

There is one further suggestion which I feel bound to make in view of the general situation discussed in the Director's report and in view of what has occurred since that report was written. I am one of those who believe that by constructive efforts of the type I have suggested a world catastrophe can be avoided; but that is no reason why we should shut our eyes to the risks and refuse to take out a proper insurance policy for the things we value most. It seems to me to be urgently desirable, and indeed essential, that the International Labour Organization should be equipped with a reserve fund adequate to ensure the continuance of its work through any period of emergency. I do not propose to elaborate this suggestion at this stage, but if sufficient support is forthcoming from those who share the views I have just expressed I should welcome an opportunity of moving an urgent Resolution on the subject at a later stage of this Conference.

It will hardly be necessary for me to add that the Government which I represent is a firm believer in the principles and aims set out in the Constitution of the International Labour Organization. The New Zealand Government sees in these principles and aims a potent means of organizing a peaceful world in which the mind of mankind may concentrate on useful industry and social progress, and to the utmost of its strength and capacity it will embody them in its legislation.

At the 1937 session of the Conference the New Zealand Minister of Labour, the Hon. H. T. Armstrong, stated that he would recommend the ratification of those of the Conventions that could reasonably be applied in our country, and this assurance has been carried out. In February last the New Zealand Parliament authorized the ratification of twenty-two Conventions, there being in both Houses virtually no opposition. The Conventions ratified were covered by the existing law, but their ratification will indicate that New Zealand is taking seriously its obligations as a member of the International Labour Organization. The remaining Conventions are now being studied with a view to appropriate action, and, as soon as the Parliamentary situation permits, as many as have an application to New Zealand conditions will be given legislative effect.

During the past year the unemployment position in New Zealand has been greatly eased, the total numbers unemployed, including those on relief work or sustenance, having been reduced to under fifteen thousand in March, 1938. This figure includes eight thousand who have been medically certified as unfit for work.

Although some contribution to this betterment has been made by the more prosperous condition of the external market for New Zealand's primary products, the greater part of it is undoubtedly due to definite acts of Governmental policy. The wide enforcement of the forty-hour week in and out of the public services, and the restoration of wages and salary cuts and increases of wages (as a result of which the total of wages and salaries increased by 42 per cent. between 1935 and 1937), together with a large public-works programme and measures aiming at the absorption in skilled trades of young men who lost the opportunity of apprenticeship during the years of crisis, at the placement of others in suitable remunerative employment, and at the stimulation of important industries, have had a marked effect in improving the unemployment situation.

As it is often argued that such measures as the forty-hour week and increased wages can only have a detrimental effect on industrial stability and development, it will be of interest if I say that neither in the public accounts nor in the industries themselves has this result occurred. In the financial year ended on 31st March last a budgetary surplus of £810,000 was disclosed—I should say here that New Zealand's population is roughly 1,600,000—while in the number of new factories registered in 1937 and in the number of persons employed in them records were established in the Dominion's industrial history.

In the primary industries, also, no embarrassment has resulted from New Zealand's recent industrial legislation.

With reference to the organization of employment one fruitful activity might be mentioned—the provision of a State service for the placement of unemployed workers.

The Placement Service is a method devised by the Government to improve upon the practice of drafting unemployed men of whatever capacity into relief works of a purely manual character. The Service is staffed by specialist officers who examine the qualifications of unemployed individuals and seek employers requiring the kind of labour offering. It caters for all classes of workers, including disabled men, and has placed men in executive positions carrying £500 a year. The result has been beneficial, and so far has the Service won the confidence of employers that many of the most important of them, such as the shipping companies, now make a practice of approaching its officers when labour is required. To facilitate the employment of boys and girls the Service has lately been linked with careers masters in the schools, so that, in addition to its normal purpose, it now performs some of the functions of a youth vocational guidance scheme. Already one Australian State—Victoria—has copied the New Zealand Placement Service.

Among the acts of policy by which the Government has created productive employment, probably the most important refers to housing. The extent of the housing shortage which faced the present Government when it came into office in 1935 may be gauged from the following figures: the number of marriages during 1932 to 1935 inclusive was 43,800, and the number of building-permits in the same period amounted to 8,600.