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A Thesis Presented in Partial Fulfilment of the Requirements for the Degree of Master of Arts in Geography at Massey University

By

DAVID IAN BERTRAM

Massey University 1970
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# TABLE OF CONTENTS

<table>
<thead>
<tr>
<th>ACKNOWLEDGEMENTS</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>PART ONE : INTRODUCTORY</td>
<td></td>
</tr>
<tr>
<td>Introduction</td>
<td>2</td>
</tr>
<tr>
<td>Chapter 1 Marton : The Industrial Setting</td>
<td>6</td>
</tr>
<tr>
<td>PART TWO : THE GROWTH AND DEVELOPMENT OF MANUFACTURING</td>
<td></td>
</tr>
<tr>
<td>INDUSTRY IN MARTON, 1859-1969</td>
<td></td>
</tr>
<tr>
<td>Chapter 2 The Beginnings : 1859-1873</td>
<td>26</td>
</tr>
<tr>
<td>Chapter 3 Expansion : 1880-1919</td>
<td>30</td>
</tr>
<tr>
<td>Chapter 4 Decline : 1920-1944</td>
<td>34</td>
</tr>
<tr>
<td>Chapter 5 Renewed Expansion : 1945-1969</td>
<td>47</td>
</tr>
<tr>
<td>Chapter 6 The Nature of Manufacturing Industry in</td>
<td>65</td>
</tr>
<tr>
<td>Marton, 1969</td>
<td></td>
</tr>
<tr>
<td>PART THREE : MARTON AS A LOCATION FOR MANUFACTURING INDUSTRY</td>
<td></td>
</tr>
<tr>
<td>Chapter 7 Location Factors : Raw Materials, Market</td>
<td>110</td>
</tr>
<tr>
<td>and Transport</td>
<td></td>
</tr>
<tr>
<td>Chapter 8 Location Factors : Land and Labour</td>
<td>120</td>
</tr>
<tr>
<td>Chapter 9 Location Factors : Miscellaneous</td>
<td>130</td>
</tr>
<tr>
<td>PART FOUR : THE FUTURE OF MANUFACTURING INDUSTRY IN MARTON</td>
<td></td>
</tr>
<tr>
<td>Chapter 10 Future Prospects : The Labour Shortage</td>
<td>139</td>
</tr>
<tr>
<td>Chapter 11 Future Prospects : Industrial Promotion</td>
<td>153</td>
</tr>
<tr>
<td>Chapter 12 Conclusion</td>
<td>160</td>
</tr>
<tr>
<td>APPENDICES</td>
<td>164</td>
</tr>
<tr>
<td>BIBLIOGRAPHY</td>
<td>191</td>
</tr>
</tbody>
</table>
### LIST OF TABLES

<table>
<thead>
<tr>
<th>Table</th>
<th>Description</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>I</td>
<td>Selected Statistics of Industrial Production: Comparison of 34 New Zealand towns with populations of 3000-7000, 1966</td>
<td>6</td>
</tr>
<tr>
<td>III</td>
<td>Projected Population Growth, 1966-1986: Selected New Zealand rural and urban areas</td>
<td>21</td>
</tr>
<tr>
<td>V</td>
<td>Rangitikei County: Grain acreages, 1910-1911 and 1938-1939</td>
<td>37</td>
</tr>
<tr>
<td>VI</td>
<td>Herton: Numbers of factories, 1879, 1914, 1944 and 1969</td>
<td>44</td>
</tr>
<tr>
<td>VIII</td>
<td>Herton: Size of factories by numbers employed, 1969</td>
<td>59</td>
</tr>
<tr>
<td>IX</td>
<td>Herton: Employment in manufacturing sector by sex proportions, 1969</td>
<td>60</td>
</tr>
<tr>
<td>X</td>
<td>Herton: Local and non-local market areas of manufacturing firms, 1969</td>
<td>61</td>
</tr>
<tr>
<td>XI</td>
<td>Herton: Selected data on manufacturing firms, 1969</td>
<td>66</td>
</tr>
<tr>
<td>XII</td>
<td>Herton: Distribution by industrial land-use zones, 1968</td>
<td>121</td>
</tr>
<tr>
<td>XIV</td>
<td>Rangitikei College Survey: Destination of school leavers, 1962-1968</td>
<td>146</td>
</tr>
<tr>
<td>XV</td>
<td>Rangitikei College Survey: Preferences for place of work, 1968</td>
<td>147</td>
</tr>
</tbody>
</table>
### LIST OF FIGURES

<table>
<thead>
<tr>
<th>Figure</th>
<th>Description</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Marton - Its Setting</td>
<td>9</td>
</tr>
<tr>
<td>2</td>
<td>Rangitikei-Turakina Block</td>
<td>10</td>
</tr>
<tr>
<td>3</td>
<td>Boundaries of Marton Borough</td>
<td>14</td>
</tr>
<tr>
<td>4</td>
<td>Borough Of Marton</td>
<td>16</td>
</tr>
<tr>
<td>5</td>
<td>Industrial Location in Marton - Factory Sites and Industrial Zones</td>
<td>18</td>
</tr>
<tr>
<td>6</td>
<td>Age-Sex Structure of Marton</td>
<td>20</td>
</tr>
<tr>
<td>7</td>
<td>Growth of Population - Bulls, Hunterville, Marton and Taihape, 1901-1966</td>
<td>24</td>
</tr>
<tr>
<td>8</td>
<td>Size of Factories by Industrial Groups and Numbers Employed, Marton, 1969</td>
<td>67-69</td>
</tr>
<tr>
<td>9</td>
<td>Major Rail and Road Networks, North Island, New Zealand</td>
<td>114</td>
</tr>
</tbody>
</table>

### LIST OF PLATES

<table>
<thead>
<tr>
<th>Plate</th>
<th>Description</th>
<th>Pages</th>
</tr>
</thead>
<tbody>
<tr>
<td>1-9</td>
<td>Views of Factories in Marton</td>
<td>96-108</td>
</tr>
</tbody>
</table>

### LIST OF APPENDICES

<table>
<thead>
<tr>
<th>Appendix</th>
<th>Description</th>
<th>Pages</th>
</tr>
</thead>
<tbody>
<tr>
<td>A</td>
<td>Questionnaires</td>
<td>164</td>
</tr>
<tr>
<td>B</td>
<td>Classification of Firms</td>
<td>178</td>
</tr>
<tr>
<td>C</td>
<td>M.S.D. - Speirs Ltd : The Growth of a Timber Firm</td>
<td>180</td>
</tr>
</tbody>
</table>
PART ONE

INTRODUCTORY

Introduction .......................... 2
Chapter 1 Marton: Its Setting ............. 8
INTRODUCTION

"..... Marton can justly claim to be an ideal town for setting up secondary industries......" 1

"..... The population over recent years has shown a steady increase and there are signs afoot that the potential of this centrally situated, well planned and solidly supported borough is being realised more and more and that a period of greater industrial development and growth is imminent....." 2

".... The Borough of Marton has the fastest growth rate of any of the towns in the Wanganui Employment District..." 3

".... For its size, Marton must be one of the most prolific factory towns in New Zealand.... " 4

".... Originally the settlement's sole purpose was to service the rich country areas that surround it on all sides, but it has, in recent years, developed into a centre that is above average in industrial development....." 5

Such statements, gleaned from various articles and booklets about the town of Marton, suggest that, in terms of manufacturing industry, it is, in certain respects, atypical of other New Zealand towns of a similar size and has, in fact, considerable potential as a small, industrial centre. The Marton-born writer, too, was aware of certain other distinctive features of the town's manufacturing industry - for example, the virtual absence of industries for processing the produce of its agricultural and pastoral hinterland yet the presence of other industries using imported raw materials with markets of nationwide importance.

This research on manufacturing industry in Marton had
had three objectives:

(a) to consider, with particular reference to the role and influence of the development of transport, the growth and present nature of manufacturing industry in Marton;

(b) to consider the varying significance of factors of industrial location in the development of Marton's industrial landscape; and,

(c) to consider the role of decentralisation of some manufacturing industry from the major urban centres in the future economic stability of rural towns, especially in respect of the employment opportunities so offered.

**Methodology**

The chief sources of information for the chapters concerned with the growth and development of industry in Marton since its establishment in the 1850's were the recollections of residents who were often able to support their claims with old photographs and newspaper clippings, and the weekly newspaper, "The Rangitikei Mail", which regularly carries features of historical interest. Three works which proved to be particularly useful in this section were Evans' "A History of Agricultural Production and Marketing in New Zealand", Wilson's "Early Rangitikei" and "A History of Marton and Its People" which was published in 1954 to celebrate Marton's seventy-fifth year as a borough.

The chief sources of information for the remainder of the thesis, which is concerned with the present industrial landscape, were Estall and Buchanan's "Industrial Activity and Economic Geography", Greenhut's "Plant Location in Theory and in Practice",
Hoover's "The Location of Economic Activity" and two questionnaires (Appendix A).

Questionnaire A, which deals mainly with the present nature of industry in Marton, was the basis of the major part of the thesis. It was taken personally to all the factory managers in the area during November, 1968 and January, 1969.

Questionnaire B was given to 151 students of Rangitikei College who at the time (November, 1968) had indicated that they might be leaving at the end of the year. This questionnaire yielded, from a youthful viewpoint, information regarding the advantages and disadvantages of life in a rural town as compared with that in a city. This information was used in Chapter 10 which deals with the reasons for the migration of young people from Marton.

One complication arose in the selection of the factories for studying. The Department of Statistics' definition of a "factory", 6 which is used in their statistics, did not seem appropriate for the writer's research which was concerned with manufacturing industry only. It was thus decided to include all factories in the district which manufactured either a product or a component in the survey. Of the total of thirty-six so defined, two were located some distance outside the borough boundaries. These two were included because most of their labour force commutes daily from Marton. It should be noted that the total includes 'owner-operated' factories (which the Department of Statistics excludes) as well as several which are not solely concerned with manufacturing.
As a preliminary investigation before commencing the major part of the research, the industrial sector of Marton was compared with that of thirty-three other New Zealand towns, with populations ranging between 3000 and 7000, to see to what extent the town, and especially its industry, was characteristic. As it was not intended that this should form a major part of the thesis the towns were compared only on the basis of the current statistics of industrial production – numbers of factories, total factory employment, salaries paid, cost of materials, value of production, value added 6, and employment in the manufacturing and transport sectors 7 (Table I).

It can be seen that Marton, with the exception of Stratford, contains a greater number of factories than any other town in the group. In respect of the other categories, the proportion per capita in Marton in each category is, with one exception (employment in the transport sector), in excess of that for over half of the other towns. Seventeen towns have a higher proportion of their population than Marton employed in the transport sector.

It is doubtful, however, whether Marton can be actually described as typical or atypical – for, what are the distinguishing features of a characteristic New Zealand town in the group? New Zealand's small, rural towns show great diversity in all aspects and to analyse a "typical character" would, apart from being very complex, probably prove of doubtful validity. It could be noted, however, and this is not apparent from Table I, that primary processing industries are relatively unimportant in Marton's industrial structure by marked contrast with most other towns in the group. In its own way, then, industry in Marton has its distinctive characteristics, and it is this distinctive character with which this thesis is primarily concerned.
### Table I

**A Comparison of Selected Statistics of Industrial Productivity in 34 New Zealand Towns**

<table>
<thead>
<tr>
<th>Population (1966 Census)</th>
<th>Number of Factories</th>
<th>Factory Employment ($'000's)</th>
<th>Value of Production Added ($'000's)</th>
<th>Employment in Manufacturing</th>
<th>Employment in Transport (Total)</th>
</tr>
</thead>
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<tr>
<td>Kaitaia</td>
<td>3056</td>
<td>27</td>
<td>171* 317 388 909 415</td>
<td>143 16 159</td>
<td>119*</td>
</tr>
<tr>
<td>Paeroa</td>
<td>3129</td>
<td>29</td>
<td>364* 615 4396* 5655* 811*</td>
<td>209 82* 291*</td>
<td>147*</td>
</tr>
<tr>
<td>Kaihoro</td>
<td>3134</td>
<td>20</td>
<td>167 326 464 1022 445</td>
<td>183 11 194</td>
<td>124*</td>
</tr>
<tr>
<td>Waithi</td>
<td>3169</td>
<td>21</td>
<td>508* 912 1985 5955 1255*</td>
<td>320* 131* 451*</td>
<td>95*</td>
</tr>
<tr>
<td>Te Aroha</td>
<td>3212</td>
<td>25</td>
<td>297* 358 7955 4356 443*</td>
<td>223 46 269</td>
<td>99*</td>
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<tr>
<td>Hokitika</td>
<td>3258</td>
<td>16</td>
<td>175 298 1435* 1928 371</td>
<td>209 42 251</td>
<td>123*</td>
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<tr>
<td>Bluff</td>
<td>3279</td>
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<td>58 140 183 390 303</td>
<td>222 33 255</td>
<td>415*</td>
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<td>Waitake</td>
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<td>184 50* 234</td>
<td>99*</td>
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<td>Carterton</td>
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<td>242 77* 119</td>
<td>128*</td>
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<td>Waipukurau</td>
<td>3569</td>
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<td>219 365 743 1861 929*</td>
<td>160 43* 203</td>
<td>143*</td>
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<td>Motueka</td>
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<td>254 354 939 1849 574</td>
<td>253 46 299</td>
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<td>Ngatunawahi</td>
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<td>334* 596 1640 2603 735</td>
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</tr>
<tr>
<td>Dargaville</td>
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<td>32</td>
<td>314 603 5346* 1424 621</td>
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</tr>
<tr>
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</tr>
<tr>
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<td>244 660 817 6931 1321*</td>
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</tr>
<tr>
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<td>38</td>
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</tr>
<tr>
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<td>4497</td>
<td>38</td>
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</tr>
<tr>
<td>Marton</td>
<td>4731</td>
<td>40</td>
<td>406 808 2068 3546 1130</td>
<td>- - -</td>
<td>-</td>
</tr>
</tbody>
</table>

*Towns with a higher proportion per capita than Marton

**Sources:** Dept. of Statistics, 1967, *Census of Population and Dwellings* (Employment in manufacturing and transport sectors only).


(All other categories)
FOOTNOTES

6. It should be noted that these statistics "record only those factories engaged in manufacture, assembly, repair or treatment of articles which are classified within the Manufacturing Division of the New Zealand Industrial Classification of all Economic Activities .... The coverage applies to registered factories engaging two or more persons (including the working proprietor) with the exception of: cake and pastry kitchens; bespoke tailors, dressmakers and milliners; boat repairers; abattoirs; railway workshops; the naval dockyard." (Department of Statistics, 1969, New Zealand Industrial Production 1966–1967, 7.) As such, these figures are not solely concerned with manufacturing industry.

