour with individual farmers for the eradication of ragwort, and in these cases the work is also arranged on a forty-hour-week basis, with a minimum rate of wages of 16s. per day, the Employment Promotion Fund contributing towards the labour-cost by providing a subsidy on the basis of 45s. and 30s. per man-week, married and single men respectively.

Recognizing the necessity for preventive measures against the spread of fireblight in certain areas and the limited finance available to fireblight committees, the Employment Promotion Fund is assisting committees in fireblight areas by a subsidy of £3 10s. per week on the wages of fireblight inspectors selected from the register of eligible unemployed, provided that the wages are at least equivalent to the minima stipulated in the Agricultural Workers' Extension Order, 1937.

A considerable area of "pakihi" land, Westport District, has been developed and improved to a state that is suitable for grazing purposes. This land was originally tested by the Cawthron Institute as an experimental effort. The success attending the early experiments led to the decision to make available from the Employment Promotion Fund the full wages-cost of improvement and development of this class of land as well as the costs of further experimentation.

Direct assistance or assistance by way of subsidized labour has been made available to orchardists who suffered loss through frost damage. In the latter case subsidies of 45s. and 30s. per week for married and single men respectively are granted subject to the employer engaging registered and eligible unemployed workers and paying them a weekly wage in accordance with the Agricultural Workers' Act, 1936, and Extension Order, of 1937.

A sum of £40,000 has been set aside from the Employment Promotion Fund as a grant for assistance to orchardists in respect of fruit grown and sold by them in the Dominion. The scheme is administered by the Department of Agriculture, the general method of distribution being approved by the Department of Labour, and is to be regarded as a temporary measure for one season. The Department of Agriculture is undertaking a comprehensive survey of the whole industry with a view to its rehabilitation.

With the object of relieving a shortage of experienced general farm labourers, dairy and/or sheep farmers are offered assistance of physically fit but inexperienced single youths and men between the

ages of eighteen and twenty-five years. Where, however, suitable candidates between these ages are not available, inexperienced older single men may be detailed. The suitability of the farmer is also a factor which is given consideration in the placement of a worker. If the certifying officer is aware that a farmer is not a fit and proper person to have control of workers under twenty-one, the application is declined.

Placement under this scheme is conditional upon the farmer agreeing to—

- (a) Pay a weekly wage at a rate not less than the rates required by, and observe generally the other conditions of, the Agricultural Workers' Act, 1936.
- (b) Accept statutory liability for accident.
- (c) Provide free board and lodgings or an allowance in lieu thereof at the rate of 17s. 6d. per week.
- (d) Train the worker solely in farm-work upon the farmer's own property.
- (e) Furnish a certificate of service at the termination of the worker's engagement.

In each case the period of engagement is for not less than six months.

Subsidies of 17s. 6d. or 20s. per week according to the age of the trainee are granted to farmers accepting workers under this scheme.

The details contained in the foregoing review illustrate the efforts made up to the present time in the matter of promotion of employment in both primary and secondary industries. The most important step so far taken, however, in connection with the placement of the unemployed in industry was the institution of the State Placement Service in 1936. This form of departmental activity is fully dealt with in the succeeding portion of the report.

#### STATE PLACEMENT SERVICE.

In May, 1936, it was felt that the extension of business activity called for some positive action in the direction of ensuring not only that all available vacancies should be filled, but that they should be filled by the most suitable candidates available. Information in regard to steps taken in other countries was not at the time available, and consequently a measure (later termed "the State Placement Service") was independently planned. It was not known how such a plan would be received by all concerned, but confidence in its efficacy, coupled with evidence of stability in the improvement of economic conditions, appeared to warrant action on a bold scale, and accordingly placement offices were opened in the eighteen larger centres. Experience undeniably indicates that this early confidence was fully justified, and it may now fairly be claimed that the service is an indispensable and important piece of governmental machinery of proven acceptability both to employers and to the disengaged.

Some time subsequent to the inauguration of this plan, information concerning employment services of a number of other countries became available, and it is pleasing to record that a study revealed no methods which, being suitable to New Zealand conditions, had not already been incorporated in the Dominion plan.

During the fourteen months ended 31st July last the number of positions found was—

Casual (up to one week in duration)	..	..	..	14,045
Temporary (over one week and under three months)	..	..	..	12,494
Permanent (over three months)	..	..	..	19,520

46,059

It is realized that measurement of results on the basis of positions filled is not fully informative, but it is the only practicable method, and, in fact, is the basis adopted by other countries; in some countries, however, the term "permanent" placement indicates an engagement of a minimum of only one month. With the object of ascertaining results on an "individual" basis, 13,783 placements effected between 1st April and 31st July last were analysed and found to embrace 9,271 individuals.

From the inception of the scheme to the 31st July the weekly placements averaged 760, while the average duration of 16,771 "temporary" and "permanent" positions filled by men who at the time of engagement were in receipt of relief benefit was approximately nineteen weeks. The increased spending-power of men transferred from relief to full-time private work can only be roughly estimated, but, assuming the average weekly wages to be £4, the increased direct monetary circulation—that is, the difference between £4 per week and relief pay—would be £599,252. As no tax is payable on relief wages, the State would benefit to the extent of over £39,950 by way of wages-tax on the wages paid by private employers. These figures do not include the tax payable on the earnings of workers placed with any Government Department, with local authorities on subsidized employment, nor that payable by those who at the time of placement were ineligible for or who had not sought relief.

The Employment Promotion Fund has benefited considerably by this additional tax-yield and the savings effected by transferring men from relief to private employment. The use of the word "savings" in the preceding sentence will be noticed. It is fully realized that a great proportion of men placed would have been absorbed in employment even in the absence of the State Placement Service, but it is also a fact that a great proportion of such men would not have been absorbed with so little delay and would have remained on relief for a longer period. As an offsetting factor no account has been taken (either in published figures of placements or in "savings") in respect of the 6,292 men placed in State or subsidized operations, of youths who if not placed would have become eligible for relief benefits, for private engagements independently arranged resultant upon earlier contact by the Placement Service, of women and girls who otherwise would have obtained assistance

from relative committees financed from the Employment Promotion Fund, for any of the "casual" placements, &c. Upon this basis the "savings" to the Employment Fund totalled £542,457 up to 31st July, 1937.

It is not only for the benefit of relief workers that the State Placement Service is operated. The weekly summarized index of labour available at the twenty-four offices of the service contains a list of over 550 trades, professions, and occupations, and the placement of representatives of the "white collar" callings (the most difficult of all) have been considerable; accountants, auditors, architects, artists, barristers, clergymen, chemists, company-managers, draughtsmen, engineers, harbourmasters, journalists, masseurs, master mariners, musicians, ships' officers, a plantation manager, school-teachers, students, a librarian, a pathologist and others figure on this "labour available" list, but it does not necessarily imply that they are unemployed, but may merely indicate that they are not satisfied with their present positions, which may be, through force of circumstances, very different from their proper calling.

One of the most important factors which makes the service invaluable to employers is its achievement of mobility of labour to the greatest practicable degree. A return, comprising 550-odd different occupations, is circulated to each placement officer, who on a given day each week is aware of the *exact surplus of labour* and of the occupations in which such labour was available a few days earlier at every other placement office. The Invercargill office is, therefore, not only able to advise any local employer that a suitable man is available in, say, Auckland, but is able to arrange for that man to be transferred to Invercargill at short notice.

One phase of the Service work that cannot be too strongly stressed is that which deals with the search for employment suitable for men who have lost the partial or full use of a limb, or those who are deaf, deaf and dumb, or whose sight is defective, &c. Many employers have shown practical sympathy when cases of this kind have been brought to their notice, and the service records prove that when these men settle down to the work they are able to undertake they usually give every satisfaction.

