

accepted by the industry and has been adopted by the Government. Under the direction of the industry's own committee, pharmacists may look forward to considerable benefits, with a degree of stability and security which has been lacking in the past.

The retail sale and distribution of motor-spirit is subject to license and a large number of operators are engaged. During the year over 1,800 applications connected with this industry were considered either for new re-selling sites, installation of additional pumps, transfer of ownership or premises, or variation in the method of distribution. The preparation of a plan for this industry is at present under consideration.

The Department of Industries and Commerce has made extensive investigations into possible new industries. A number of these proposed industries have been found uneconomic of operation, but it is hoped that as a result of the Department's efforts several new activities may be commenced locally. Among these may be mentioned the preparation of unfermented fruit-juices, the manufacture of cream-separators, linen-fibre, linseed-oil, Leicester goods, beet-sugar, power alcohol, wallboards, and rubber tires. Reference was made last year to licenses issued to two companies to manufacture asbestos-cement products in the Dominion. One factory has commenced production, and the other is still actively engaged in developing a mine for the production of raw asbestos.

New industries.

During the year it was ascertained that a number of the local manufacturing industries, particularly footwear, were experiencing difficulties in continuing to compete with the products of overseas countries. Exhaustive inquiries and investigations were conducted and the fullest consideration given to the claims of these industries for some form of protection.

In consultation with the Governments of Australia, the United Kingdom, and Canada, adjustments were made in the rates of duty levied on importations of a number of commodities. Reports received since the adjustments were made indicate that manufacturing industries received great benefit from the added protection afforded them. Many have taken steps to expand their productive activities by engaging more workers, installing additional plant and machinery, and erecting new premises. In addition, a number of overseas manufacturers have taken steps for the manufacture of their products in New Zealand. The added protection granted has been a material factor in the encouragement of manufacturing activity in the Dominion to the advantage of both manufacturers and their employees.

A further important matter to which reference should be made is the activity resulting from the passing of the Petroleum Act last session. Consequent upon this legislation large sums have already been expended by private firms in prospecting for oil in the Dominion, and if these tests are successful—and there is every indication that the possibilities will be thoroughly investigated—the resulting industries will be of great economic importance to New Zealand.

Prospecting for oil.

EMPLOYMENT PROMOTION.

The fact that modern States require to take special measures to promote employment is no new phenomenon, although it is only since the last depression that the problem has assumed such an important place in practical politics. In the depths of the depression the number of registered unemployed rose to as high as 79,500. To-day that number has been reduced to a total of 8,300. In addition, there are approximately 8,000 men who on account of their physical inability to work should not qualify for relief on account of unemployment, but until such time as the social security legislation is passed and the necessary administrative machinery established assistance is being provided for them from the Employment Promotion Fund. A number are suffering from temporary illness and after a time will be fit for work again. The majority are not totally and permanently incapacitated, and thus do not qualify for an invalidity pension, but at the same time there is very little prospect of their reabsorption into normal industry. These men will be more satisfactorily dealt with under the social security proposals.