7. These two categories of statistics, from another source (the 1966 Census), are not exactly comparable with those of the other categories being derived on a different basis.
Location

Situated on the West Coast of the North Island, and only half an hour by road from the cities of both Palmerston North and Wanganui, Marton Borough, with a population of 4810 (1969 Estimate), is the largest town in the prosperous Rangitikei County. Originally, and today still primarily, a service centre for its rural hinterland, the town is also the home of a variety of manufacturing industries (Fig. 1).

History of Settlement

In May, 1849, the 186,000 acre Rangitikei-Turakina Block was purchased by Sir Donald McLean from the Maori owners for £2,500 - about threepence per acre. This block, bounded by the Turakina and Rangitikei Rivers, was then sold to settlers at between five and ten shillings per acre.

Initial settlement was in the districts now called Bonny Glen, Fern Flats, Porewa and Upper Tutaenui (Fig. 2). These earliest settled areas were for the most part the lands transitional between the swampy lowlands and the dense bush-covered highland. Here the vegetation tended towards fern, scrub and even occasional patches of indigenous grassland with some bush in the valleys. As such it was relatively easy to clear and thus cultivation could take place much sooner than on the areas further to the north and the south. The area immediately surrounding Marton, and especially to the south, was very swampy and this was amongst the last to be settled.
Fig 1: Marton - Its Setting

Fig. 2: The Rangitikei–Turakina Block

By 1858 the district was quite well settled. To the east of Marton's present location were two large estates, "York Farm" - over 2400 acres - and "Westoe" - over 5000 acres. Immediately to the west of these two estates, the farms were much smaller, none being in excess of 200 acres. Further to the west and to the north farm sizes increased but few exceeded 1000 acres.

The Establishment of Marton

With the population of the district increasing there was a need for a town. The first attempt to establish one was made by Sir William Fox on a site some two miles south of present day Marton. A corner of his "Westoe Estate" was surveyed into half-acre lots and these were offered free to anyone who built on them within two years. One proviso with the offer was that no liquor was to be sold from any premises erected on the sections. Denied the establishment of a hotel many potential townspeople went elsewhere and Crofton, as the town was to be called, never became the viable centre of Fox's dreams.

The second attempt to establish a town was in 1866 when a party of surveyors went to the Upper Tutaenui district, which at that time was the most closely settled area, to select, and if possible, buy a site for a town. They were unsuccessful.

Meanwhile some two miles north of Crofton an accommodation had been built beside the Tutaenui Stream. Its presence led to discussions with a Mr Signal, who with Messrs. Follett and Morris, owned the land in the immediate vicinity. Signal, and later the other two, agreed to sell their sixty acre blocks and thus a town, Tutaenui, was born. Soon after its establishment, however, dissatisfaction with the name of the town was expressed. After considerable discussion, the name "Marton" was adopted and since 1869 the town has been so known.
The factors which led to the siting of the accommodation house where it was are unknown but a possible theory is as follows.

As the accommodation house was built primarily for drovers it would appear that the location of the main drover tracks of the district should influence the owner's decision. At this time sheep destined for the newly settled areas to the north of the future town had to be driven overland from Scott's Ferry. The main drover track followed the Rangitikei River as far as Bulls and then it veered slightly westwards to follow an anticline. The track crossed the Tukenui Stream at "Curl's Bridge", where there was a ford, and from there it followed the westbank of the stream as far as Marton's present location. Here it branched into several smaller ones leading to Fern Flats, Bonny Glen, Porewa and Upper Tutaenui. It would appear logical to build the accommodation house where the track branched - especially as there was here both a natural clearing and a good watering place for stock. The site's advantages thus made it an ideal overnight watering place before the final leg of the journey was commenced.

Morphology and Appearance

The morphology of the town is quite distinctive in that it is made up of two quite distinct parts - the town proper and the 'Junction' area. This dualism can be ascribed to early rail developments.

In 1879 when Marton became a borough, with an area of 1370 acres and a population of about 500, the centre of the town was in Upper Broadway. The Wanganui—Longburn Railway, opened the previous year, passed about a mile to the south. It was probably due to its location that the original borough boundaries included
a considerable amount of farmland to the south and west. (Fig. 3). The railway station was built where the line passed closest to the town - well away from Upper Broadway. This in turn led to the development of Lower Broadway and, especially of, High Street.

In 1884 the decision was made that Marton was to be the site of the junction of the proposed Main Trunk with the existing Wanganui-Longburn line. This led to the erection of a new station some 1½-miles southeast of the then Marton station. By 1898 this new station had, in fact, become the more important and was made the chief station of the town. The former station, renamed Pukepapa, steadily declined until it was finally closed in 1959 - it had, however, been used but rarely after the 1920's.

The transfer of Marton's main station south-eastwards resulted in the development of sub-divisions in the vicinity - which was east beyond the then borough boundaries. The first of these (1903) immediately surrounded the new station thus forming a second distinct centre while the second (1905) aimed to unite the two centres of population. Three other much smaller sub-divisions followed. It is of interest to note the speculative talk which surrounded the sale of these sub-divisions: "It is now known Marton Junction will be one of the chief railway and manufacturing centres in the colony"; another sale plan noted the possibility of Marton being chosen as the site for the central government! In spite of such optimistic talk, however, the sections sold but slowly and it is only during the last decade that many of the sections in the Junction area have been built on.
Fig. 3: Boundaries of Marton Borough, 1879 and 1969.
While development up High Street withered with the transfer of the station, little extension southwards of the main commercial and retail centre occurred. Thus today Broadway, in the northern part of the town, remains the recognised shopping centre.

In 1921 the Junction area was included in the borough boundaries while at the same time several parts of the then borough were transferred back to the Rangitikei County. It was this transfer which, in part, accounted for the rise in Marton's population between 1916 (1650) and 1921 (2602).

The grid pattern of the street lay-out is very apparent (Fig. 4). Another significant feature of the street lay-out is the discordant intersections along High Street. The town was founded by three landowners who each agreed to sell a sixty-acre block for its establishment. These three men, however, did not cooperate in the initial surveying and thus, although all three blocks were adjacent, each was subdivided without reference to its alignment with its neighbours.

The appearance of the town is basically similar to that of many other New Zealand towns of a comparable size. The residential sector is undistinguished, with its rows of brick, wooden or rough-cast houses each on its own section. The main shopping centre stretches for some two blocks along either side of the main street, Broadway. Few of the buildings exceed two stories in height and while the upper stories, housing professional rooms and flats, present a drab plastered appearance, the ground floors are most attractively laid out. The usual retail stores, drapers, furnishers, groceries, stationers and the like, are well represented but, in keeping with its rural servicing function, there are a number of stock and station agencies. One aspect, however,
Fig. 4: Borough of Marton
which does set it apart is the number of schools situated in the area. As well as three state primary and one intermediate school, there are also three private primary schools, a convent, a boys' preparatory (Huntley) and a girls' preparatory (St. Stephen's) school. Three post-primary schools are situated here also, Nga Tawa College, 12 Turakina Maori Girls' College and Rangitikei College. The presence of five private schools is not readily apparent, but possibly it is a reflection of the heritage, wealth and social status of the early settlers.

The industrial enterprises of the town are dispersed throughout the residential and commercial areas - until recently there were few restrictions in the siting of factories (Fig. 5). In recent years, however, it is noticeable that many of the newer factories have been established in the junction area - no doubt in anticipation of the town plan which became operative in 1968. It is foreseen, too, that most of the factories at present in the commercial sector will eventually be re-located in the junction area. So dispersed, in fact, are the factories at present that probably few of the residents are even aware of the relatively large number of factories operating in the town.

Population: Totals, Age and Sex Proportions

The latest available estimate of population (1969) is 4810, an increase of seventy-nine over the total for the 1966 Census.

In keeping with the national pattern there has been an excess of females over males in each of the last three censuses. It is noteworthy, however, that the proportion of females to males in Marton has been increasing while the proportion in New Zealand cities and boroughs has been decreasing thereby suggesting a higher outward migration from Marton of males than females (Table II).
Fig. 5: Industrial Location in Marton—Factory Sites and Industrial Zones

Legend

Industrial Groups
- Building Materials and Furniture
- Engineering
- Food
- Leather Goods
- Non-Metallic Mineral Products
- Printing and Publishing
- Textiles
- Miscellaneous

(For nos. refer to Appendix B)

Industrial Zones
A
B
C

Source: Marton Borough Approved Scheme.
TABLE II
MARTON POPULATION: DISTRIBUTION BY SEX PROPORTIONS,
1956, 1961 and 1966

<table>
<thead>
<tr>
<th>Census year</th>
<th>Males</th>
<th>Females</th>
<th>Total</th>
<th>Females per 1000 Males Marton</th>
<th>N.Z. Cities and Boroughs</th>
</tr>
</thead>
<tbody>
<tr>
<td>1956</td>
<td>1927</td>
<td>2074</td>
<td>4001</td>
<td>1024</td>
<td>1060</td>
</tr>
<tr>
<td>1961</td>
<td>2112</td>
<td>2205</td>
<td>4317</td>
<td>1044</td>
<td>1049</td>
</tr>
<tr>
<td>1966</td>
<td>2272</td>
<td>2459</td>
<td>4731</td>
<td>1084</td>
<td>1042</td>
</tr>
</tbody>
</table>


This is confirmed in Fig. 6 which shows the proportions of each sex in each age group. While the excess of females is apparent in most age groups, it is particularly noticeable in the 15 - 19 and 20 - 24 age groups. This latter fact arises out of the greater willingness, and usually ease, by which males in these age groups can migrate for work or study. Such out-migration has significantly affected the size and composition of Marton's labour force. This problem is discussed more fully in Chapter 10.

Population: Growth and Projections

Compared with seventeen other towns in the 3700 - 5700 population group the projected population increase of Marton is not spectacular (Table III). At least nine other towns have estimated average annual increases for the periods 1966-71, 1971-76 and 1976-86 which are in excess of Marton's - which, in fact, is below the average rate for both New Zealand and the North Island.

Marton has, however, the fastest projected population growth rate in the Wanganui Statistical Region, which includes
Fig 6: Age-Sex Structure of Marton, 1966

Age Groups
(years)

MALES

90 +

85-89

80-84

75-79

70-74

65-69

60-64

55-59

50-54

45-49

40-44

35-39

30-34

25-29

20-24

15-19

10-14

5-9

0-4

FEMALES

% in each age group

Source: Census, 1966.
### TABLE III

**PROJECTED POPULATION GROWTH, 1966-1986: 17 NEW ZEALAND TOWNS WITH POPULATIONS OF 3700 - 5700, 1966.**

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Motueka</td>
<td>3310</td>
<td>3748</td>
<td>2.56</td>
<td>2.3</td>
<td>2.3</td>
<td>2.0</td>
</tr>
<tr>
<td>Ngaruawahia</td>
<td>3273</td>
<td>3769</td>
<td>2.91</td>
<td>2.5</td>
<td>2.6</td>
<td>2.2</td>
</tr>
<tr>
<td>Matamata</td>
<td>3298</td>
<td>3810</td>
<td>2.98</td>
<td>2.5</td>
<td>2.6</td>
<td>2.5</td>
</tr>
<tr>
<td>Dargaville</td>
<td>3733</td>
<td>3902</td>
<td>0.9</td>
<td>0.6</td>
<td>0.4</td>
<td>0.4</td>
</tr>
<tr>
<td>Rangiora</td>
<td>3540</td>
<td>4117</td>
<td>3.12</td>
<td>3.0</td>
<td>2.5</td>
<td>1.1</td>
</tr>
<tr>
<td>Balclutha</td>
<td>3935</td>
<td>4419</td>
<td>3.39</td>
<td>3.1</td>
<td>2.8</td>
<td>2.5</td>
</tr>
<tr>
<td>Putaruru</td>
<td>3551</td>
<td>4435</td>
<td>4.63</td>
<td>3.7</td>
<td>2.9</td>
<td>2.5</td>
</tr>
<tr>
<td>Morrinsville</td>
<td>4111</td>
<td>4497</td>
<td>1.84</td>
<td>1.8</td>
<td>1.9</td>
<td>1.8</td>
</tr>
<tr>
<td>Marton</td>
<td>4319</td>
<td>4731</td>
<td>1.87</td>
<td>1.9</td>
<td>1.7</td>
<td>1.6</td>
</tr>
<tr>
<td>Waitara</td>
<td>4372</td>
<td>4790</td>
<td>1.87</td>
<td>1.5</td>
<td>1.3</td>
<td>1.2</td>
</tr>
<tr>
<td>Te Kuiti</td>
<td>4492</td>
<td>4864</td>
<td>1.47</td>
<td>1.5</td>
<td>1.6</td>
<td>1.2</td>
</tr>
<tr>
<td>Wairoa</td>
<td>4303</td>
<td>5100</td>
<td>3.52</td>
<td>2.7</td>
<td>2.9</td>
<td>2.0</td>
</tr>
<tr>
<td>Westport</td>
<td>5460</td>
<td>5271</td>
<td>-0.71</td>
<td>0.0</td>
<td>0.7</td>
<td>0.5</td>
</tr>
<tr>
<td>Huntly</td>
<td>4831</td>
<td>5401</td>
<td>2.29</td>
<td>2.1</td>
<td>2.0</td>
<td>1.8</td>
</tr>
<tr>
<td>Stratford</td>
<td>5273</td>
<td>5441</td>
<td>0.64</td>
<td>0.6</td>
<td>1.0</td>
<td>1.0</td>
</tr>
<tr>
<td>Havelock North</td>
<td>3622</td>
<td>5472</td>
<td>8.75</td>
<td>3.5</td>
<td>2.4</td>
<td>2.1</td>
</tr>
<tr>
<td>Thames</td>
<td>5315</td>
<td>5599</td>
<td>1.06</td>
<td>0.9</td>
<td>1.0</td>
<td>1.0</td>
</tr>
<tr>
<td>Dannevirke</td>
<td>5508</td>
<td>5728</td>
<td>0.8</td>
<td>0.6</td>
<td>0.7</td>
<td>0.7</td>
</tr>
</tbody>
</table>


*Actual increase.*
Wanganui City, the Boroughs of Marton and Taihape and the Counties of Rangitikei, Waitotara and Wanganui (Table IV).

Fig. 7 illustrates the growth since 1901 of the four largest urban centres in the Rangitikei County.

FOOTNOTES


3. Wilson, 1914, 68.


5. Wilson, 1914. (From survey maps included with book). "Westoe" was owned by Sir William Fox, five times Premier of New Zealand between 1856 and 1873.