These disabled men deserve every consideration, as, generally speaking, they are denied the forms of recreation, social amenities, and friendship available to normal people. Refusal of the right of employment must not be added to their existing handicap of physical disabilities. The fact that the Service has found satisfactory work for one-armed men, men with one leg, men who are deaf or near blind, others who are deaf and dumb, and several crippled through infantile paralysis, is sufficient proof that though such men are sorely handicapped they still have an occupational value. Officers of the Service have been able to do some practical welfare work in this field which has been productive of very good results. A man with a wooden leg sadly out of repair would most probably be somewhat self-conscious if sent to interview a prospective employer, and his chances of selection would thereby be lessened. The Placement Service special officer realized the difficulty, and the case was submitted for consideration to various social organizations. A new leg was provided and a one-legged man, who had long regarded as hopeless his chances of employment, was placed in entirely suitable work. Other directions in which the Service assistance is extended is in its efforts to arrange for free medical examination of men who are dubious of accepting private work because of genuine doubts regarding their health. Unable to bear the cost of an examination they remain prey to morbid thoughts, and the doctor's report often completely dissipates this dangerous complex. Similarly, free medicine is arranged for, where practicable, in those cases where the circumstances warrant such action. The incentive to still further endeavour on behalf of those men unable fully to help themselves is the belief that, except in the most palpably hopeless cases, most of the men suffering from some form of physical disability are able to carry out some kind of useful work.

It was not surprising to find that after a prolonged period of involuntary unemployment many individuals had become apathetic. Their continuous search for work had been unsuccessful, and they had almost come to regard relief assistance as the only means of livelihood. Some were without hope and utterly despondent. Men who had been skilled tradesmen had entirely lost faith in their ability to regain a position in their proper sphere and had, in many cases, sold their tools for food. Their introduction to the State Placement Service was in the first case brought about through the rules attaching to relief assistance. Even then they had little hope that any tangible benefit could come to them through the service. Very many instances can be quoted of the astonishing change that came over these men when private work was eventually found for them. Their value as national assets rose in proportion to the development or renewal of the "will to work" and the encouragement of self-effort naturally greatly enhanced by the receipt of a regular and satisfactory pay envelope. The figures published by the Service include the cases of many hundreds of these men who have regained the summit after slipping far down the hillside of despair.

#### CONCLUSION.

A general and quite erroneous impression existent is that the Employment Division of the Labour Department is concerned purely with the acceptance of registrations and the disbursement of relief either by way of sustenance or work relief, but this is far from a true conception of the activities of the Division, which are now of a very far-reaching and divergent nature, as will be apparent from the following résumé:—

The main activities of the Division fall under the following general headings:—

- (a) The payment of relief to unemployed persons.
- (b) The promotion of work and industries for the absorption of surplus labour.
- (c) The State Placement Service for bringing possible employers and employees into close contact with one another.

The following tabulation briefly deals with the extensive field of operations falling within the three main divisions referred to above :—

- (1) General administration of Employment Promotion Fund, entailing operation of Head Office, bureaux controlled by permanent officers of the Department, and bureaux controlled by officers of the Post and Telegraph Department.
- (2) Registration of unemployed.
- (3) Calculation and payment of—
  - (i) Sustenance, with work in return, and
  - (ii) Sustenance, without work in return, to (a) old-age pensioners, (b) war-pensioners, (c) invalidity pensioners, (d) economic pensioners, (e) workers' compensation recipients, (f) waterside workers, (g) railways goods-shed workers, (h) freezing-works workers, (j) general intermittent workers, and (k) others.
- (4) Issue of supplementary relief in the form of—
  - (i) Rations.
  - (ii) Boots.
  - (iii) Blankets.
- (5) Payment of relief during sickness.
- (6) Payment of subsidies for full-time work at award rates.
- (7) Organization of rotational plan of works.
- (8) Organized prospecting of gold-bearing areas under properly qualified mining engineers and geologists and properly supervised gold-winning operations.
- (9) Maori unemployment—
  - (i) Grants to Native Department,
  - (ii) Issue of coupons to Natives on sustenance.
- (10) Youth employment—
  - (i) Special campaign for absorption of those between eighteen and twenty-five years of age.
  - (ii) Subsidized training in building and related trades.
- (11) Boy employment: Establishment of special section operating in close co-operation with vocational-guidance officers of the Education Department (four special offices).
- (12) Inauguration and operation of State Placement Service (twenty-four special offices).
- (13) Special efforts on behalf of physically disabled men.
- (14) Financial assistance to Women's and Girls' Committees.
- (15) Vocational training of—
  - (i) Youths between eighteen and twenty-five years.
  - (ii) Physically disabled.
  - (iii) Boys.
- (16) Interviewing defaulters in respect of Employment tax.
- (17) Prosecutions in respect of Employment tax defaulters and of persons defrauding the Fund and general legal work relative to the various schemes.
- (18) Verification of circumstances of applicants for relief benefits.
- (19) Issue of transport orders, tools, equipment, &c.
- (20) Grants towards improvements of school buildings and grounds.
- (21) Assistance by way of grants and/or financial and labour subsidies towards—
  - (a) Eradication of ragwort and other noxious weeds.
  - (b) Rabbit-extermination.
  - (c) Gold-mining companies.
  - (d) Fruit-growing industry—(i) In respect of increased costs of fruit for sale in New Zealand; (ii) frost-relief to orchardists; and (iii) citrus-fruit industry.
  - (e) Coal-mining industry.
  - (f) Flax industry.
  - (g) Fireblight control and eradication.
  - (h) Kauri-gum industry.
  - (i) General land development.
  - (j) Development of "pakihi" land.
  - (k) Woolpacks-manufacture.
  - (l) Railway improvements and duplications.
  - (m) Irrigation projects.
  - (n) River-clearing.
  - (o) Afforestation.
  - (p) Aerodrome-construction.
  - (q) Dangerous railway-crossing elimination.
  - (r) Local-body water and sewerage schemes.
  - (s) Tobacco industry.
  - (t) Farming industry—(i) Scheme 4A: Farmers on own property; (ii) Scheme 4B: Development works calculated to increase production of primary products; (iii) Scheme 4F: Training of youths and young men in farming with view to permanent absorption; and (iv) Small farm plan: Grants towards capital costs and of sustenance to occupiers.

(22) Departmental representatives attached to—

- (i) Bureau of Industry ;
- (ii) Small Farms Board ;
- (iii) Defence ;
- (iv) Major Works Committee ;
- (v) Building Committee ;
- (vi) Building Training Committee ;
- (vii) National Superannuation and Health Committee.

While the foregoing does not cover the full extent of the activities of the Employment Division, it may serve to give at least a general idea of the diversity and extent of its sphere of operations and the absolute necessity for continual planning in order that no possible method of alleviating, or reducing, unemployment may be left unprobed. Little or no constructive criticism comes from outside sources, while often time devoted to planning cannot yield full profit because of the discovery of an insurmountable obstacle or impractical conclusion. Again, as all activities of the Department have to be correlated to any associated operations of other Departments, discussions and co-ordination become necessary, but there is no outward indication of the time which officers have devoted to this phase. As an instance of this it may be mentioned that proposals are being submitted concerning the direct study and classification of the unemployed as well as the question of policy in relation to the payment of sick benefit: the simple statement of these plans gives no idea of the necessarily very considerable amount of time devoted to the study by a number of officers.

I feel that these concluding paragraphs referring to the work of the Division are quite incomplete without an expression of appreciation of the services rendered by the staff. During the whole of my experience in the Public Service I have never encountered any set of officers who have so ungrudgingly and enthusiastically worked much beyond their official hours over a long period as the staff of the Employment Division. To them are due my sincere thanks for their assistance and co-operation.

---

APPENDIX.