6. It was just one hundred years before that Captain Cook had rediscovered New Zealand and it was deemed appropriate to rename the town after his birthplace in Yorkshire, England. (Marton Jaycee Inc.), 1954, 14.)


12. The official name is "The Wellington Diocesan School for Girls", Nga Tawa, Marton.

TABLE IV

PROJECTED POPULATION GROWTH, 1966-1968: SELECTED
NEW ZEALAND RURAL AND URBAN AREAS.

Projected Average Annual Increase (%)

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Wanganui Region</td>
<td>1.11</td>
<td>1.0</td>
<td>1.1</td>
<td>0.9</td>
</tr>
<tr>
<td>of which Wanganui City</td>
<td>1.37</td>
<td>1.4</td>
<td>1.3</td>
<td>1.0</td>
</tr>
<tr>
<td>Marton</td>
<td>1.87</td>
<td>1.9</td>
<td>1.7</td>
<td>1.6</td>
</tr>
<tr>
<td>Taihape</td>
<td>1.32</td>
<td>1.3</td>
<td>1.4</td>
<td>1.3</td>
</tr>
<tr>
<td>Rangitikei County</td>
<td>1.15</td>
<td>0.6</td>
<td>0.6</td>
<td>0.4</td>
</tr>
<tr>
<td>North Island</td>
<td>2.4</td>
<td>2.3</td>
<td>2.5</td>
<td>2.4</td>
</tr>
<tr>
<td>New Zealand</td>
<td>2.11</td>
<td>2.0</td>
<td>2.2</td>
<td>2.2</td>
</tr>
</tbody>
</table>

Fig. 7: Growth of Population - Bulls, Hunterville, Marton and Taihape, 1901-1966

Source: Census Reports, 1901-1966.
PART TWO

THE GROWTH AND DEVELOPMENT OF MANUFACTURING INDUSTRY IN MARTON, 1859-1969

<table>
<thead>
<tr>
<th>Chapter</th>
<th>Title</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>2</td>
<td>The Beginnings: 1859-1879</td>
<td>26</td>
</tr>
<tr>
<td>3</td>
<td>Expansion: 1880-1919</td>
<td>30</td>
</tr>
<tr>
<td>4</td>
<td>Decline: 1919-1944</td>
<td>34</td>
</tr>
<tr>
<td>5</td>
<td>Renewed Expansion: 1945-1969</td>
<td>47</td>
</tr>
<tr>
<td>6</td>
<td>The Nature of Manufacturing Industry in Marton, 1969</td>
<td>65</td>
</tr>
</tbody>
</table>
CHAPTER 2
THE BEGINNINGS: 1859 - 1879

The land which the settlers began to take up during the 1850's was not particularly attractive. Crawford described it thus: "The Rangitikei is ... cold and wet and will involve a large outlay in draining and working before it can be brought into good order although when well-treated it will eventually do well". Another settler was even more blunt: "The Rangitikei was a roadless waste with a miniature settlement here and there, hardworking settlers and trudging bullock teams, flour at £30 per ton and other commodities correspondingly high in price, any amount of work waiting for willing hands, money to be made by the careful and lost by the careless".

This last quotation hints at what was the characteristic feature of the period - the considerable degree of self-sufficiency enforced by the extremely poor communications. The few roads were little more than Maori tracks which turned rapidly into quagmires with the passage of bullock drays. Each family in its own clearing, natural if it was fortunate, was forced to rely on its ingenuity, the natural products of the area - pigeons, eels, roots, puha, berries and wild honey - and on the few sheep, cows, fowls and sacks of seed which may have been brought with them or have been acquired from neighbours. Each farm, further, was often equipped with its own dairy, bakeoven and grinding stones.

Not all requirements, however, could be provided by the farm and thus small clusters of buildings began to appear. Marton, like other settlements of the pioneer fringe was established to provide a variety of services to the surrounding district.
From as early as the late 1850's industrial enterprises began to appear. During the 1860's two flour mills, a bakery, a forge, a brick and tile works and a saddlery were established. By 1879, when Marton became a borough with a population of 500, the 'industrial sector' had grown considerably — there existed in that year four forges, with others at Crofton and Upper Tutaenui (three of these blacksmiths were also coachbuilders), three flour mills, three saddleries, two bakeries, two joineries, a cooperage and a brick and tile works.

The flour mills differed from the other enterprises insofar as their presence within a mile of the town does not appear to have arisen from its proximity. Rather, in all three cases, the mills were built by farmers on their own land, primarily to mill their own grain as well as that of neighbouring farmers.

By the end of this first period certain features about the town's industrial development were apparent.

The lack of mineral deposits and of good timber meant that the basis of industry in many of New Zealand's early towns was absent. Thus it was clear that any major industrial development would be related either to farming or to servicing. Little development in the former direction had, however, occurred for two reasons. Firstly, there were few outlets for primary products — the nearest markets were Wanganui, Wellington and the West Coast gold-fields and these were served adequately by farmers nearer by. It is doubtful, however, that even if these markets had been available that they would have been served from the Rangitikei because of the second reason — very poor communications. In the early part of the period a bullock dray took three days to travel the twenty miles to Wanganui, the nearest port, and thus the export
of perishable products from the district was virtually impossible. The development, then, of industries to process dairy and meat products at the current level of technology was pointless.

These difficulties were reflected in the exports of the period—wool (exported in unprocessed bale form) was the major one, but some tallow, grain, potatoes and flax left the district also. It will be appreciated that any processing of these products which was required could be carried out on the farm.

Of the remaining industries in the town it is noteworthy that fully half were concerned with horses—a reflection of that animal's great importance in these times first as a means of transport and second for its traction power. The largest of this group of enterprises was probably the forge established at Crofton in 1875. During the 1890's, seven men were employed and the works contained "two forges, an American mandrel, a tyre-cooling well, etc. The owner repaired agricultural implements and did general blacksmith work and also undertook to build vehicles of any description that may be required." 8

The latter part of this quotation emphasises a feature characteristic of much of the industry at this time and even later—its small scale "personal" nature. Very few of the products were to be processed, manufactured or constructed to any certain rigid specification. Rather they would be made to the order of the purchaser. The market being so small such an approach was necessary for success even if it was fairly inefficient one.

Self-sufficiency then was the keynote of this early period. Most industry was concerned with servicing the district although some manufacturing was being done. Apart from flour mills, little development of industries to process primary products had
occurred mainly because of market conditions and the district’s isolation.

FOOTNOTES

1. This forecast, made during travels in 1862, was indeed accurate for the present landscape has been largely man-made. (Crawford, 1880, 116.)

2. Quotation by an unnamed settler, Rangitikei Advocate, 1929, Sept. 23.


4. Rangitikei Advocate, 1929, Sept. 23.

5. As most of the district was either swampy or transitional to heavy bush, the vegetation was mainly fern, flax, tutu, cabbage trees and manuka.


8. Cyclopaedia of New Zealand, 1897, 1321.
CHAPTER 3

EXPANSION: 1880 - 1919

The period, 1880 - 1919, was one of considerable progress in the Rangitikei district for during it the problems which had earlier hindered development were steadily overcome.

Firstly, the isolation of the district was considerably reduced. The most significant development in this respect was the opening of the railway between Longburn and Wanganui in 1878 and of the Main Trunk Railway in 1908. Both these railways passed through Marton. The extension and improvement of the road network in the district was of significance also. These developments facilitated in both time and cost the transport of goods to and from the district.

Secondly, more markets became available. Of greatest significance were those overseas made available by the increasing usage of ships with refrigerated equipment after 1882. At the same time, of course, the improved transport network made available more and more markets in New Zealand.

Thirdly, the development of the swampy lowlands to the south and west of Marton was accelerated with the introduction of the double plough, the swamp plough and the other improved farm implements. The holdings on these lowlands were much smaller than those on the lands settled earlier. It is significant that this development occurred just as the availability of world markets was making "small farming" more profitable.

To take advantage of these developments the production of mutton and dairy produce in the district increased considerably. At the same time the continuing importance of the horse in the
life of the district ensured that the demand for oats and chaff remained high. Wheat farming remained of importance also.

Thus the raw materials for primary processing industry became available in increased quantities.

As a result of these developments Marton had, by 1914, become a rapidly-growing town - the population having more than tripled (to 1663\(^5\) since 1879. But while the retail centre had grown considerably, industrial development had been mainly limited to an increase in the number of firms rather than in their variety.

In 1914 there were operating nine forges, four bakeries, three saddleries, three joineries, two furniture factories, two engineering factories, a cordial factory, a brick and tile works and a cheese factory. The last named was located about five miles north of the town. Only one flour mill remained of the three which had been operating in 1879.\(^6\)

Two significant facts apparent from the list are, firstly, that firms concerned with horses and horse transport made up the largest single group of industries and, secondly, that only two firms, the cheese factory and the flour mill, were concerned with the processing of primary products. For a town situated in the centre of a rich farming district this latter fact was most unusual.\(^7\)

For the most part the firms were small and concerned almost wholly with the local market.

Another event which occurred during this period, and one which was to be of considerable significance in Marton's future industrial development was the decision to make Marton the location
of the junction of the Longburn-New Plymouth Railway with the Main Trunk Railway. With the completion of this latter railway Marton had ready access to almost every main population centre in the island.

Apart from one joinery firm \(^8\) which purchased a site at the junction for the storage of sawn timber, no advantage was taken of Marton's potential as a distribution centre. In fact, as revealed in the next chapter, little advantage was to be taken of it until the last 1940's.

In summarising the main features of the period it is apparent that the most significant developments were those in transport for these, while reducing the district's isolation, also made available new markets for its products.

The significant feature in respect of industrial development was the almost complete absence of primary processing industries. Furthermore, in spite of the presence of a rail junction giving access to wider markets, manufacturing industry in the town was concerned almost wholly with the local market. There had been expansion of industry, however, but this had been in mainly terms of numbers of factories rather than in variety of industry represented.

**FOOTNOTES**

1. A small settlement located about five miles south of Palmerston North.

2. In 1868 Cobb and Co. began a regular coach service between Wanganui and Wellington which passed through Marton. While this reduced the district's isolation to a certain extent it did not, of course, allow for the full development of the Rangitikei's potential as a prosperous farming district. (Marton Jaycees, 1954, 13.)


5. Population Estimate for April 1, 1914. (New Zealand Official Year-Book, 1914, 104.)

6. This list compiled from interviews, old photographs and newspaper clippings can be regarded as only an estimate of the extent of the town's industrial sector. It is, however, a fairly accurate estimate.

7. Possible reasons for the lack of primary processing industries are considered in Chapter 4.

8. Today this firm is the largest in the borough. Its site is regarded as one of the best available.
Prior to World War I the introduction of motorised transport into the district had little impact upon Marton's industries. Following the war, however, its increasing popularity, together with the associated improvements in the road network, led to considerable changes in the town's industrial landscape. During the period, for example, the number of factories operating declined to eighteen (nine less than in 1914) while, at the same time, the relative strength of the various industrial groups represented in the town was significantly affected.

These changes, however, did not occur suddenly. Nor, in fact, were the various industrial groups affected to the same extent or even at the same time. Thus, in examining the effects of the developments in transport, it is appropriate to consider each group separately.

Several of the industries were not adversely affected until after World War II. Since their decline and ultimate extinction, however, is attributable to the developments in transport they will be discussed in this chapter. Consideration of industrial groups which largely benefitted from the developments in transport, since this became apparent only after World War II, will be reserved for the next chapter.

This period also ends the era in which local industries served primarily the local market. Thus it is appropriate at this juncture to also consider briefly the growth and development of the various industrial groups in Marton since its establishment.
Primary Processing Industry

Being the centre of a district where both arable and pastoral farming are important the presence in the district of such primary processing industries as dairy factories, flour mills and freezing works could have been expected. Prior to 1944 all three had, in fact, existed at some time, but, by that year, only one flour mill remained in operation and even that was eventually to close.

Dairy Factories

During its development the New Zealand dairy industry has passed through a series of clearly defined stages, each a reflection of the transport and technological development of the time.

Initially both hand-skimming and hand-churning was carried out in the farmhouse dairy. With the introduction of mechanical centrifugal separation (1880's) and of refrigeration (1882), however, a change occurred to what may be termed the "Early Factory System". The early, steam-powered separators were too expensive and too large for individual farms and consequently a number of skimming stations were established. The farmers took their whole milk to these for mechanical separation. The cream was then sent to a larger factory for butter-making.

The numbers of these skimming stations in a district were dependent upon both the road network and the dairy cow numbers. With horses as the local means of transport, however, the effective operating distance or milk supply area of each skimming station was limited to a radius of between three and five miles. A network of such skimming stations, of course, could embrace a wide area.
At least three skimming stations operated for a time in the district. The cream from these was sent by dray to Bulls or by rail to either Rata or Wanganui. ²

Prior to World War I the "Early Factory System" slowly began to give way to the "Later Factory System". Hand-operated farm separators had become common on most dairy farms and the cream from these was taken direct to the factory for butter-making. Thus the skimming stations became redundant. ³ All those in the vicinity of Marton had closed by 1910.

While there was never a butter factory within the immediate vicinity of Marton, a cheese factory was established in the Upper Tutaenui area in 1905. At its peak, 150 tons were being produced annually. Although the factory's product had a good reputation the gradual decline of dairying in the district as well as its less favourable location compared to other dairy factories forced its closure in 1939. ⁴

**Flour Mills**

Two flour mills were opened in 1864, both on the properties of their respective owners and both within two miles of the "embryo" town. During the following decade a third mill was opened about six miles north of Marton Station. ⁵

In 1880 and 1905 respectively two of the mills closed, the first probably solely because of inefficient management and the second because its location beyond the main wheat growing areas prevented it from remaining competitive with other more favourably located mills.

The survivor of the three mills was finally closed in 1964 only a few months short of its century. This mill was one of
Marton’s more important industries and today the building, now derelict, remains a familiar landmark on the banks of the Tutaenui Stream.

During the 1890’s about eight people were employed at the mill which at that time had an operating capacity of three sacks of “dressed” flour per hour. 

In the period following World War I, however, there was a very great reduction in the acreage of grain grown in the district (Table V).

**TABLE V**

<table>
<thead>
<tr>
<th>RANGITIKEI COUNTY: GRAIN ACREAGES, 1910 - 1911 and 1938 - 1939</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Crop</strong></td>
</tr>
<tr>
<td></td>
</tr>
<tr>
<td>Barley</td>
</tr>
<tr>
<td>Oats</td>
</tr>
<tr>
<td>Wheat</td>
</tr>
<tr>
<td></td>
</tr>
</tbody>
</table>

Source: Department of Statistics.

While the reduction in the acreage of oats (mainly attributable to the gradual replacement of the horse by motorised transport) is most apparent it should be noted also that the acreage of wheat was more than halved during the period.

This mill, however, was not significantly affected by these developments since its location near to the railway station allowed it to mill grain railed in from districts beyond Rangitikei. Grain from as far afield as Canterbury was milled on occasions.
Freezing Works

A freezing works was built at Kakariki, five miles from Marton, in 1917. Its favourable location in terms of the transport networks, however, was not sufficient to ensure its survival in the face of competition from the earlier-established works at Feilding, Longburn and Wanganui, and it closed in 1921. Today the building is occupied by the largest manufacturing industry in the district, F. and T. Wools Ltd.

The absence of dairy factories and freezing works in the district emphasises the fact that the development of communications in the Rangitikei was a double-edge sword. While it opened world markets to the products of the district, by the same token, it also allowed firms in outside districts to extend their supply areas into the Rangitikei. In such a situation factories already well-established or favourably located in terms of the transport network were in the more fortunate position. The presence of dairy factories at Bulls and Rata, and of freezing works at Feilding, Longburn and Wanganui thus made the establishment of further factories at Marton unnecessary and uneconomic. On the other hand, the established flour mill at Marton benefitted from the improved transport network and expanded at the expense of other mills in neighbouring districts most of which were forced ultimately to close.

In spite of this, however, it is worthy of comment that one of the largest and most prosperous agricultural and pastoral districts in New Zealand should today contain not one of these primary processing industries.
Forges, Saddleries, and Engineering Factories

For the first fifty years of Marton's existence the horse occupied a central place in the life of the district. After World War I, however, the end of the era of the horse was heralded by the growing popularity of new forms of transport such as the bicycle, car and truck. On the farms, too, the draught horse was gradually being replaced by the tractor. Consequently tradesmen associated with the horse, such as the blacksmith and the saddler, gradually became redundant. By 1944 only one blacksmith and one saddler remained in business. In 1914 there had been nine and three respectively.

The development of the motor garage, usually regarded as the equivalent of the blacksmith in the motorised era, did not, however, duplicate entirely the functions of the blacksmith. Thus there were established during the period several more engineering factories. In 1944, then, six were operating and, of these, three had been established since 1938. It is perhaps surprising that only two of the blacksmiths adapted to this related branch of industry.

Initially these firms, like the blacksmiths before them, were concerned primarily with the repair and servicing of machinery. Some manufacturing, mainly to special order, was, however, done. Several of these firms, especially one established in 1895, gained a reputation for ingenuity and there are numerous records of their turning a farmer's vague idea into a practical and useful implement. The nationally-known "Sandow" Wool-Press was one such example.
Manufacturing for markets beyond the district did not, with one exception, become significant until the 1950's. This exception, which today is the largest engineering firm in the town, was engaged in the manufacture of munitions during World War II employing upwards of ninety men at times.

**Baking and Beverage Industries**

Industries such as bread, joinery and beverage, furniture and ice-cream manufacture, in terms of location, can be termed "foot-loose". Their original distribution tended to parallel fairly closely the distribution of population because the cost of transporting the finished product, because of its bulky, perishable or fragile nature, was relatively high. Consequently there developed numerous small, and sometimes not very efficient factories in most smaller towns. The introduction of motorised transport and the subsequent improvements in transport operations led consequently to a reduction in production costs by increasing the potential market of each product or factory. Thus the numbers of smaller concerns serving a given market area gradually decreased. Just which particular concerns survived depended on a variety of factors, such as location in relation to market area, optimum size of operation, efficiency and management.

The impact of motorised transport on the different foot-loose industries in Marton varied. Manufacturers of rather bulky, yet fragile products, like furniture and joinery, have survived in Marton until the present day. But it is not without interest, though, that two of the town's furniture firms have, in recent years, found competition from larger city factories increasingly a major problem.
Manufacturers of such fragile products as beverages, however, survived until the introduction of specialised transporting equipment allowed the larger, more economic plants based in the larger urban centres to extend their market areas. Consequently, Marton is today served from both Palmerston North and Wanganui.

The first record of a beverage industry in Marton refers to a brewery in existence prior to 1879. There is considerable evidence to suggest, however, that many early farms had wineries (and perhaps even whisky stills!). During the 1890's two cordial factories were operating but by 1912 both had closed. In that year, what was to become Marton's largest cordial factory, opened. This was to survive for fifty years. Its closure can be attributed to the realisation by the owners that Marton was not perhaps the best location for their factory. Thus instead of expanding the existing Marton premises, the company acquired the plant of a much larger Wanganui firm thus placing itself within a much larger market area. With the Marton plant closed the former Marton firm became yet another of several serving the Marton market from beyond the district.

In contrast to the beverage industry, the baking industry suffered from competition almost as soon as communications were improved.

The first bakery opened in 1865 to serve primarily the townspeople. By 1914, the number had increased to four, while even as late as 1935, there were still three in operation. By 1950, however, only one remained and even this one was to close in 1954. The rapid demise of the industry in Marton was unexpected for the town was thought to have notable potential as
a baking centre for two reasons. Firstly, flour of a particularly high quality was produced at the local mill. Secondly, with the improvements to the transport networks, this industry, already well-established, should have been able to take advantage of Marton's location as a distribution centre thereby gaining access to the larger Palmerston North and Wanganui markets. On the contrary, however, the local market was opened up to the bakeries outside the town. The local bakers' failure to take advantage of their location seems to be related to management decisions.

One of the two major bakeries concentrated production on the Marton market and especially upon its tea-rooms. The other, which developed markets at Ratana, Halcombe and Hunterville, was leased on the death of the owner in 1949. The new proprietors, however, produced bread of an apparently "indifferent" quality, and, after being leased again in 1953, the bakery was finally closed in the following year. With its closure Marton was without a bakery and so outside bakeries gained the entire Marton market.

When a new bakery was opened in 1955 this local market had to be recovered again. The local retailers, however, having long put up with indifferent supplies, in both quality and quantity, were reluctant to support this new enterprise and this meant that its survival depended on the establishment of a market beyond Marton. In this respect the new baker had some success gaining contracts for Lake Alice Psychiatric Hospital, Linton Military Camp and Chakea R.N.Z.A.F. Base. In spite of a quality product, however, he was finally forced to close early in 1962, due, mainly, to his inability to attract a qualified baker to Marton to assist him and the unwillingness of unskilled labour
to work the unusual hours. Thus the owner was forced to do both his own baking and delivery - as far as Palmerston North.

In 1969, following the decision of Marton's outside suppliers not to deliver bread on Saturdays, a local manufacturer of cakes, pies and other smallgoods commenced baking bread for the weekend sales. This manufacturer could decide to further develop this branch and thus there is a possibility that in the future a significant proportion of the local bread market may again be supplied by a local baker.

The other firms operating in the town in 1944 included three joineries, two furniture manufacturing firms and a brick and tile works. A major factor in the survival of these five firms was the nature of their products which made location near the customer still desirable.

Summary

It is apparent (Table VI) that in terms of both numbers of factories and variety of industry represented, manufacturing industry in Marton had, between 1879 and 1944, shown little development. In fact, between 1914 and 1944, the number of factories had actually declined. It is noteworthy, however, that in 1944 there were at least three factories with staffs in excess of ten, whereas it is doubtful whether there was even one such factory in 1944. Most factories in 1944, however, were small.

Small factories had predominated in the years prior to 1944 and it was this factor which, partly at least, accounts
<table>
<thead>
<tr>
<th>Industry</th>
<th>1879</th>
<th>1914</th>
<th>1944</th>
<th>1969</th>
</tr>
</thead>
<tbody>
<tr>
<td>Building Materials and Furniture</td>
<td>3</td>
<td>5</td>
<td>5</td>
<td>10</td>
</tr>
<tr>
<td>of which barrels</td>
<td>1</td>
<td>0</td>
<td>0</td>
<td>1</td>
</tr>
<tr>
<td>&quot;    &quot; furniture</td>
<td>0</td>
<td>2</td>
<td>2</td>
<td>4</td>
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<td>3</td>
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<tr>
<td>Engineering</td>
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<td>11</td>
<td>7</td>
<td>12</td>
</tr>
<tr>
<td>of which forges</td>
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<td>9</td>
<td>1</td>
<td>0</td>
</tr>
<tr>
<td>Textiles</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>3</td>
</tr>
<tr>
<td>Non-Metallic Mineral Products</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>5</td>
</tr>
<tr>
<td>of which bricks and tiles</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>Food and Beverages</td>
<td>5</td>
<td>7</td>
<td>4</td>
<td>2</td>
</tr>
<tr>
<td>of which bread</td>
<td>2</td>
<td>4</td>
<td>2</td>
<td>0</td>
</tr>
<tr>
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<td>0</td>
</tr>
<tr>
<td>&quot;    &quot; cordials</td>
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<td>1</td>
<td>1</td>
<td>0</td>
</tr>
<tr>
<td>&quot;    &quot; flour</td>
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<td>1</td>
<td>1</td>
<td>0</td>
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<td>0</td>
<td>2</td>
</tr>
<tr>
<td>Leather Goods</td>
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<td>3</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>Other</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>1</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>18</strong></td>
<td><strong>27</strong></td>
<td><strong>18</strong></td>
<td><strong>36</strong></td>
</tr>
</tbody>
</table>

Note: See Appendix B regarding classification of firms.
for the failure of many firms to survive for more than a few years. Many of the early industries required a specialised skill and in the event of the owner leaving the town or dying, the business seldom survived.

Another significant feature of the pre-1944 period was that increasingly Marton's manufacturing industry failed to reflect faithfully the production of the hinterland. In 1944 only one primary processing industry remained, the flour mill.

A third significant feature was that little advantage had been taken of Marton's location as a good distribution point. Few firms had markets beyond the local district.

The most significant feature of the period, however, was the effect which improved transport facilities had had upon the town's manufacturing industry.

Poor communications give rise to high transfer costs which in turn encourage self-sufficiency. Thus, local industry is encouraged - and protected. Such a situation can lead, and did so in this instance, to a profusion of excessively small and often inefficient industrial enterprises.

With improved communications and the corresponding lowering of transfer costs, their chance of survival in the face of competition from firms in other centres was slight. The firms which survived did so either because the nature of their product was such that a location near the customer was still desirable or because Marton, as a site for industry, possessed certain locational advantages in terms of a wider market area.
In the mid-1940’s, then, manufacturing industry in Marton was not in a strong position. The improved communications had taken their toll of many of the industries established on the basis of factors of location now largely irrelevant, yet virtually no development of industry on the basis of currently relevant factors had occurred to replace it.

FOOTNOTES


2. The detailed information in this chapter is derived mainly from interviews with some of the older citizens of the town. Many of these had old photographs and newspaper clippings to support their claims.

3. The information on the history of the dairy industry is from conversations with Mr. E.C.R. Warr at present engaged in research on this topic.


5. Many farmers, of course, had their own mill-stones at this time.

6. Cyclopaedia of New Zealand, 1897, 1326.

7. The reasons for this mill’s closure are considered in the next chapter.

8. In the Rangitikei County, for example, the number of horses declined from 8,608 (1910-11) to 5,583 (1938-39). (Department of Statistics, Written Communication.)

   It is noteworthy that the draught horse persisted as a major source of traction during the interwar period. (Evans, 1969, 14.)

9. Prior to this, and for several years afterwards, many people baked their own bread.

10. "Transfer costs" include freight charges, the cost of insuring goods during transit, losses incurred by deterioration of or damage to the product in transit, clerical costs and so on. (Estall and Buchanan, 1961, 31.)
It is appropriate at this juncture to consider the concepts of "basic" and "non-basic" economic activity in the growth and development of towns.

A town develops in response to, and as a result of meeting, its own economic needs as well as those of the surrounding area, termed the economic hinterland, tributary or service region. Economic activities in the town supported by the demands of the tributary region may be termed "basic" while those supported by demands from within the town may be termed "non-basic". In respect of the viability of the town the basic economic activities are the more important since these, because they attract an inflow of goods and capital, create purchasing power within the town. As such they stimulate growth and development. The non-basic economic activities, on the other hand, involve simply an exchange of money which basic economic activities have already created.

This is an important distinction since it suggests that the larger the proportion of basic economic activity in the total economic activity, the more viable is the town's economy. Growth and development are more likely to occur in this situation. Furthermore, should the proportion of basic economic activity decline to any significant extent it is probable that the economic viability of the town would also be weakened.

The improvements in communications in the district during the late nineteenth and the twentieth century reduced, initially at least, the proportion of basic economic activity in the towns of the district.
During the period of early settlement, with communications being so difficult, the establishment of numerous small centres to provide administrative, economic and social services for their respective hinterlands was to be expected. In most, too, small factories such as bakeries and forges were established.

The distribution of such centres was a function of the population density of the area and of the level of communications development. Provided that level was maintained, the continued viability of these centres seemed assured since the relative isolation gave a "natural protection" against outside competition.

The first significant development in communications was the opening of the railway through Marton in 1878. While this stimulated Marton's growth it did not adversely affect the other towns of the district since these still retained their function as service centres for their respective hinterlands.

The decline of the towns of the district began with the increasing popularity of motorised transport and the associated improvements in the road network during the 1920's.

Prior to World War I the possession of a car had been restricted to the more affluent sections of the community. During the 1920's, however, the car came, in terms of price, increasingly within the reach of larger numbers of people thus giving them a greater mobility than in the era of the horse. As a consequence, some towns were now able to service a larger area thus resulting in a considerable overlap of tributary regions. In this situation the position of certain towns was severely weakened in the face of the competition of larger, more strategically-placed centres.
The developments in communications also made redundant many of the smaller firms and factories since it became more economic to operate on the basis of fewer, but considerably larger units.

The removal or closure of the factories, as well as the loss of many of their service functions caused the smaller towns of the district such as Greatford, Rata and Turakina, to decline considerably.

Marton did not benefit to any significant extent from the closure of many of the factories in the surrounding district - in fact, as it has already been noted, several closed in the face of the competition of factories located in other centres. Its other economic sectors, however, benefitted from these developments since its strategic location allowed it to become the major service centre in the district.

After World War II, the farming community, enjoying considerable improvement in standards of living, demanded a greater range of specialised goods and services. At the same time further improvements, both in motorised transport and in the road network, were occurring. Thus if the Marton stores were unable to provide the specialised goods and services demanded, those in either Palmerston North or Wanganui were now easily accessible. And, there was a very real likelihood that once such customers went elsewhere for specialised goods and services, an increasing proportion of their ordinary needs would also be provided for, there.