An Appendix dealing with various matters, some of which have already been covered in the body of the report is attached hereto. A descriptive list of the tables contained therein is as under :—

Table No.	Description.
I	Statement of Annual Receipts and Payments.
II	Statement of Annual Administrative Expenses.
III	Statement of Expenditure on Foodstuffs (Rationing System).
IV	Statement of Contributions to Fund—Registrations, Exemptions, &c.
V	Annual Balance-sheet.
VI	Statement of Expenditure on Unemployment Relief (Government Departments).
VII	Statement of Numbers wholly and partly a Charge on Fund for the Year.
VIII	Statement of Numbers on Relief since 1931.
IX	Statement of Duration of Unemployment according to Age-groups, &c.
X	Map showing Geographical Distribution of Unemployed.
XI	Graph showing Numbers of Unemployed.

TABLE I.—STATEMENT SHOWING, ANNUALLY, RECEIPTS AND PAYMENTS OF THE EMPLOYMENT PROMOTION FUND.

	Year ended 31st March 1931.*	Year ended 31st March, 1932.	Year ended 31st March, 1933.	Year ended 31st March, 1934.	Year ended 31st March, 1935.	Year ended 31st March, 1936.	Year ended 31st March, 1937.
	£	£	£	£	£	£	£
Cash in Fund at beginning of year	..	69,115	184,967	424,426	621,518	1,332,946	406,711
<i>Receipts.</i>							
Levy .. .. .	229,000	538,503	429,004	428,550	433,665	416,335	440,562
Wages-tax .. ..	..	490,053	2,471,028	2,891,715	2,821,824	2,468,019	2,590,832
Tax on income other than salary or wages	..	220,245	1,120,404	1,106,602	1,349,230	1,035,672	1,193,571
Subsidy from Consolidated Fund	159,247	1,118,753	..	..	..	..	..
Miscellaneous .. ..	9	2,530	7,563	13,466	18,841	36,591	35,580
Total .. .. .	388,256	2,439,199	4,212,966	4,864,759	5,245,078	5,289,563	4,667,256†
<i>Payments.</i>							
Grants under section 36, Employment Promotion Act, 1936	313,209	2,200,545	3,594,637	3,972,186	3,397,099	3,464,104	2,596,617
Loans under section 36, Employment Promotion Act, 1936	..	16,340	21,633	20,919	14,403	24,620	17,082
Payments under section 35, Employment Promotion Act, 1936	..	..	..	..	39,362	86,347	61,000
Loans under section 35, Employment Promotion Act, 1936	..	..	..	..	8,000	34,266	11,324
Sustenance under section 37, Employment Promotion Act, 1936	..	..	12,960	33,302	239,983	807,095	1,557,215
Purchases of food, &c., under section 38, Employment Promotion Act, 1936	..	..	58,667	104,278	73,885	98,445	27,444
Allowances to persons entitled to assistance under section 38, Employment Promotion Act, 1936	..	..	..	..	400	166,603	66,869
Loans under section 38, Employment Promotion Act, 1936	..	..	..	..	..	..	15
Administration expenses ..	5,932	37,347	100,643	112,556	139,000	201,372	76,445‡
	319,141	2,254,232	3,788,540	4,243,241	3,912,132	4,882,852	4,414,011
Cash in hand at end of year..	69,115	184,967	424,426	621,518	1,332,946	406,711	253,245
Total .. .. .	388,256	2,439,199	4,212,966	4,864,759	5,245,078	5,289,563	4,667,256†

\* Period 11th October, 1930, to 31st March, 1931. † As a result of the passing of the Employment Promotion Act, 1936, the Unemployment Fund was abolished from 31st May, 1936, and merged in the Employment Promotion Fund. The figures for the year ended 31st March, 1937, therefore comprise receipts and payments under both the old and the new legislation. ‡ From 1st June, 1936, administration expenses were provided from the Consolidated Fund under vote, Labour. The amount expended from this source to 31st March, 1937, was £189,720, of which the sum of £60,000 was recouped from the Employment Promotion Fund, and is included in the amount of £76,445.

TABLE II.—STATEMENT SHOWING, ANNUALLY, ADMINISTRATION EXPENSES.

	1931-32.	1932-33.	1933-34.	1934-35.	1935-36.	1936-37.
	£	£	£	£	£	£
(1) Total expenditure, including unpaid creditors, at 31st March	2,268,197	3,839,807	4,311,360	3,938,381	4,774,895	4,416,558*
Plus cost of collection of levy retained by Post Office	4,000	6,500	†	†	†	..
	2,272,197	3,846,307	4,311,360	3,938,381	4,774,895	4,416,558*
	£	£	£	£	£	£
(2) Amount of administration expenses included in total cost shown above	55,015	95,165	117,335	128,953	197,264	212,441*
	Per Cent.	Per Cent.	Per Cent.	Per Cent.	Per Cent.	Per Cent.
(3) Administration expenses as percentage of total cost	2·42	2·47	2·72	3·27	4·13	4·81

\* Since 1st June, 1936, the cost of collecting employment tax and levy has been borne by vote "Land and Income Tax," and is not included in this figure; but included is the sum of £137,543 provided from the Consolidated Fund (vote: Labour) for administration costs.

† Cost of collection of levy for these years was appropriated, and is therefore included in total expenditure.

TABLE III.—STATEMENT SHOWING EXPENDITURE ON FOODSTUFFS DISTRIBUTED THROUGH RATIONING SYSTEM DURING THE PAST FOUR YEARS.

Financial Year ended				Cost.
				£
31st March, 1933	..	..	..	38,023
31st March, 1934	..	..	..	49,669
31st March, 1935	..	..	..	38,641
31st March, 1936	..	..	..	37,650
31st March, 1937	..	..	..	24,079
Total	..	..	..	£188,062

TABLE IV.—STATEMENT SHOWING NUMBER OF CONTRIBUTORS TO AND TOTAL AND PARTIAL EXEMPTIONS FROM PAYMENT OF THE REGISTRATION LEVY.

Registrations—								Numbers.
Total number of live enrolments as at 31st March, 1936..								516,695
Number (net) of enrolments during year ended 31st March, 1937..								22,802
Total as at 31st March, 1937 ..								539,497
Exemptions from payment of registration levy—								
Number of persons granted total exemption as at 31st March, 1936 ..								40,471
Number of exemptions granted during year ended 31st March, 1937—								
(a) Under War Pensions Act, 1915, in respect of total disablement ..								49
(b) For war service in the war of 1914-19, in respect of total disablement ..								49
(c) Under the Pensions Act, 1926 ..								1,034
(d) Sixty-five years of age and over ..								2,074
(e) Natives (within meaning of Native Land Act, 1909) ..								61
(f) On account of objection on religious grounds ..								19
(g) Physical or mental disability to follow regular occupation ..								491
(h) Inmates of mental hospitals ..								259
Sub-total ..								4,036
Number of persons granted total exemption as at 31st March, 1937 ..								44,507
Partial exemptions during year ended 31st March, 1937 (one or more instalments)—								Number of instalments involved.
(a) Inmates of hospitals, mental hospitals, prisons, &c. ..								4,067
(b) Students ..								3,352
(c) Physical and mental disability ..								7,195
(d) Hardship ..								12,699
Total ..								27,313

NOTE.—As provided for in Part I, section 4 (2), of the Employment Promotion Act, 1936, the collection of the registration levy and the employment tax is effected by the Land and Income Tax Department. The statistics relating to this aspect of income to the Employment Promotion Fund are not now kept in the form compiled by the late Unemployment Board, hence the necessity for presenting the figures in a different and, incidentally, improved form.