The problem was, however, that with the reduction of their total income brought about by the increased numbers dealing in centres beyond Marton, there was little likelihood of local
However, being able to offer the greater range of goods and services demanded.

Thus with the reduction of basic manufacturing industry already occurring, the town was in danger also of losing a considerable proportion of its other basic economic activity. There was, then, a real possibility that Marton, following the pattern set by the other towns of the district, would be destined for a much reduced status in the future.

To avert this prospect the proportion of basic economic activity in the total economic activity of the town would have to be restored and if possible increased. To accomplish this, there were available three courses.

Firstly the town could become a residential or dormitory centre for a larger town. Marton's location, over twenty miles from both Palmerston North and Wanganui, made this an unlikely alternative - at that time at least.

Secondly, there could be further development of some already established, specialised manufacturing or servicing activity which the town could carry out for a wider-than-local market more efficiently than another regional centre. This was a more likely alternative since some of the town's larger industries could take advantage of Marton's location in terms of the main transport networks to develop markets beyond the district.

A third alternative was the establishment of new basic industry. Such industry could serve primarily either the local market or markets beyond the district and it could be based upon either locally obtained raw materials or those imported from other districts.
It has been a notable feature of the town's industrial growth that the processing of local raw materials has been of steadily decreasing significance. Furthermore, with the developments in transport, it was now even less likely that any such new industry would be established. At the same time, the local market was too small to support any large industry. Thus the key to Marton's future growth and prosperity seemed to be the establishment of new basic manufacturing industry, or the expansion of that already established, to serve a wider-than-local market and based upon raw materials imported from beyond the district.

Meanwhile, on the national scene, forces were being set in motion which eventually were to benefit certain towns such as Marton.

Since just prior to World War II government policy in respect of manufacturing industry, stimulated in part by balance of payments difficulties and the shortage of certain goods during the war, was increasingly directed towards the encouragement and development of those industries that manufactured goods which previously had been imported. Much of the emphasis, of course, was upon the production of those formerly imported goods using locally obtained raw materials. Such industries were likely to be established near the source of the main raw materials or in districts where semi-processing of the product was already well-established.

Attention, however, was also being given to the manufacture of goods based upon raw materials imported from overseas. The location of these industries, however, more reflected such considerations as labour supply and market.
Since the New Zealand economy was organised for and dependent upon trade, there had been a trend towards the increasing concentration of economic activities and population at the major trans-shipment points, notably the ports. Furthermore, since the very existence of active industry often makes the location attractive to other industry, it was probable that many of these new industries would also be located at these points. For certain industries, however, such a location was not vital. In fact, since the increasing concentration of industry into the port cities had led to a shortage of industrial land and labour and, in consequence, a rise in the price of both, it could be, in the long-term, more economic for some firms to locate their factories in some of the smaller centres beyond the port cities where there was available cheaper industrial land and usually cheaper, more stable labour.

There are, of course, certain disadvantages with a location in the smaller centres. Such centres, for example, are often beyond the major market areas and there is usually a shortage or even absence of certain skills. Thus there are additional costs involved in transporting the raw materials from the ports of entry, of distribution to the major markets and of importing skilled labour to train the labour force.

Even so, for particular industries these disadvantages are outweighed by the advantages. Such industries include certain labour-oriented industries (especially those with low skill requirements), those for which proximity to the major markets is relatively unimportant and those serving widely dispersed markets. The main requirements of these industries would be a readily available pool of labour and a location at a good distribution point. For such industries Marton was an ideal location since it had ready access
to the major population centres of the island, and, with the reduction in demand for farm labour, a pool of available labour.

In the years which followed these forces of decentralisation have strengthened. More economic activity has gravitated towards the major centres thus further increasing the price of industrial land and labour which in turn has meant that the migration of certain industries to locations beyond these centres has continued. But of particular significance has been the increasing attention given by government to the problems arising from differential growth in an areal sense. The social problems in the major urban areas, arising partly from the migration of population from the smaller towns and rural areas, have become increasingly apparent. Decentralisation of industry, then, is seen as a means of partly alleviating these problems while at the same time contributing to the economic and social well-being of smaller towns whose viability has been seriously weakened by the outward flow of capital and skills. Thus, in the future, planning on a regional basis can be expected to become more widespread as the government and other bodies move to meet the problems of urban congestion and of "depressed" areas.

Manufacturing Industry In Marton, 1945-1969

Turning now to Marton, it is apparent today that these developments have had dramatic impact on Marton's industrial growth and developments.

Of major significance has been the establishment in Marton of five factories for which the local area in terms of both supply of raw materials and market is of small importance. These include three textile factories, a cooperage and a dog biscuit factory.
The two larger textile firms were established soon after World War II and are both highly labour oriented. The major factors in the decision of both to locate factories in the district was the availability of labour as well as the presence of the railway junction.

The larger firm(01) is situated five miles beyond Marton and occupies buildings originally constructed to house the Rangitikei's only attempt to establish a freezing works. Until 1967 when the manufacture of wool-tops was commenced, production had been concerned only with scoured wool. The main raw material, greasy wool, is obtained throughout New Zealand and some three-quarters of its product is exported. Until 1967 employment remained constant at about sixty but following expansion in that year, which included the introduction of two shifts, total employment has now increased to over 170, while the value of production is now in excess of $4,500,000 annually.

The second textile firm(02) established a factory to manufacture a textile extremely popular overseas but at that time, 1945, unknown in New Zealand - tufted textiles. A few years later the firm established a second factory in the town. A significant proportion of this firm's raw materials, calico, cotton and wool, are imported. The product is marketed throughout New Zealand while export is a possibility in the near future. Since the early 1950's employment has remained fairly constant at about 100.

The other three firms have all been established during the last ten years. Since the mid-1950's the shortage of labour in the town has been an increasing problem and thus it is significant that none of these three employs more than ten. The major factor in the decision to locate the factories in Marton was its role as a good distribution centre.
The cooperage (A4) was established in 1959 to manufacture wooden barrels primarily for the freezing works in the North Island. The main raw material is white pine which is milled mainly in the South Island. Today the value of production is almost $250,000 annually.

The third textile factory (C3) was established in 1966. The product of this factory is screen-printed textiles and these are marketed throughout New Zealand. It is one of the few firms in New Zealand engaged in this specialised process. The second development of great significance during the period has been the expansion of markets beyond the local district by firms originally established to serve only the local market.

It is noteworthy that such firms have tended to belong to one of two industrial groups - building materials and furniture or engineering.

The development of significant markets beyond the district by four members of the building materials and furniture group (A1, A2, A3, A5) is unusual since their product tends to be bulky in nature. Marton's central location in terms of the major transport networks as well as the development of a labour force skilled in this trade (all four firms were established prior to World War I) are possible explanations for this development. Of special significance today is the fact that considerably less than half of the product of these four firms is marketed within the local area.

The development of markets beyond the local area by the engineering firms has occurred in an interesting manner. Their original repair and servicing function clearly tended towards notable seasonal "peaks" in demand (in spring and in late summer) and thus the development of additional manufacturing activities during the "off-season"
was a logical move.

In some of these firms, manufacturing remains only a "sideline" while in others it has become of major significance. In fact, in two cases (B1, B3) it has replaced entirely the former function of repair and servicing. In several, too, (B1, B3, B4, B5, B12) the local market is today of only minor significance.

Today one of the firms (B1), which supplies about half of the New Zealand market for petrol pumps, has an annual production valued at over $600,000.

As a result of these two major developments, that is the establishment of new industries and the expansion of already established industries, there has been a considerable increase in employment in the manufacturing sector. (Table VII).

Between 1956 and 1966 employment in the manufacturing sector increased by almost one third. During the same period the proportion of the total employment in economic activity employed in this sector also increased, from 24.4% to 26.6%.

Since 1966 there has been a significant increase in employment in the sector. While a part of this increase is attributable to the different basis of the statistics, the major part is due to the actual expansion of the labour force. In one firm (G1), for example, the numbers employed increased from 64 in 1967 to 172 in 1969.

Between 1944 and 1969 the number of factories operating in the district doubled, from eighteen to thirty-six. During the same period six factories have closed, two bakeries, two engineering works, one cordial factory and one flour mill. The reasons for the closure of the bakeries and the cordial factories were considered in Chapter 4. The two engineering works, both of which had developed
TABLE VII
MARTON: EMPLOYMENT IN MANUFACTURING SECTOR,

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
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</tr>
</thead>
<tbody>
<tr>
<td>Building Materials and Furniture</td>
<td>100</td>
<td>126</td>
<td>152</td>
<td>225</td>
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<td>Engineering</td>
<td>119</td>
<td>134</td>
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<td>115</td>
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<td>Textiles</td>
<td>70</td>
<td>96</td>
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<td>277</td>
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<td>Non-Metallic Mineral Products</td>
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<td>11</td>
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<td>Food and Beverages</td>
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<td>27</td>
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<td>8</td>
</tr>
<tr>
<td>Printing and Publishing</td>
<td>7</td>
<td>7</td>
<td>10</td>
<td>5</td>
</tr>
<tr>
<td>Leather Goods</td>
<td>2</td>
<td>1</td>
<td>0</td>
<td>1</td>
</tr>
<tr>
<td>Other</td>
<td>4</td>
<td>3</td>
<td>3</td>
<td>5</td>
</tr>
<tr>
<td>Total</td>
<td>337</td>
<td>407</td>
<td>423</td>
<td>647</td>
</tr>
</tbody>
</table>


Note: The statistics for 1956, 1961 and 1966 are derived from census returns. They, thus, represent only those "persons actively engaged" in manufacturing industry who reside within Marton Borough. Those for 1969, on the other hand, are a summation of individual factory totals obtained during field work. These include, also, people residing outside the borough employed in both the local factories and the two located some distance beyond the borough.

The statistics for 1969, then, are not directly comparable with those for the other three years.

The different basis of the statistics for 1969 also accounts for part of the "increase" in the totals between 1966 and 1969.
significant non-local markets, closed following the death and the serious illness of the respective owners. This further emphasises the precarious nature of small firms.

The reasons for the closure of the flour mill are particularly interesting. In August, 1964 the mill was sold to another company which closed it during the following month in spite of promises to the contrary and much to the inconvenience of local farmers who now had to send their grain further afield for milling. Thus, it appears that the "flour allocation" of the mill, about 1500 tons annually, rather than the mill itself was the basic reason for the purchase.

In the survey of Marton's industrial structure in 1969 several features became apparent.

Firstly, manufacturing industry in the town is heavily concentrated upon three groups which, between them, employ over 90% of the total labour force in the sector. Of these, textiles employ 43%, building materials and furniture 35% and engineering 18%.

Secondly, the manufacturing sector is dominated by five firms(A1,A2,B1,C1,C2). These five, the only firms in the town with labour forces exceeding twenty, employ over 80% of the total employed in this sector. It is noteworthy that three of them (A1,C1,C2) employ in excess of 100. Most of the firms, however, are small (Table VIII).

Another significant feature is the relatively high proportion of females in the labour force of this sector. Compared with thirty-four other New Zealand towns with populations between 3000
and 7000, 1966, Marton's proportion, 17%, was found to be above the average for the group (Table I).

**TABLE VIII**

<table>
<thead>
<tr>
<th>Employment Group</th>
<th>Numbers of Factories</th>
<th>Total Numbers</th>
<th>Employment Percentage of Total</th>
</tr>
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<tbody>
<tr>
<td>1</td>
<td>7</td>
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<td>2-4</td>
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<td>404</td>
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<td><strong>Total</strong></td>
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<td><strong>647</strong></td>
<td><strong>100.0</strong></td>
</tr>
</tbody>
</table>

Source: Questionnaire A

Today, almost 80% of the total female employment in the sector is in the textiles group (Table IX). Female employment in the other groups is of small significance. It is noteworthy, however, that less than one-third of the employment in this group is female. This is unusual since the numbers of females employed in this group normally exceed those of males. This result is attributable to the fact that one of the textile firms (G1) is engaged primarily in wool-scouring which is regarded as a male occupation.

The existence and importance of major markets beyond the district, is, however, probably the most significant feature of Marton's manufacturing sector in 1969.

Over half of the production of fifteen of the firms is marketed beyond a thirty-mile radius of Marton (Table X). Of these, six (B1, B4, B5, C1, C2, D5) have significant markets (over 10% of the total production) in the South
Island. It is noteworthy that this market has become increasingly important since the introduction of the inter-island, road-rail ferries.

**TABLE IX**

**MARTON: EMPLOYMENT IN MANUFACTURING SECTOR BY SEX**

**PROPORTIONS, 1969**

<table>
<thead>
<tr>
<th>Industrial Group</th>
<th>Male</th>
<th>Female</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Building Materials and Furniture</td>
<td>214</td>
<td>11</td>
<td>225</td>
</tr>
<tr>
<td>Engineering</td>
<td>107</td>
<td>8</td>
<td>115</td>
</tr>
<tr>
<td>Textiles</td>
<td>189</td>
<td>88</td>
<td>277</td>
</tr>
<tr>
<td>of which C1</td>
<td>153</td>
<td>19</td>
<td>172</td>
</tr>
<tr>
<td>C2</td>
<td>33</td>
<td>68</td>
<td>101</td>
</tr>
<tr>
<td>C3</td>
<td>3</td>
<td>1</td>
<td>4</td>
</tr>
<tr>
<td>Others</td>
<td>26</td>
<td>4</td>
<td>30</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>536</td>
<td>111</td>
<td>647</td>
</tr>
</tbody>
</table>

*Source: Questionnaire A*

Two firms have important markets overseas. The largest firm in the district (C1) exports about 75% of its production, mainly secured wool. Since exhibiting at the Orange Fair in Australia in 1968 about 12% of the production of one of the engineering firms (B6) has been marketed there. Four other firms (B4, B5, C2) have exported small quantities to special order.

One further point is that four of the five firms employing more than twenty are among the fifteen. The major market of the exception (A2), however, is located in Palmerston North which is about twenty-seven miles from Marton.
**TABLE X**

**MARTON : LOCAL AND NON-LOCAL MARKET AREAS OF MANUFACTURING FIRMS, 1969.**

<table>
<thead>
<tr>
<th>Industrial Group</th>
<th>Market beyond 30-mile radius of Marton</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Less than 10%</td>
</tr>
<tr>
<td>Building Materials and Furniture</td>
<td>A5, A6, A7, A8, A9, A10</td>
</tr>
<tr>
<td>Engineering</td>
<td>B6, B7, B10, B11</td>
</tr>
<tr>
<td>Textiles</td>
<td></td>
</tr>
<tr>
<td>Non-Metallic Mineral Products</td>
<td>D2, D3, D4</td>
</tr>
<tr>
<td>Food</td>
<td></td>
</tr>
<tr>
<td>Printing and Publishing</td>
<td>F1, F2</td>
</tr>
<tr>
<td>Leather Goods</td>
<td>G1</td>
</tr>
<tr>
<td>Other</td>
<td></td>
</tr>
</tbody>
</table>

*Source: Questionnaire A.*
Conclusion

The decreasing significance of the local district as a source of raw materials was a notable feature of the town's industrial development during the preceding periods. But during the latest period the local district, as a market, has also become of greatly reduced significance.