TABLE V.—EMPLOYMENT PROMOTION FUND.  
*Receipts and Payments Account for the Year ended 31st March, 1937.*

<i>Receipts.</i>				<i>Payments.</i>			
	£	s.	d.		£	s.	d.
Balances at beginning of year—				Annual appropriation: Vote,			
Cash .. ..	231,702	14	6	Unemployment expenses—			
Imprests outstanding .. ..	8	5	2	Salaries .. ..	14,270	13	8
Investments .. ..	175,000	0	0	Advertising .. ..	88	13	8
				Board members' fees, salaries, and expenses ..	209	12	5
Registration levy .. ..				<i>Ex gratia</i> payments to relief workers .. ..	0	15	10
Employment charge—				Fitting up labour bureaux ..	96	17	6
Tax on salary or wages paid in cash .. ..	1,383,776	15	11	Law-costs .. ..	3	0	0
Tax on salary or wages paid by sale of employment stamps .. ..	1,207,055	3	1	Motor-vehicles, purchase of ..	13	15	8
	2,590,831	19	0	Motor-vehicles, maintenance of and repairs to ..	203	3	8
Tax on income other than salary or wages .. ..	1,193,570	11	2	Office equipment .. ..	22	14	8
				Office expenses .. ..	28	13	0
Fines .. ..				Overtime and meal allowances .. ..	50	11	6
Penalties .. ..				Postages .. ..	141	18	5
Interest on loans .. ..	2,524	7	1	Printing and stationery ..	22	7	11
Interest on investments .. ..	1,822	10	8	Rent, heating, and lighting ..	656	4	9
				Services by other Departments .. ..	4	0	0
Repayment of loans .. ..				Special Advisory Committee, fees, expenses, &c., of ..	2	12	6
Recoveries on account of expenditure of previous years .. ..				Telephone services .. ..	53	15	1
Miscellaneous .. ..				Transfer and removal expenses .. ..	28	13	8
				Travelling-expenses .. ..	535	4	7
				Typewriters and mechanical office appliances, maintenance of and repairs to ..	11	10	8
							16,444 19 2
				Expenditure under section 5 of the Unemployment Act, 1930, and under section 34 of the Employment Promotion Act, 1936—			
				Administration costs .. ..	60,000	0	0
				Exchange on remittances ..	123	8	10
				General work relief .. ..	1,944,588	15	3
				Gold-prospecting schemes ..	191,713	19	5
				Promotion of employment on farms .. ..	96,539	13	4
				Promotion of employment in building trades .. ..	311,011	2	7
				Promotion of employment amongst boys .. ..	2,245	8	10
				Promotion of employment amongst women .. ..	10,204	0	4
				Promotion of employment amongst Natives .. ..	39,913	3	2
				Placement in commerce and industry .. ..	5,522	10	6
				Assistance to industry .. ..	34,449	12	8
				Sustenance allowances .. ..	1,557,215	4	1
				Miscellaneous grants and subsidies .. ..	10,568	13	4
				Miscellaneous surveys and investigations .. ..	1,582	6	9
				Compensation, <i>ex gratia</i> payments, &c. .. ..	10,714	18	0
				Purchase and distribution of blankets and footwear ..	3,367	5	3
				Purchase of foodstuffs .. ..	24,078	16	2
				Bonuses to workers .. ..	61,483	14	8
				Transport of workers .. ..	3,821	16	9
				Miscellaneous loans .. ..	28,421	2	4
							4,397,565 12 3
				Balance at end of year—			
				Cash .. ..	253,220	8	9
				Imprests outstanding .. ..	24	16	0
							253,245 4 9
							£4,667,255 16 2
							£4,667,255 16 2

NOTE.—This account represents the receipts and payments of the Unemployment Fund for the period 1st April, 1936, to 31st May, 1936, and of the Employment Promotion Fund for the period 1st June, 1936, to 31st March, 1937. The vote, Unemployment Expenses, represents the expenditure on administration under the Unemployment Act, 1930, and amendments, for the period 1st April, 1936, to 31st May, 1936. Subsequent to 31st May, 1936, administration expenses were provided from the Consolidated Fund.

J. S. HUNTER, Secretary of Labour.

H. L. BOCKETT, A.R.A.N.Z., Accountant.

I certify that the Statement of Receipts and Payments has been duly examined and compared with the relative books and documents submitted for audit and correctly states the position as disclosed thereby.—J. H. FOWLER, Controller and Auditor-General.

TABLE VI.—EXPENDITURE ON UNEMPLOYMENT RELIEF.

Year.				Public Works Department (including Main Highways).	State Forest Service.	Other Depart- ments (including New Zealand Railways).	Subsidies to Local Bodies.	Employment Promotion Fund.	Totals.
				£	£	£	£	£	£
1926-27	..	..	..	130,000	14,240	..	..	..	144,240
1927-28	..	..	..	379,565	27,550	..	75,106	..	482,221
1928-29	..	..	..	680,393	50,250	3,500	68,567	..	802,710
1929-30	..	..	..	914,109	185,400	204,464	111,728	..	1,415,701
1930-31	..	..	..	1,249,446	82,000	21,933	116,768	313,209	1,783,356
1931-32	..	..	..	886,953	74,000	14,684	11,478	2,216,886	3,204,001
1932-33	..	..	..	484,554	..	12,088	216	3,687,897	4,184,755
1933-34	..	..	..	355,691	2,000	185,906	..	4,130,686	4,674,283
1934-35	..	..	..	402,612	2,820	250,250	..	3,773,133	4,428,815
1935-36	..	..	..	607,818	6,845	217,770	..	4,682,008	5,514,441
1936-37	..	..	..	536,062	70,921	198,740	..	4,397,565	5,203,288
				6,627,203	516,026	1,109,335	383,863	23,201,384	31,837,811

NOTE.—Expenditure by “Other Departments” shows an increase during the financial years 1934-35 to 1936-37. Settlement of unemployed workers on the land under the control of the Lands and Survey Department (Small Farms Board) accounted for the greater proportion of expenditure under this heading, approximately £222,000, £146,000, and £92,016 respectively.

TABLE VII.—NUMBERS OF MALES WHOLLY OR PARTLY A CHARGE ON THE EMPLOYMENT PROMOTION FUND AT SUCCESSIVE FOUR-WEEKLY PERIODS, SHOWING NATURE OF ASSISTANCE AND CONDITIONS OF EMPLOYMENT (INCLUDING THOSE REGISTERED BUT INELIGIBLE FOR VARIOUS REASONS).

Period ended	Registered but not eligible for Relief.	Employed on Rationed Work under Scheme No. 8.	In Receipt of Sustenance without Work.	Total on Register.	Numbers in Full-time Employment with the Aid of a Subsidy from the Employment Promotion Fund.			Grand Total of Males wholly or partly a Charge on Employment Promotion Fund.
					At Relief Rates.	At Standard Rates.	Total in Full-time Employment.	
1936—								
6th June ..	3,200	15,486	20,352	39,038	3,797	10,199	13,996	53,034
4th July ..	3,189	15,280	24,470	42,939	3,469	7,830	11,299	54,238
1st August ..	2,804	15,945	26,296	45,045	3,187	5,771	8,958	54,003
29th August ..	2,700	15,569	25,994	44,263	2,985	3,599	6,584	50,847
26th September ..	2,209	13,955	25,744	41,908	3,192	4,319	7,511	49,419
24th October ..	2,173	12,582	24,301	39,056	2,895	4,189	7,084	46,140
21st November ..	2,258	11,141	22,068	35,467	2,299	4,575	6,874	42,341
19th December ..	2,037	10,085	20,164	32,286	1,845	4,941	6,786	39,072
1937—								
16th January ..	2,834	7,874	20,708	31,416	1,620	4,784	6,404	37,820
13th February ..	2,526	7,058	19,357	28,941	1,455	5,326	6,781	35,722
13th March ..	2,341	6,621	18,945	27,907	1,436	5,183	6,619	34,526
10th April ..	2,268	6,242	19,443	27,953	1,331	4,965	6,296	34,249
8th May ..	2,225	6,213	19,864	28,302	1,219	4,697	5,916	34,218
5th June ..	2,500	6,136	20,690	29,326	1,215	5,298	6,513	35,839
3rd July ..	2,901	6,075	21,845	30,821	1,258	5,467	6,725	37,546
31st July ..	2,636	5,597	22,210	30,443	1,273	6,963	8,236	38,679
28th August ..	2,371	4,979	19,973	27,323	1,229	8,764	9,993	37,316

TABLE VIII.—SCHEDULE SHOWING NUMBERS OF MALES REGISTERED AND NUMBERS IN RECEIPT OF ASSISTANCE FROM THE EMPLOYMENT PROMOTION FUND (30TH JUNE, 1931, TO 3RD JULY, 1937).