Thus it is apparent that Marton's goal, the development of a manufacturing sector largely based upon imported raw materials and on a wider-than-local market, has been attained. As a result the town has become more independent of the local district as a consumer and as such its growth and prosperity has become less closely correlated with that of the local district. The basic industrial activities are still supported by a hinterland but now, because of Marton's strategic location in terms of the transport network, its hinterland extends far beyond the local district.

Since 1945 the population of the town has increased rapidly (Fig. 7) - in fact, today it has the fastest rate of growth of any town in the Wanganui Statistical Region (Table IV). This population growth has led to an expansion of the other basic economic activities in the town. This has been particularly apparent in the retail sector which, since the late 1950's, has been able to attract back the trade which it was losing to the neighbouring cities. The progress in the retail sector has been confirmed for, in an analysis of retail activity in New Zealand towns between 1958 and 1963, it was found that "Marton had the highest rates of increase of both total and per capita sales in the country". 11 It should be noted, however, that the town has still below average sales levels. 12
It is of interest to note that the factor probably most significant in the closure of many of Marton's factories, that is developments in transport, is also, in fact, the factor most significant in the development of industry on a new basis during this latest period.

The specific circumstances surround a decision to locate and expand manufacturing industry in Marton have changed significantly since the nineteenth century, and it is the advantage which has been taken of these changed circumstances during the period, 1945-1969, that sets it apart as being the most significant period in the growth of manufacturing industry in Marton.

**FOOTNOTES**

1. It will be appreciated, however, that the economic activities of a town cannot be classified as being entirely one or the other. Thus to make this a workable distinction, basic activities are those where more than 75% of the demand is from non-local sources. Non-basic activities are those where less than 25% of the demand is from non-local sources. There are two further divisions in between. (Alexander, 94.)


3. Perhaps the most dramatic illustration of this process in the district was the turning of the small town of Rata into a "ghost-town" virtually overnight following the closure of the dairy factory in 1964. The establishment of a new industry in the dis-used building a short time later brought about an equally dramatic recovery.

4. This was a result of the increasing use of mechanised equipment on farms.

5. A fuller description of the various firms operating in 1969 is found in Chapter 6.

6. To facilitate description each firm operating in 1969 has been allocated a code name. These are outlined in Appendix B.

7. "Wool-tops" are lengths of treated, combed wool processed to the final stage before being made into knitting wool.
8. This specialised process involves the application of patterns to a silk screen. This patterned silk screen is then placed on top of the fabric and dyes are forced through the fine mesh on to the material.

9. "Sector" refers to a major category of economic activity. Other sectors defined by the Department of Statistics include those of mining and quarrying, commerce, transport and communications, construction, etc. "Group" refers to major divisions within each sector.

10. Each mill is allocated a certain quantity for milling by the government.

11. Forrest, 1968, 73.

12. Forrest, 1968, 64.

13. The total employment in economic activity in these two years was respectively 1380 and 1589. (Census Reports, 1956 and 1966.)
CHAPTER 6

THE NATURE OF MANUFACTURING INDUSTRY IN MARTON, 1969

In this chapter the nature of manufacturing industry in Marton in 1969 is described. To facilitate description the firms have been grouped on the basis of product and allocated a code-number (Appendix B).

Each group is considered, firstly, in general terms (for example, nature, significant patterns apparent, distribution of firms and other related aspects) and, secondly, with reference to the specific firms comprising the group. Emphasis is given to the reasons for the location of the firms in Marton.

In Table XI the year of establishment, the number employed (1969) and main products of each firm are listed.

The location of the firms is shown in Fig. 5. In Fig. 8 a series of single factor maps show the distribution of firms in each group.

Building Materials And Furniture

This group may be divided into three sub-groups. The largest, in terms of number employed, timber milling and joinery, comprises only two firms. Four furniture manufacturing firms comprise the second sub-group while a sub-group of four firms manufacturing miscellaneous wood products comprise the third.

Timber Milling and Joinery

The two firms (A1, A2) which comprise this sub-group are in certain respects similar. Both, for example, have their own joinery factory, retail outlets, sawmills and stands of timber. Both were established prior to World War I and today
<table>
<thead>
<tr>
<th>Firm</th>
<th>Year of Establishment</th>
<th>Number Employed</th>
<th>Main Product(s)</th>
</tr>
</thead>
<tbody>
<tr>
<td>A1</td>
<td>1905</td>
<td>131</td>
<td>Timber &amp; Joinery</td>
</tr>
<tr>
<td>A2</td>
<td>1910</td>
<td>66</td>
<td>&quot;</td>
</tr>
<tr>
<td>A3</td>
<td>1890</td>
<td>7</td>
<td>Furniture</td>
</tr>
<tr>
<td>A4</td>
<td>1959</td>
<td>7</td>
<td>Barrels</td>
</tr>
<tr>
<td>A5</td>
<td>1912</td>
<td>4</td>
<td>Joinery</td>
</tr>
<tr>
<td>A6</td>
<td>1950</td>
<td>3</td>
<td>Furniture</td>
</tr>
<tr>
<td>A7</td>
<td>1947</td>
<td>2</td>
<td>&quot;</td>
</tr>
<tr>
<td>A8</td>
<td>1946</td>
<td>1</td>
<td>Wooden Ladders</td>
</tr>
<tr>
<td>A9</td>
<td>1951</td>
<td>1</td>
<td>Wooden Gates</td>
</tr>
<tr>
<td>A10</td>
<td>1958</td>
<td>1</td>
<td>Furniture</td>
</tr>
<tr>
<td>B1</td>
<td>1939</td>
<td>50</td>
<td>Petrol Pumps</td>
</tr>
<tr>
<td>B2</td>
<td>1960</td>
<td>15</td>
<td>Farm Machinery</td>
</tr>
<tr>
<td>B3</td>
<td>1953</td>
<td>14</td>
<td>Sheet-Metal Products</td>
</tr>
<tr>
<td>B4</td>
<td>1944</td>
<td>8</td>
<td>Agricultural Machinery</td>
</tr>
<tr>
<td>B5</td>
<td>1949</td>
<td>7</td>
<td>Electrified Metal Products</td>
</tr>
<tr>
<td>B6</td>
<td>1951</td>
<td>5</td>
<td>Custom-Made Products</td>
</tr>
<tr>
<td>B7</td>
<td>1910</td>
<td>4</td>
<td>&quot;</td>
</tr>
<tr>
<td>B8</td>
<td>1960</td>
<td>4</td>
<td>Electric Fence Equipment</td>
</tr>
<tr>
<td>B9</td>
<td>1914</td>
<td>3</td>
<td>Custom-Made Products</td>
</tr>
<tr>
<td>B10</td>
<td>1958</td>
<td>2</td>
<td>Gates &amp; Playground Equipment</td>
</tr>
<tr>
<td>B11</td>
<td>1967</td>
<td>2</td>
<td>Custom-Made Products</td>
</tr>
<tr>
<td>B12</td>
<td>1905</td>
<td>1</td>
<td>Lathed-Metal Products</td>
</tr>
<tr>
<td>C1</td>
<td>1948</td>
<td>172</td>
<td>Scoured Wool</td>
</tr>
<tr>
<td>C2</td>
<td>1945</td>
<td>101</td>
<td>Tufted Textiles</td>
</tr>
<tr>
<td>C3</td>
<td>1966</td>
<td>4</td>
<td>Screen-Printed Products</td>
</tr>
<tr>
<td>D1</td>
<td>1860's</td>
<td>4</td>
<td>Clay Field Tiles</td>
</tr>
<tr>
<td>D2</td>
<td>1961</td>
<td>3</td>
<td>Sheet Glass Products</td>
</tr>
<tr>
<td>D3</td>
<td>1966</td>
<td>2</td>
<td>Ready-Mixed Concrete</td>
</tr>
<tr>
<td>D4</td>
<td>1961</td>
<td>1</td>
<td>Concrete Farm Troughs</td>
</tr>
<tr>
<td>D5</td>
<td>1962</td>
<td>1</td>
<td>Plastic Animal Ear-Tags</td>
</tr>
<tr>
<td>E1</td>
<td>1966</td>
<td>5</td>
<td>Dog Biscuits</td>
</tr>
<tr>
<td>E2</td>
<td>1964</td>
<td>3</td>
<td>Pies &amp; Smallgoods</td>
</tr>
<tr>
<td>F1</td>
<td>1946</td>
<td>3</td>
<td>Commercial Printing</td>
</tr>
<tr>
<td>F2</td>
<td>1955</td>
<td>2</td>
<td>Weekly Newspaper</td>
</tr>
<tr>
<td>G1</td>
<td>1956</td>
<td>1</td>
<td>Dog Collars &amp; Belts</td>
</tr>
<tr>
<td>H1</td>
<td>1961</td>
<td>5</td>
<td>Cleaned Pasture Seeds</td>
</tr>
</tbody>
</table>

Source: Questionnaire A
Fig. 8: Size of Factories by Industrial Groups and Numbers Employed, Marton 1969

Industrial Groups:
A Building Materials and Furniture
B Engineering
C Textiles and Leather Products
D Non-Metallic Mineral Products
E Miscellaneous Products

Numbers Employed:
- 1
- 2–4
- 5–19
- 20–99
- 100 and over

Legend
--- Roads
—– Railways

Scale 40 chains
are amongst the largest employers in the town - 131 and 68 respectively. Growth, too, has been such that both have outgrown their initial local markets. Today only about one-fifth of their total production is marketed in the local area.

One significant difference is in their company structure. One (A2) is essentially a family business while the other (A1) is a public company responsible to shareholders. The latter firm amalgamated with another in 1964 which gave it access to many retail outlets in the southern part of the North Island. Another significant difference is that the smaller firm (A2) also maintains four carpenters' gangs.

The value of production of the smaller firm is in excess of £600,000 annually, about half that of the larger firm.

The larger firm (A1) was established in Marton in 1905. Initially an area of land was purchased near the railway junction for the storage of timber from the firm's sawmills in the King Country. Within a few months, however, one of the local joinery factories was taken over and so manufacturing commenced in Marton.

It is noteworthy that the founder of the firm would have preferred to locate the storage yard in Bulls, his home-town. Bulls, however, was about five miles from the railway. Thus Marton, the nearest large town to Bulls situated at the railway, and one with the added advantage of being at a rail junction, was selected. ¹

The other firm (A2), established in 1910, was originally engaged in building and construction only. Since it purchased its supplies from the other timber firm in the town (A1) a site ² near the railway station was not important and thus the firm's headquarters were situated on vacant land adjacent to the founder's
home. The firm's joinery factory, established in 1919, was built on this site, too. The decision, in 1950, to build a sawmill also at this site is perhaps surprising since most of its raw material comes from timber stands north of Marton. The desire of the firm to have all its branches located on the one site, the availability of additional land there and the fact that only about 10% of both its raw material and its product were transported by rail were, however, the major factors behind this decision.

Furniture

Furniture manufacturing is an industry which, in the past, because of the bulky and fragile nature of the product, has warranted a market- or customer-orientated location. Two of the local managers, however, believe that such a location is becoming less necessary since they are finding that, with the improvements in transport over the past years, the larger city manufacturers are able to compete successfully with their products in Marton. Both managers, for example, can foresee the day, not far distant, when the only market available to them will be that for specialised custom-made articles. It seems scarcely likely, however, that the local market will support more than one such manufacturer.

It is noteworthy that the largest furniture manufacturing firm in the town (A3) purchases a large proportion of the furniture for its retail branch from firms located beyond Marton. Its main product is office furniture manufactured on a contract basis for the Ministry of Works.

This firm, which also manufactures coffins for the local market, was established in 1890 and is the second oldest manufacturing firm still operating in Marton.
The other three firms (A6, A7, A10) were all established following World War II and today, between them, employ six, less than half of the total employment in the sub-group.

**Miscellaneous Wood Products**

Of the four firms in this sub-group, the largest is the cooperage (A4). This is the only firm in the town with a significant seasonal variation in employment. It ranges between seven in winter and twelve in summer. The reason for the variation is the seasonal fluctuation in demand from its major customers, the freezing works.

This firm, a subsidiary of a large timber company, commenced manufacturing in 1959. Today almost 2,000 barrels in assembled form and 18,000 in shook form are produced annually, giving the firm a total annual production valued at almost $250,000.

The reasons for the firm's location in Marton are interesting since it operates from a site leased by one of the parent company's competitors.

White pine, the main raw material, must be sawn and then dried for about six months before it can be used in the manufacture of barrels. Thus a location near a sawmill was required. Also, because the major customers of the firm were the freezing works in the southern part of the island, all of which were located near railway lines, a location near a railway line was also necessary. None of the parent company's sawmills, however, were located in the Wanganui-Manawatu area which was the centre of the market area. The main sawmill of one of the company's competitors, however, was located at Marton which was also a railway junction. Marton, then, was seen to be an ideal location for the cooperage and an agreement was negotiated by the two
companies. Today most of the 1,000,000 super feet of white pine used annually is processed and dried by the lessee.

A joinery firm (A5), established in 1912, employs four. Because of its small size, notable emphasis upon quality has been a major factor in the survival of this firm against the competition of the other two joineries which form part of the two timber firms already mentioned.

It is of interest to note that some 90% of the firm's production is today marketed in Wanganui. The firm can give no specific reason why this market has developed at the expense of that of the local district, which initially was the only market. Service, however, could be a factor since the firm delivers personally to its customers.

The specific reasons for the firm's establishment in Marton are today unknown but probably, like many others, it occurred because the founder saw a market for his product in the town.

The other two firms are owner-operated. One of them (A8) manufactures wooden ladders mainly for the Wanganui-Rangitikei Electric Power Board. Special custom orders are also filled, for example, bread-boards, rolling pins, rollers for the vegetable-sorters manufactured by another local firm (B4) and various other wood products.

The owner of the firm manufacturing wooden gates (A9) is employed by one of the timber firms. His, then, is a part-time business only. Most of his production is sold to the Lands and Survey Department.