Date.	Remaining on Register but unplaced or ineligible for various Reasons.	In Receipt of Part-time Relief Work, or Sustenance.		Working Full Time in Industry, with Assistance from Employment Promotion Fund.	Total on Register and wholly or partly a Charge on the Employment Promotion Fund.
		Scheme No. 5 (Rationed Work).	Sustenance without Work.		
1931.					
30th June .. ..	6,700	38,000	..	6,400	51,100
30th September .. ..	7,600	43,000	..	3,990	54,590
31st December .. ..	4,800	39,300	..	7,985	52,085
1932.					
31st March .. ..	7,000	37,000	..	10,520	54,520
30th June .. ..	7,450	43,850	..	17,350	68,650
30th September .. ..	6,540	45,100	..	22,010	73,650
29th October .. ..	6,206	44,033	..	21,732	71,971
26th November .. ..	5,348	42,808	..	21,155	69,311
24th December .. ..	5,199	43,106	..	20,976	69,281
1933.					
21st January .. ..	6,272	42,012	..	19,581	67,865
18th February .. ..	5,394	39,963	..	20,510	65,867
18th March .. ..	5,585	39,874	..	21,193	66,652
15th April .. ..	5,312	40,946	..	21,997	68,255
13th May .. ..	5,830	42,585	..	22,117	70,532
10th June .. ..	5,802	43,837	..	23,279	72,918
8th July .. ..	5,511	45,304	..	24,219	75,034
5th August .. ..	5,125	45,749	..	27,217	78,091
2nd September .. ..	4,517	45,699	..	28,411	78,627
30th September .. ..	4,301	44,743	..	30,391	79,435
28th October .. ..	2,911	42,717	888	31,641	78,157
25th November .. ..	2,671	39,025	897	32,384	74,977
23rd December .. ..	2,533	36,906	964	29,870	70,273
1934.					
20th January .. ..	3,635	35,933	1,087	27,836	68,491
17th February .. ..	3,208	33,216	1,573	29,191	67,188
17th March .. ..	3,273	32,555	1,793	27,766	65,387
14th April .. ..	3,377	32,173	2,046	27,583	65,179
12th May .. ..	3,656	32,613	2,350	26,921	65,540
9th June .. ..	3,407	33,126	2,718	23,386	62,637
7th July .. ..	4,178	33,523	3,628	23,482	64,811
4th August .. ..	3,840	33,320	4,974	24,157	66,291
1st September .. ..	3,504	33,167	5,748	24,097	66,516
29th September .. ..	3,272	32,731	5,569	23,189	64,761
27th October .. ..	2,735	30,572	6,431	22,324	62,062
24th November .. ..	2,110	28,976	6,063	21,400	59,349
22nd December .. ..	2,131	28,303	5,923	20,481	56,838
1935.					
19th January .. ..	3,280	26,775	6,136	19,175	55,366
16th February .. ..	3,187	24,936	6,948	18,250	53,321
16th March .. ..	3,153	24,204	8,211	17,930	53,498
13th April .. ..	3,292	24,634	8,866	17,243	54,035
11th May .. ..	2,847	25,379	9,874	16,808	54,908
8th June .. ..	3,025	25,043	11,262	16,936	56,266
6th July .. ..	3,414	25,243	12,842	17,483	58,982
3rd August .. ..	2,806	25,387	14,438	17,746	60,377
31st August .. ..	2,581	24,817	15,347	18,061	60,806
28th September .. ..	2,500	24,183	15,517	18,144	60,344
26th October .. ..	2,043	22,260	15,378	18,800	58,481
23rd November .. ..	1,825	19,610	14,544	21,267	57,246
21st December .. ..	1,737	18,844	15,072	21,628	57,281
1936.					
18th January .. ..	2,233	17,365	15,179	21,725	56,502
15th February .. ..	2,012	15,922	14,450	22,270	54,654
14th March .. ..	1,872	15,704	14,443	22,510	54,529
11th April .. ..	2,013	15,514	15,750	16,542	49,819
9th May .. ..	2,642	15,528	17,100	15,938	51,208
6th June .. ..	3,200	15,486	20,352	13,996	53,034
4th July .. ..	3,189	15,280	24,470	11,299	54,238
1st August .. ..	2,804	15,945	26,296	8,958	54,003
29th August .. ..	2,700	15,569	25,994	6,584	50,847
26th September .. ..	2,209	13,955	25,744	7,511	49,419
24th October .. ..	2,173	12,582	24,301	7,084	46,140
21st November .. ..	2,258	11,141	22,068	6,874	42,341
19th December .. ..	2,037	10,085	20,164	6,786	39,072
1937.					
16th January .. ..	2,834	7,874	20,708	6,404	37,820
13th February .. ..	2,526	7,058	19,357	6,781	35,722
13th March .. ..	2,341	6,621	18,945	6,619	34,526
10th April .. ..	2,268	6,242	19,443	6,296	34,249
8th May .. ..	2,225	6,213	19,864	5,916	34,218
5th June .. ..	2,500	6,136	20,690	6,513	35,839
3rd July .. ..	2,901	6,075	21,845	6,725	37,546
31st July .. ..	2,636	5,597	22,210	8,236	38,679
28th August .. ..	2,371	4,979	19,973	9,993	37,316

TABLE IX.—STATEMENT SHOWING AS AT 27TH MARCH, 1937, DURATION OF UNEMPLOYMENT ACCORDING TO AGE-GROUPS WITH (a) PERCENTAGE OF PARTICULAR AGE-GROUP, AND (b) PERCENTAGE OF UNEMPLOYED FOR THE PERIOD OF DURATION SPECIFIED (RATIONED RELIEF AND SUSTENANCE RECIPIENTS ONLY).