One significant pattern emerges from the distribution in the town of the firms of this group (Fig. 8). Seven of the firms
(A2, A5, A6, A7, A8, A9, A10) operate from either the house section of the founder or one close by. This fact would suggest that, initially at least, the particular site requirements of these firms were not considered exacting. It is noteworthy that the sites of only two other firms in the town (B11, D5) bear a similar relationship to the site of the founder's home. The remaining three firms in the group (A1, A3, A4) have been sited on the basis of more exacting criteria. These include respectively a site at the railway junction, a site in the main retail area and a site proximate to another firm.

**Engineering**

Engineering firms, numerically, comprise the largest single industrial group represented in the town. Most are small, however, only three, of the total of twelve, having staffs in excess of ten.

It is noteworthy that unlike the other major groups, employment in the engineering group is, today, below that recorded in 1956 (Fig.VII). A possible reason for this development is the fact that this group has been the one most affected by the shortage of skilled labour in the town. Thus expansion, where it has occurred, has tended to have been effected by increasing the capital intensity of the firm.

Another significant fact is that in six of the firms (B2, B4, B6, B7, B9, B11), exactly half of the group, manufacturing is only a part of their total business. In one only (B4) is it the most important part. The other part in all six is concerned with repair and servicing.
This characteristic gives a clue as to why this group should be so prominent in the town. Eight of the firms actually began, not as manufacturers, but as repair and servicing firms. Thus a location in the service centre of a highly mechanised farming district was desirable.

Later, however, came the realisation that Marton's location, in relation to the transport network, made it a suitable distribution centre for a much wider market area. Furthermore, with the repair and servicing function clearly tending towards notable seasonal concentrations, in spring and in late summer, the growth of additional manufacturing activities during the "off-season" was a further logical development. So successful was this development that two of the firms (B1, B3) discontinued entirely their original function.

The relatively large variety of products of these twelve firms is also significant. In only a few instances, however, is there large-scale production of any single product. There are three main types of product. Most important in terms of value is transport equipment which includes such products as draw-bars, trailers, petrol pumps (the most valuable single product) and other service station equipment. Next in order, is farm equipment which ranges from the more general equipment like gates and hinges to the more specialised equipment like top-dressers, brass ear-tags for livestock, hay-feeders, sheep crates, insecticide applicators and vegetable planters, harvesters, sorters and washers. Electrified farm equipment, like fence standards, insulators and cattle prodders, is important also.
The third group consists of miscellaneous products such as castor axles, electric foot-warmers, fish-smokers, office waste bins and playground equipment.

A significant proportion of these products are the result of local ingenuity and initiative. Some of the electric fence equipment, the vegetable harvesting machinery, the electric foot-warmer, the automatic dispensing nozzle for petrol pumps, the coin-operated petrol pump and numerous custom-made pieces of equipment are examples of such products.

Various important aspects of the engineering industry, like electro-plating, foundry-working and sheet-metal processing are all represented in Marton and this has given rise to a considerable amount of sub-contracting among the firms. 5

In only three firms (B6, B7, B11) is the market area (for the manufactured products) confined to the local district. The other firms market their products over a wide area. Four firms (B1, B4, B8, B9) have marketed their products overseas but only two (B1, B8) regard the potential of the export market as sufficient to make up a significant proportion of their total production in the immediate future.

One of the best-known local firms is that manufacturing petrol pumps (B1). That such a specialised engineering firm should have developed in Marton is of particular interest since its local market has never been of great significance. Thus this firm was studied in rather more detail than were the other engineering firms.

The firm was established in 1939 and, with much of the equipment supplied by the government, it was soon engaged in the
manufacture of munitions. At the peak over ninety men were employed in three eight-hour shifts daily. Obtaining labour during this period was no problem as the firm was scheduled for the government's directed manpower schemes. After the war the firm was awarded U.N.R.R.A. contracts for the manufacture of 30,000 single-bullock ploughs for China and 5,000 harrows for Europe. With the completion of these contracts, the firm turned to the design and manufacture of equipment for the oil companies. The founder, before establishing the firm, had been employed in the oil industry.

In 1955, the firm gained the proprietary rights to the part-manufacture of Avery-Hardoll petrol pumps and its future was more or less assured. Today the firm supplies about half of the New Zealand market for petrol pumps producing over 700 annually.

The reasons for the firm's location in Marton are of particular interest.

The founder was not of the district but his wife was, and, with capital made available by her family, he was able to purchase a small, dis-used engineering factory. The contract work done by the firm for the government and for U.N.R.R.A. put it on a secure economic basis and the founder was able to use his previous connections with the oil industry to obtain the proprietary rights in New Zealand to the part-manufacture of the Avery-Hardoll petrol pumps. Marton's role as a distribution centre was, of course, a major factor in this decision. It should be emphasised, too, that the real growth of the firm has occurred since the granting of these rights.
The other significant factor in the firm's success is the retention in the firm of the founder's son, a graduate in chemical engineering. It is probable that had it not been for the firm being in the family, the son would not have remained in Marton. The son, with his skills and training, and the father, with his ingenuity and practical "know-how", together form an excellent combination for research and development work.

Recent developments include an automatically-controlled device for blending, in pre-determined quantities, different grades of petrol, a petrol pump nozzle which automatically stops the flow of petrol when the tank is full and, most recently of all, a coin-operated petrol pump. A recent development in another field has been an automatically-controlled watering system for use on grassed areas such as greens and parks. This system, like the coin-operated petrol pump, has considerable export potential.

A significant feature of the firm's present policy is its intention to become more capital intensive. Progress, then, is seen in terms of increased capital inputs rather than labour inputs. It is noteworthy that over a fifteen year period, 1950-1965, the value of production per worker has increased from £390 to £2,168.

Unusual for a firm of its size, it has its own foundry. The management, however, believes that, while in purely monetary terms it is uneconomic, the fact that quality control can be maintained more readily and that it is a more convenient practice makes it a worthwhile investment.
Today, this firm has become the largest engineering firm in the town in terms of both numbers employed, fifty, and value of production annually, in excess of £600,000. With the research and development work currently in progress and the potential of the export market, the value of production can be expected to increase rapidly in the future.

The second largest engineering firm in the town (B2) has a staff of fifteen. This firm, however, is concerned with both manufacturing (about one-third of its total business) and servicing.

A subsidiary of a Feilding firm, this firm was established in Marton in 1955 as the retail outlet in the Rangitikei district for International Harvester equipment. In 1960 manufacturing was commenced with truck bodies, pile- and post -drivers, draw-bars and various components being the major products. Some work to special order is also done.

The annual production of the manufacturing branch is valued in excess of £100,000.

Another engineering firm (B3), with a labour force of fourteen, commenced business in 1946 as panel-beaters and spray-painters. In 1953, a separate firm was formed to manufacture sheet-metal products.

Its principal products are sheet metal casings for the petrol pumps manufactured by another local firm (B1), stock feeding appliances, office waste bins, lawn top-dressing units and sporting goods such as surf-rod holders and fish-smokers.
About 15% of its total production is sold in the local area — and virtually the whole of this amount is made up of sheet-metal casings for the petrol pump manufacturing firm (B1).

One of the few firms for which Marton today is not a good location (B4) manufactures agricultural machinery.

The owner established a motor vehicle dealership in Marton on 1942 and in the following year became the North Island distributor for a British-made potato digger.

The difficulty of obtaining spare parts for these diggers, however, forced the firm increasingly to manufacture more and more of its own spare parts until eventually it was able to manufacture the complete machine except for the engine.

The owner decided to concentrate initially on this specialised market with the ultimate aim of supplying every requirement of the potato farmer — planters, diggers and sorters. Today the firm supplies about 90% of the New Zealand market for potato machinery. Furthermore, with the knowledge gained, the firm has been able to branch out into several related fields. To date other machines manufactured have included vegetable washers, brussel sprout strippers and bulb diggers.

An interesting fact is that many of the machines have resulted from the particular request of some farmer or firm for some type of highly specialised equipment. The firm’s latest piece of this type is for the timber industry. This machine is designed to harvest daily about 200,000 seedling trees between twelve and
eighteen inches in height and place them in loading boxes ready for re-planting elsewhere.

With development this firm has decided that its Marton location is not the most suitable since only 10% of its production is marketed locally. The owner believes that, although Marton is a good distribution centre, the best location for his firm is in the South Auckland area which is the main market.

An electrical engineering firm (B5) was established in 1949 by the brother of the founder of another engineering firm (B1) and extensive cooperation between the two firms is a notable feature.

Initially this firm manufactured electrical transformers but realising that these could be made more cheaply elsewhere with large-scale production methods, production has been concentrated upon the manufacture of electrical equipment requiring high technical skill inputs.

Today the firm is concerned mainly with work on a contract basis for various government departments although electric fencing equipment is probably the single most important product.

One firm in this group (B8) is located six miles north of Marton on the No.1 State Highway.

Of all the firms considered in this group, this is probably the one most closely associated with the farming community and as such its fortunes have fluctuated with those of that community. For example, the value of production for the year ending March, 1968, when the economic recession was at its height, was only
half that for the year ending March, 1966.

The owner entered the engineering business in an unusual manner. Being dissatisfied with the quality of the electric fences then available and having an innovatory attitude of mind (he claims to be the direct descendant of the inventor of the spinning jenny), he set out to improve the product. His modification proved successful and he decided to begin small-scale manufacturing in 1960.

The firm has since grown and today there are two employed full-time in the factory. As well there is the owner and a field representative.

The product is marketed throughout the North Island. Following an exhibition of its products in Australia, some 12% of the firm's annual production is exported there. To facilitate marketing in that country, the firm has developed a liaison with a large Australian distributive organisation which has over 200 outlets.

Today the owner has some doubts as to whether the original idea to commence manufacturing was sound. While being successful, he has discovered that the firm demands too much of his time to the detriment of his other occupation, farming. As well, he has lost social contacts and, in fact, knowing what he does now, he doubts whether he would start again.

In 1958 another engineering firm (B10) began manufacturing various tubular steel and wire products such as gates, sheep crates and playground equipment. These are marketed in most parts of the North Island.
In 1968 the owner established an electro-plating plant. In doing so, however, the town's zoning regulations were contravened. Recently the firm has been given permission to continue this branch provided certain conditions are met.

The oldest engineering firm in Marton (B12) was established in 1905. Originally upwards of twelve men were employed in the firm but after World War II automated machinery was installed thereby solving the problem of a chronic shortage of skilled labour. This action, of course, restricted its range of products.

This firm has no regular products today. Rather it manufactures component parts for firms located in centres beyond Marton. Over the past decade, for example, products as diverse as stiletto heel plates, ball valves for calf-feeders, castor axles, brass sheep ear-tags and brass screws for refrigerator handles have been made.

The four remaining engineering firms (B6, B7, B9, B11) regard manufacturing as only a small part of their total business and it is mainly used to maintain employment during off-peak periods.

Products built to the customer's specification are the main concern although one firm (B9) has manufactured short runs of such products as electric fence equipment, electric foot-warmers and fishing reels.
The significant factor emerging from the distribution of the firms in this group is the clustering of the majority of them in the retail area (Fig 8). As most of these firms were originally engaged in repair and servicing such a location was desirable. Today, however, two of the firms (B3, B4) in which manufacturing has largely eclipsed their former functions, location in the retail area has become a problem since they have been unable to expand their premises. The congestion in these two factories is very apparent.

As regards the sites of the engineering firms located south of the main retail area there appears to be no significant reasons for the choice of a particular site beyond the fact that it was available at the time.

**Textiles**

In spite of obvious differences in size and type of product, the three firms comprising this group (C1, C2, C3) show certain similarities.

All three have been established in the district since World War II and for each, Marton's role as a distribution centre, was a major factor in the decision to locate in the district. Each firm, too, is housed in premises originally built for other reasons. Unlike the wide variety of products which characterise the engineering firms, the textile firms are each concerned with a limited range of products. Each firm markets its products throughout New Zealand and each is developing, or has developed, export markets.
In terms of both number employed and value of production this group is the largest in the manufacturing sector. Furthermore, it employs almost 80% of total female labour force in this sector.

The largest firm in the district (C1) is located five miles beyond the boundaries of Marton Borough on an eighty acre site close by the Kakariki rail-siding at the confluence of the Rangitawa Stream and the Rangitikei River. The main part of the factory is housed in premises originally constructed for the Rangitikei's only attempt to establish a freezing works. Left derelict after the works' closure in 1921, the building was again used during World War II for the storage of wool. After the war the building was purchased to establish a wool-scouring plant.

The decision of the firm to establish their factory at this site was based on several factors:

1) the presence of an existing suitable building;
2) the existence of a branch line into the factory from the main railway line (its main raw material, greasy wool, is obtained throughout New Zealand);
3) the abundant supply of clean water (about 500,000 gallons are used daily);
4) the cheapness with which effluent could be disposed of; and,
5) the quality of the labour force available.

Until 1967, employment ranged between fifty and sixty but during that year employment was more than doubled when the factory began working two shifts daily. As a result, production of scoured wool rose from 29,000 bales for the year ending June, 1967,
to 45,000 bales for that ending June, 1968. Annual production is planned to exceed 66,000 bales by June, 1970.

In 1968 the firm opened a subsidiary plant to manufacture wool tops. Initially this plant will handle about 340,000 pounds of merino wool imported from Australia but it is planned that this should rise to over 1,000,000 pounds by the year ending June, 1973.

With the opening of this new plant, employing mainly women, total employment in 1969 rose to over 170, making the firm the largest in the district in terms of both employment and value of annual production, the latter being about £4,500,000.

Devaluation and the recent mild economic recession were advantageous to the firm. Firstly, devaluation, in making New Zealand wool products more competitive on world markets, increased the demand for scoured wool. Secondly, the introduction of a double shift and the establishment of the top-making plant coincided with the enforced reduction of labour in several other firms in the district. Thus, just as other firms were reducing their labour forces, this firm was taking on additional labour. The recession, then, had less an effect on Marton's labour force than might have been expected for unemployment was averted by the availability of new job opportunities.

The firm runs a daily bus to and from Marton where about two-thirds of its labour force lives. There is, also, accommodation by the factory. Originally built for freezing workers, these include seven houses, six flats and thirteen huts for single men.
A quarter of the firm's scoured wool production is used within New Zealand by its associate firms and the balance is exported. This fact brings into focus the only disadvantage of the site, the lack of a nearby deep-water port. With the nearest port, Wanganui, unsuitable, export has been necessitated through such congested ports as Napier and Wellington.