Duration of Unemployment.	Under 22 Years.				23 to 35 Years.				36 to 45 Years.				46 to 55 Years.				56 to 64 Years.				65 Years and over.				Total.	
	Per Cent.		Per Cent.		Per Cent.		Per Cent.		Per Cent.		Per Cent.		Per Cent.		Per Cent.		Per Cent.		Per Cent.		Per Cent.		Per Cent.		Per Cent.	
	(a)	(b)	(a)	(b)	(a)	(b)	(a)	(b)	(a)	(b)	(a)	(b)	(a)	(b)	(a)	(b)	(a)	(b)	(a)	(b)	(a)	(b)	(a)	(b)	(a)	(b)
Over 5 years ..	..	..	..	..	282	4.59	11.9	16.4	7.94	18.0	11.13	28.4	845	13.68	35.6	184	19.70	7.8	2,374	9.29	..	..	..	..	..	..
4 years and under 5 years ..	..	..	..	..	221	3.59	14.1	18.0	5.76	19.3	7.46	28.9	509	8.24	32.5	100	10.71	6.4	1,564	6.13	..	..	..	..	..	..
3 years and under 4 years ..	3	0.23	..	..	314	5.11	16.5	19.3	7.47	19.3	7.65	24.4	649	10.51	34.1	105	11.24	5.5	1,900	7.41	..	..	..	..	..	..
2 years and under 3 years ..	32	2.41	..	..	451	7.33	19.6	18.8	8.80	18.8	10.20	26.9	634	10.26	27.6	130	13.92	5.7	2,296	9.01	..	..	..	..	..	..
1 year and under 2 years ..	149	11.22	..	..	805	13.09	23.0	18.2	13.00	18.2	14.65	25.4	879	14.23	25.2	138	14.78	3.9	3,495	13.69	..	..	..	..	..	..
9 months and under 1 year ..	146	10.99	..	..	513	8.34	25.4	19.9	8.23	19.9	7.50	22.5	441	7.11	21.8	66	7.07	3.3	2,023	7.91	..	..	..	..	..	..
6 months and under 9 months	179	13.48	..	..	482	7.84	25.0	17.3	6.82	17.3	7.38	23.2	439	7.11	22.8	47	5.03	2.4	1,928	7.56	..	..	..	..	..	..
3 months and under 6 months	163	12.27	..	..	571	9.28	27.1	20.8	8.92	20.8	7.51	19.5	435	7.11	20.6	46	4.92	2.2	2,107	8.24	..	..	..	..	..	..
2 months and under 3 months	121	9.11	..	..	361	5.87	30.1	18.9	4.59	18.9	3.85	19.5	228	3.69	19.1	27	2.89	2.3	1,195	4.68	..	..	..	..	..	..
6 weeks and under 8 weeks ..	81	6.10	..	..	262	4.26	31.5	21.4	3.63	21.4	2.30	16.7	157	2.54	18.9	14	1.49	1.7	831	3.25	..	..	..	..	..	..
4 weeks and under 6 weeks ..	106	7.98	..	..	316	5.14	34.9	18.0	3.33	18.0	2.84	19.0	126	2.04	13.9	22	2.36	2.4	905	3.55	..	..	..	..	..	..
Under 4 weeks ..	203	15.29	..	..	621	10.10	34.5	19.6	7.21	19.6	5.78	19.4	257	4.13	14.3	17	1.82	0.9	1,801	7.05	..	..	..	..	..	..
Seasonal applicants ..	25	1.88	..	..	178	2.89	36.5	21.9	2.18	21.9	1.75	21.7	70	1.13	14.3	3	0.32	0.6	489	1.91	..	..	..	..	..	..
Casualty employed applicants	120	9.04	..	..	773	12.57	29.3	22.5	12.12	22.5	10.00	23.0	508	8.22	19.3	35	3.75	1.3	2,636	10.32	..	..	..	..	..	..
Totals ..	1,328	100.00	..	..	6,150	100.00	..	..	6,056	100.00	..	..	6,177	100.00	..	934	100.00	..	25,544	100.00	..	..	..	..	..	..

Percentage Incidence of Unemployment in Age-groups as at the End of March, 1937.

(Based on figures of those actually in receipt of sustenance and rationed work relief.)

	Percentage.
Up to 22 years of age ..	1,328
23 years to 35 years ..	6,150
36 years to 45 years ..	4,899
46 years to 55 years ..	6,056
56 years to 64 years ..	6,177
65 years and over ..	934
Totals ..	25,544

TABLE IXA.

AT THE END OF MARCH, 1937, THERE WERE 25,544 MALES IN RECEIPT OF RATIONED WORK RELIEF AND SUSTENANCE, AND THE DIAGRAM SHOWS THE DISTRIBUTION OF NUMBERS ACCORDING TO AGE-GROUPS (SEE ALSO TABLE NO. 9).

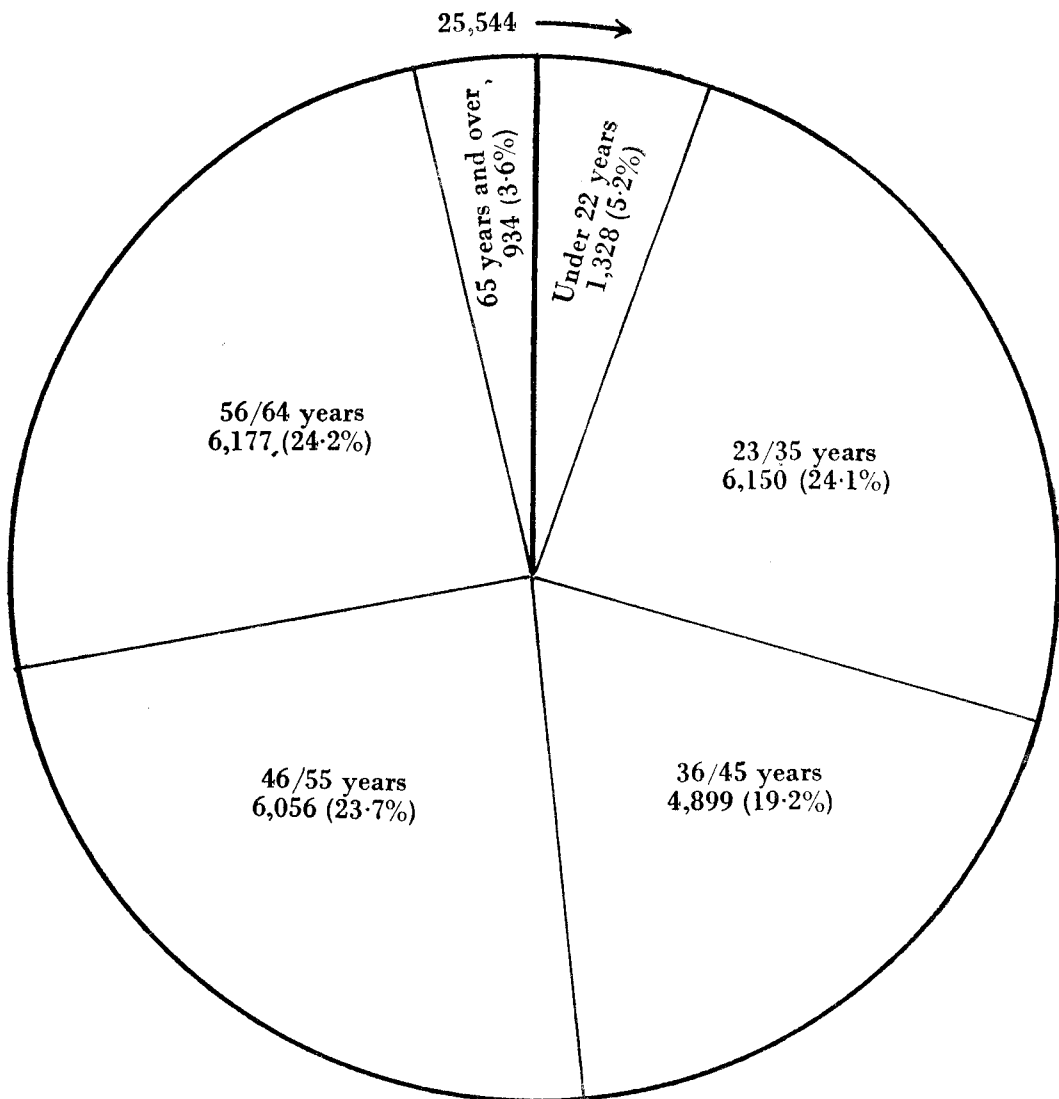


TABLE IXB.

AT THE END OF MARCH, 1937, THERE WERE 25,544 MALES IN RECEIPT OF RATIONED WORK RELIEF AND SUSTENANCE, AND THE DIAGRAM ANALYSES THE DURATION OF UNEMPLOYMENT FROM UNDER FOUR WEEKS TO OVER FIVE YEARS (SEASONAL AND CASUALLY-EMPLOYED APPLICANTS BEING SHOWN SEPARATELY), (SEE ALSO TABLE NO. 9).

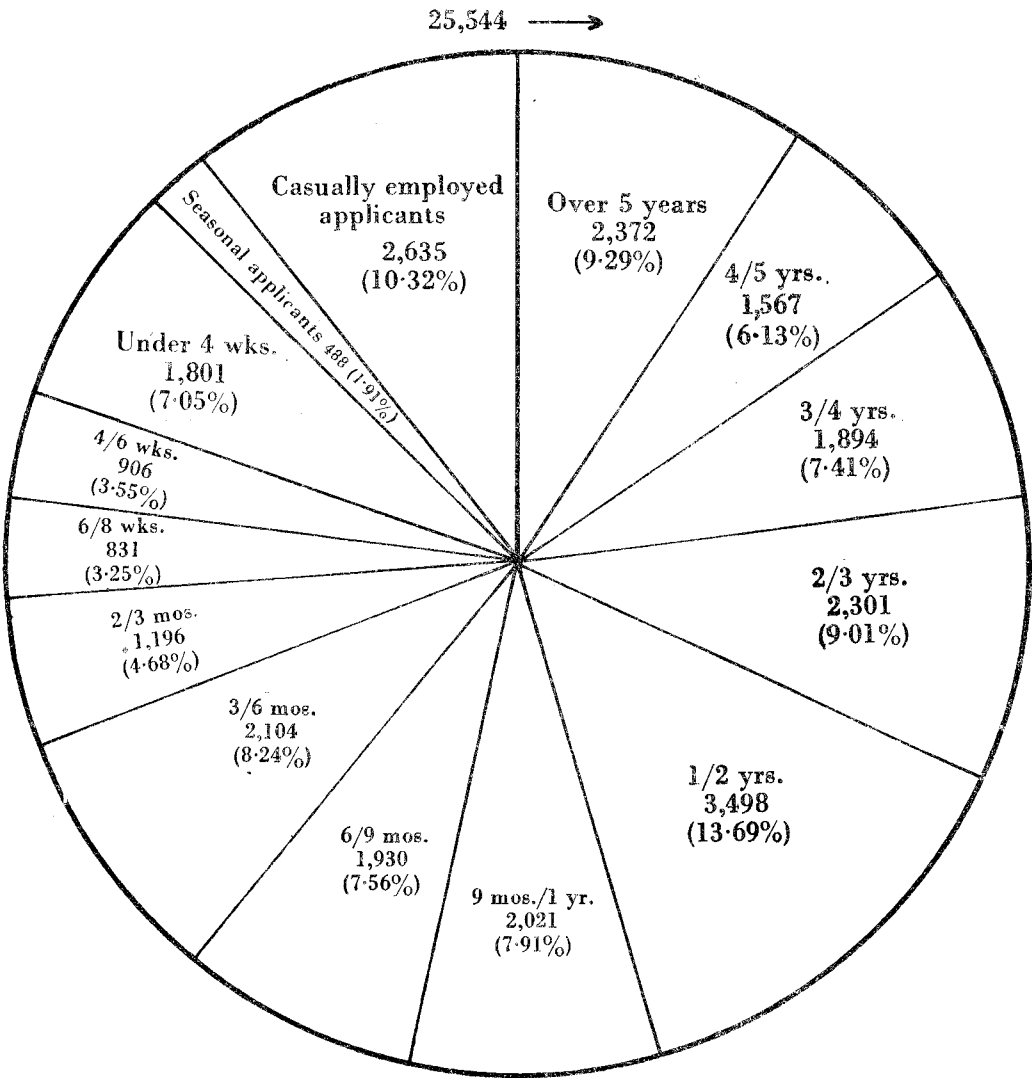


TABLE X.

GEOGRAPHICAL DISTRIBUTION OF UNEMPLOYED ACCORDING TO FOUR MAIN URBAN AREAS AND PROVINCIAL DISTRICTS (SHOWING ALSO A COMPARISON OF THE POSITION DURING THE MONTH OF JUNE\* IN THE YEARS 1936 AND 1937).

NOTE.—42,939 males were registered as unemployed in June, 1936, while only 29,326 were recorded for June, 1937, a decrease of 31·7 per cent.

\* Latest quarterly figures available for inclusion in report.

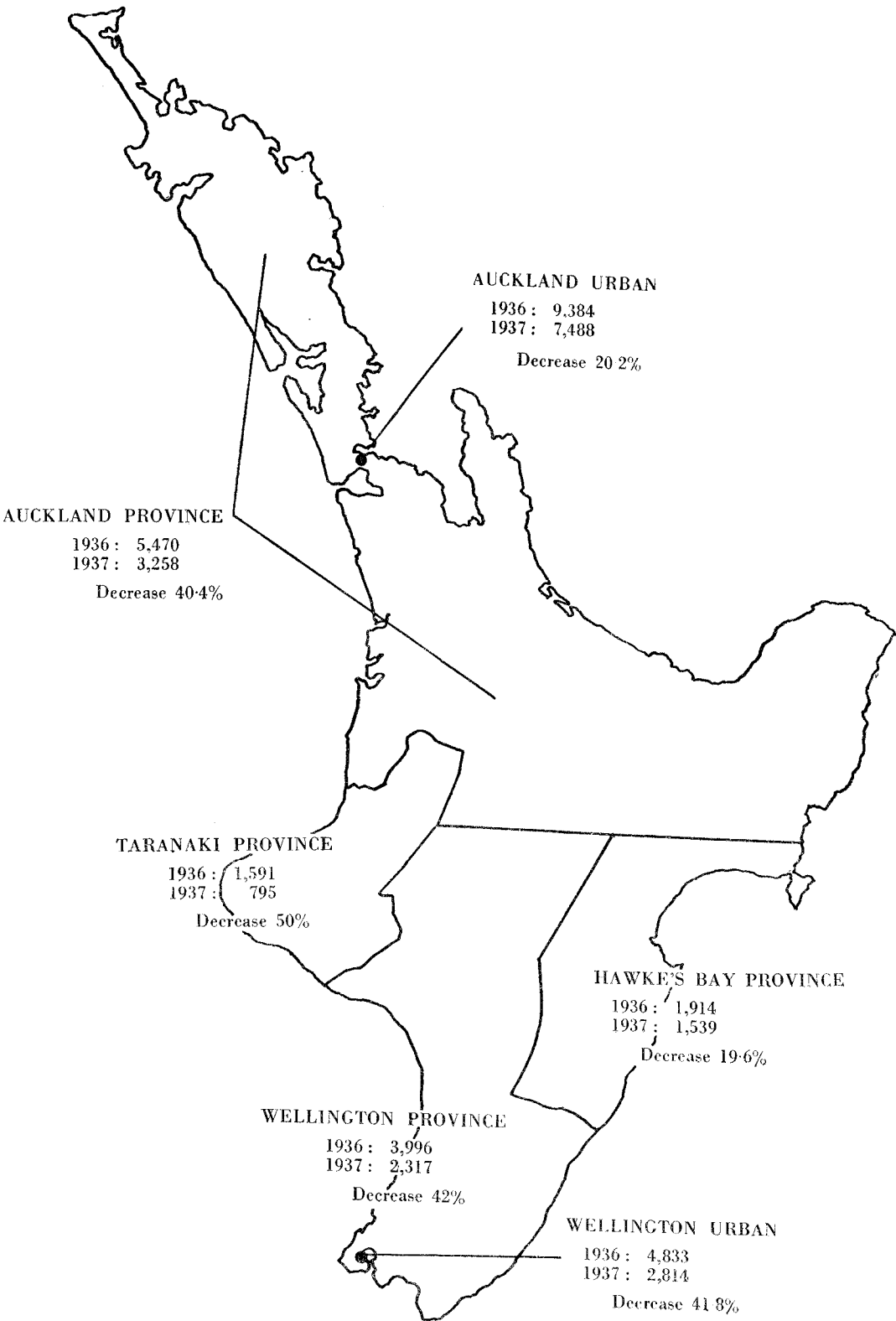


TABLE X—*continued.*

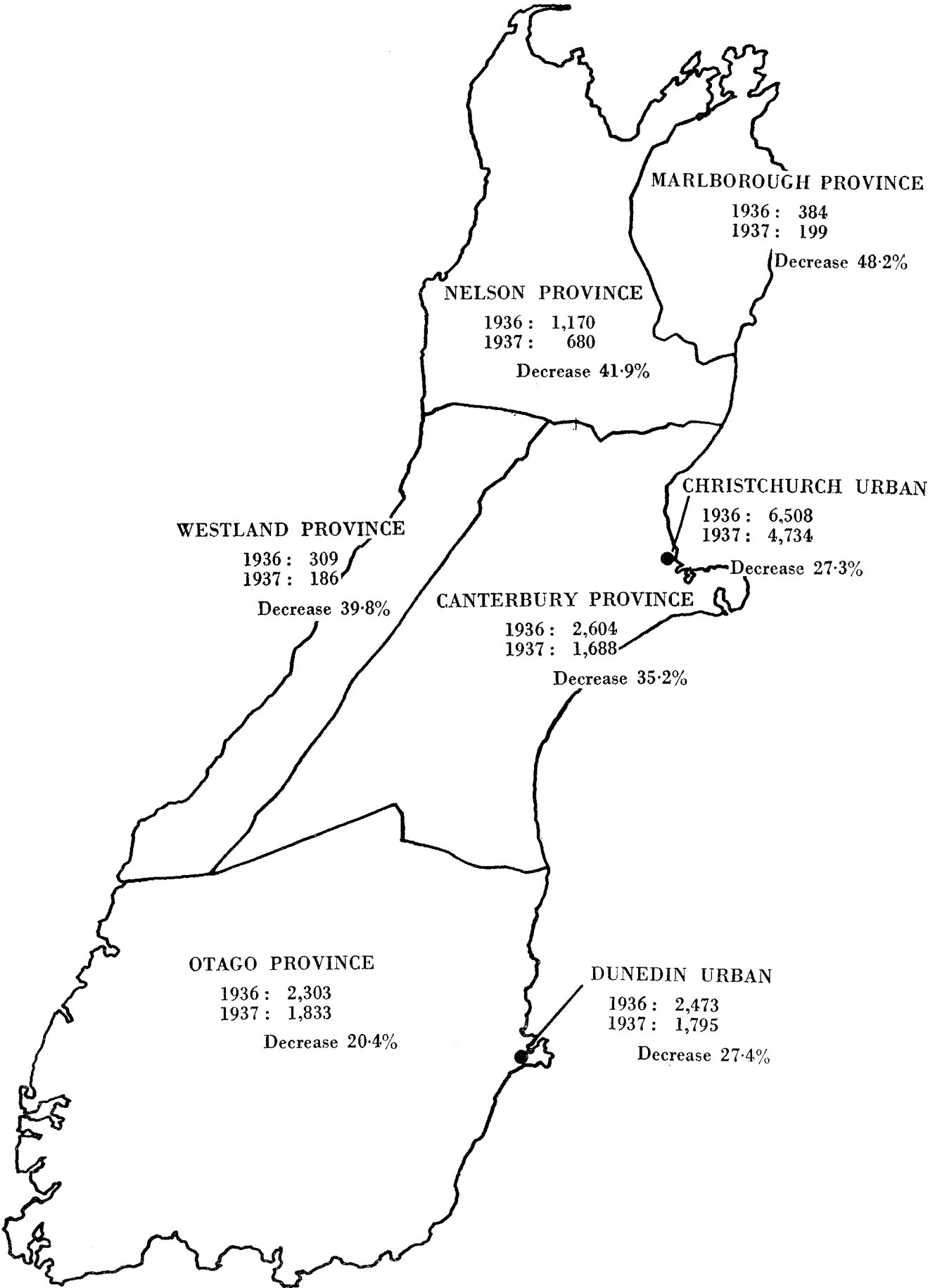
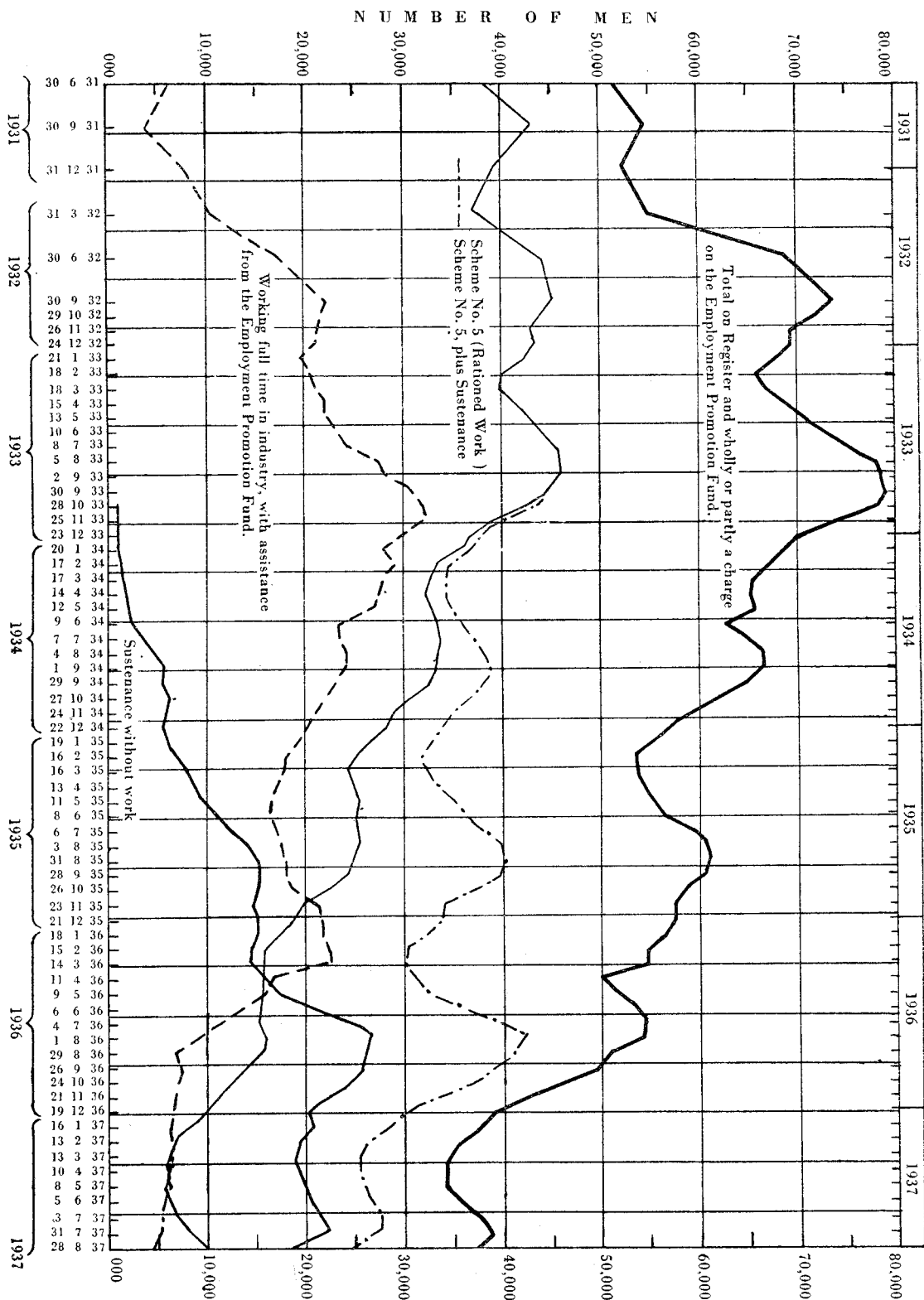




TABLE XI.



Approximate Cost of Paper.—Preparation, not given; printing (1,100 copies), (including graphs), £50.

By Authority: E. V. PAUL, Government Printer, Wellington.—1937.

Price 1s.]