After World War II when consumer goods were in short supply, the decision was made to manufacture and market a kind of textile extremely popular overseas but then unknown in New Zealand - tufted textiles. The firm (B2) surveyed several districts with a view to establishing a factory and finally chose the Rangitikei area on the basis of its location as an ideal distribution centre and the availability of a regular, good quality labour force.

The main factory commenced operations in 1945 but soon after branches were opened in the nearby townships of Halcombe and Turakina. A second factory was also opened in Marton in the then disused premises of one of the timber firms (A1). The new firm faced many problems in its formative years - overseas exchange and import license difficulties, a shipping strike in 1951, a serious flood in 1953 and the reluctance of the large proportion of the retail trade to market their products. Finally these were overcome and today hundreds of thousands of the firm's "Super-Tex" products, candlewick bedspreads, dressing gowns, bath-mats and curtain lengths, are in use throughout the country.

Recent developments of the firm include the development of an export market, the consolidation of its two Marton factories and, very recently (1969), the manufacture of woollen floor rugs.
The smallest textile firm (B3) is one of the few New Zealand firms, engaged in the production of screen-printed textiles.

This industry is one particularly demanding of experience, skill and training. As each type of cloth has different physical and chemical properties, and thus different reactions to wear, dry-cleaning, light, etc., a sound knowledge of the characteristics of each is necessary if the venture is to be successful - and repeat orders gained. The actual process, also, requires considerable skill.

Born in Latvia, the owner, after spending all his working life in the trade, arrived in New Zealand in the early 1960's to manage a firm in Levin. When this firm was forced to close in 1966 the manager received offers of jobs from as far afield as Canada and Eire. Having, however, worked for other people all his life he decided, instead to establish a business of his own.

The reasons for his decision to locate in Marton are interesting. He had no particular preferences for location provided good communications were available. The chance reading in a newspaper, however, that an industrial site still had not been sold in spite of its having been on the market for a considerable time finally led to his deciding in favour of Marton. The site was purchased and his factory was established in what was originally one of the town's bakeries.

Initially the firm did work on a contract basis for textile firms in other centres who made up the screen-printed fabric into garments. Increasingly, however, production is being concentrated on textile souvenir work such as pennants, scarves, table cloths and tea towels. The "finishing" of these products, trimming and
hemming, is done by local housewives on a contract basis.

In future more work to special order will be done. Some such work has already been carried out for Air New Zealand who has displayed it in some of its offices overseas.

One major problem faced by the firm is competition from similar firms in South-East Asia against which it cannot compete on a cost basis. The owner, however, regards himself as being in an ideal position to cater for small orders or for sudden changes in demand when the time factor becomes critical.

The particular site requirements of the firms in this group are, with one exception (G1), not exacting. For the exception, a site proximate to the railway and to considerable quantities of clean water was vital and, of course, its present site is ideal in these respects. It is noteworthy that for such a labour-oriented industry, its location well beyond the larger centres is found to be most satisfactory.

**Leather Goods**

There is only one leather goods firm (G1) in Marton and it is noteworthy that the owner is primarily a retailer of leather and sports goods.

In spite of there being a considerable number of riding horses in the district only a small proportion of his manufacturing is concerned with harness. His main products are made under contract - dog collars for the local county council and scabbards, bolt-bags and boot-protectors for the Electricity Department.

The latter contract came about in an interesting manner. An official of the department, passing through the town in 1964, saw
the sign "Saddler" above the shop and inquired whether manufacturing was done. On being assured that it was, a contract was let and it has been renewed annually ever since.

This firm's site in the main retail area of the town is, of course, appropriate since the greater proportion of its business derives from retailing rather than manufacturing.

Non-Metallic Mineral Products

In Marton this group is represented by five firms. All are small, however, employment in this group totalling only eleven. Their significance in the total manufacturing sector is also small. With one exception (D1), the firms have all been established since 1960.

The largest firm of the group (D1), the brick and tile works, has a staff of four. This is the oldest surviving manufacturing firm in the town having been operating for more than a century. Originally the range of products included clay bricks, flower pots and field tiles but today only the last mentioned is made.

For a firm producing such a relatively fragile product the market area is quite large. Originally it was almost entirely local but today with the development of motorised transport and the improvements in the road network, together with the closure of some competing firms, the market area has been extended to include virtually the entire Rangitikei County as well as some parts of the Manawatu and Waverley areas.

The firm is one of the few in the town whose fortunes closely reflect those of the farming community. Another problem faced by the firm is that of frost. This was the only firm studied for which an aspect of Marton's climate was a problem. Each tile
when it is first put out to dry in the air contains about two pounds of moisture. Thus, during the frost season, the tiles must be covered with sacking to prevent cracking.

A third problem arose with the introduction of mechanisation to the process. Originally the clay was moulded by hand and thus pieces of ironsand, prevalent in the clay in the district, could be picked out. Today the pieces of ironsand are unnoticed until either the moulding machine jams or the tile cracks during drying.

This firm is one of only two in the district which still use significant amounts of coal – five tons being used weekly to heat the kiln.

About 8,500 four inch tiles are produced weekly.

The glass-cutting firm (D2), with a staff of three, is a branch of one retailing paint and wallpaper. The major products of the firm are glass dials for petrol pumps, glass doors and vehicle windowscreens.

The ready-mixed concrete firm (D3) is a subsidiary of one of the large timber firms (A2). This recently established firm has a staff of two.

Both these firms have entirely local markets.

The concrete pipe and trough manufacturer (D4) commenced operations in 1961. His is an owner-operated business. About 90% of this firm's product is sold within the southern Rangitikei district.

Another owner-operated business is the firm "manufacturing" plastic livestock ear-tags (D5). The ear-tags are moulded in
Wellington and sent to Marton to be stamped with the appropriate letter or number code desired by the purchaser. The owner of the firm, who invented this particular type of ear-tag, conducts the greater proportion of his business by mail-order.

About half of the 500,000 ear-tags produced in 1968, were sold in the South Island.

When the firms of this group were established, they served, with one exception (D5), the local market. Thus the chief reason for their location in the town would seem to be the existence of a market for this type of business.

The location of the exception in the town was due entirely to the fact that the inventor of the ear-tag lived in Marton. Since his is a mail-order business virtually any location would be satisfactory.

Only one of the firms (D1) has exacting site requirements. It is noteworthy that this firm is today operating from its third site since establishing in the 1860's. The other two sites were abandoned when the supply of clay was exhausted.

Food

In this group the Department of Statistics includes the preparation of food for both animal and human consumption. Today this group is represented in Marton by only two firms. Both have been established since 1960 and both have significant markets beyond the local district. Marton's location in relation to the transport networks was an important factor in the establishment of both firms in the town.
The firm manufacturing dog biscuits (E1), a subsidiary of one operating in Blenheim, was established in 1967. Marton's suitability as a distribution centre for the North Island and the availability of an industrial site about 100 yards from the railway station led to the town being selected as the location of their North Island factory.

The almost completely automated factory, employing five, produces some 280,000 dog biscuits per week from an intriguing list of ingredients, including bone, fish and meat meal, flour, milk powder, molasses and whale-oil.

The other firm (E2) manufactures pies and smallgoods and was established in 1964. About 40% of the firm's products are sold beyond the local district and further expansion of markets is intended. Should this occur the firm could find that its present site in the main retail area too small.

Printing and Publishing

There are two printing and publishing firms in the town. One (F1), with a staff of three, does commercial printing - advertisement sheets, booklets, notices, etc. The other (F2), with a staff of two, publishes a weekly newspaper. Both firms are sited in the main retail area.

The last firm to be discussed was established in 1964. This firm (H1) is primarily engaged in cleaning and mixing various pasture seeds, although some stock meals are produced.
The main reason for its location in Marton was the town's centrality in relation to its supply area, the Rangitikei, Wanganui and parts of the Manawatu districts. Since its establishment the firm has expanded considerably, making inroads into the supply areas of other seed-cleaning firms in the neighbouring districts.

**Conclusion**

In summary, then, it is apparent that the main factor in the location of those firms originally established to serve the local market was the need for a customer-oriented location.

Beyond this general requirement, however, the particular site requirements of many of these firms do not appear to have been exacting. Those firms originally concerned with only repair, servicing or retailing and those primarily concerned with these functions today, have tended to concentrate in the main retail area. In perhaps two other instances only, the brick and tile works and the larger timber and joinery firm, have the particular site requirements been of great significance.

The firms originally established to serve a non-local market were located in the district only after the advantages and disadvantages of various other areas had been considered. The principal advantages of the local district over others were its role as a good distribution centre and the lower cost of land and labour. The particular site requirements of only two of these firms, the cooperage and the wool-scouring works, were exacting.

A final noteworthy point is the role played by chance in the location of some of the firms in Marton. Examples of this
factor include the chance reading by a non-resident of the town that an industrial site still had not been sold, the chance sighting of the sign "Saddler" by an official of a government department who just happened to be passing through and the fact that the wife of the founder of one of the engineering firms happened to live in Marton before she was married.

FOOTNOTES

1. A case study of this firm is in Appendix C.

2. The word "location" is commonly used in two senses, a narrower one in which it is equivalent to "site", and a wider one in which it indicates an area or locality. In this thesis, "site" is used to refer to location in its narrow sense.

3. Since a railway wagon holds only about 35 assembled barrels compared with 250 in shock form it is more economical to manufacture the parts ready for assembly at the freezing works.

4. The labour force is considered more fully in Chapter 8.

5. Sub-contracting is considered more fully in Chapter 9.

6. This was termed a "noxious" industry and it had been established after the town's zoning regulations had come into force.

7. Originally the solids washed out of the wool were used as fertilizer on the firm's farm - it runs sheep on over half of its eighty-acre site. The liquid effluent, passing first through settling pits, flowed into the river.

   It is of interest to note that today much of the grease washed out of the wool is used to manufacture lanolin at the rate of about one ton weekly.

8. The freshly-moulded tile must be dried in the air for about three weeks before it is baked in the kiln for 48 hours.

9. The wool-scouring works is the other large coal-user in the district.
### PLATES

<table>
<thead>
<tr>
<th>Plate</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>1-9</td>
<td>96-108</td>
</tr>
</tbody>
</table>

(All photographs are by the author unless otherwise acknowledged.)
Plate 1: An aerial view of Marton, looking south. Part of Marton Junction is seen at the upper left of the photograph.

(White's Aviation Ltd.)
Plate 2: Few of the firms which were established prior to World War I have survived until the present day.

Forges were the single most important manufacturing group during the early periods.

One joinery firm, established in 1912, still operates from its original premises (A5).

(Top Photo: Mrs F. Thompson Centre Photo: Marton Historical Society).
Plate 2 (cont.):

A flour mill, established in 1864, was closed as recently as 1964.

One of the town's bakeries also operated its own tearooms.

(Mr. J. Gould).
Plate 3: The most significant development of manufacturing industry has occurred since World War II, especially in the engineering and textile groups.

A textile firm established in 1945 (C2).

An electrical engineering firm established in 1949 (B5).

A pasture seed-cleaning firm established in 1961 (H1).
Plate 4: Increasingly manufacturing industry is being located in the vicinity of the railway junction. Much of this area is zoned "industrial".

A firm manufacturing dog biscuits was established in 1966 (B1).

A firm manufacturing metal gates and playground equipment was established in 1958 (B10). In 1968 this firm opened an electroplating branch.
Plate 5: Access to the rail network has been an important factor in the attraction of manufacturing industry to Marton.

One recently established firm is only about 100 yards from the railway station (A1).

One timber and joinery firm has developed an extensive network of branch lines throughout its factory site (A1).
Plate 6: Over two-thirds of the manufacturing/ staffs of five or less. Some, in fact, are owner operated....

The brick and tile works employ four (B1).

One of the owner-operated firms manufactures concrete farm troughs (B4).

For the owner, the firm manufacturing wooden farm gates, is a part-time business (A9).
A few of the firms, however, are large in terms of employment.

One textile firm employs 172 (C1). It is located five miles beyond the borough.

Another textile firm employs 101 (C2).

The largest firm within the borough, a timber and joinery firm, employs 131 (A1).

Another timber and joinery firm employs 66 (A2).
Plate 7: Technical know-how and ingenuity are significant factors in the development of some local manufacturing industry.

A farmer dissatisfied with the then current efficiency of electric fences, improved the product himself and established a firm to produce his modified equipment (B6).

One of the few New Zealand firms producing screen-printed textiles was established by a Latvian-born New Zealander in the former premises of a bakery (03).

The firm which introduced the first coin-operated petrol pump in New Zealand also supplies about half of the New Zealand market for standard petrol pumps (B1).
Plate 8: Several firms are engaged in both retailing and manufacturing.

One engineering firm producing mainly agricultural machinery is also a motor vehicle dealer (B4).

A significant proportion of the furniture retailed by one firm is manufactured in its own factory which is behind the shop (A6).

Another engineering firm producing farm machinery and truck components also operates a vehicle repair service. (B2).
Plate 9: General views of Marton give little indication of its significant manufacturing sector. Manufacturing firms are dispersed throughout both the commercial and residential sectors of the town.

Some of the smaller firms, especially those dispersed throughout the residential sector, are so unobtrusive that even many of the town’s residents are scarcely aware of their existence.

Looking north along Wellington Road. Only a sign indicates the presence of an engineering firm which occupies a back-section (B11).
Several of the early established firms, especially those which have since added manufacturing to their original retail function, are dispersed throughout the main retail area.

Looking east along Follett Street. There are four manufacturing firms along this street.

One of the few two-storied factories in the town manufactures furniture (A3). This factory occupies a back-section, with a right of way to Follett Street.

The intersection of Follett and Hair Street. The old house is occupied by a firm producing livestock carts (B5) while the larger building is occupied by an engineering firm (B12). Diagonally across the intersection (not shown) is one of the local textile firms (C2).
# PART THREE

**MARTON AS A LOCATION FOR MANUFACTURING INDUSTRY**

<table>
<thead>
<tr>
<th>Chapter</th>
<th>Location Factors: Raw Materials, Market and Transport</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>7</td>
<td>Location Factors: Raw Materials, Market and Transport</td>
<td>110</td>
</tr>
<tr>
<td>8</td>
<td>Location Factors: Land and Labour</td>
<td>120</td>
</tr>
<tr>
<td>9</td>
<td>Location Factors: Miscellaneous</td>
<td>130</td>
</tr>
</tbody>
</table>
CHAPTER 7
LOCATION FACTORS: RAW MATERIALS, MARKET AND TRANSPORT

In his business, the manufacturer is especially concerned with three basic steps in the production process: the acquisition of the raw materials required and their assembly at the point of processing; the manufacturing process itself by which the raw materials are transformed into more valuable forms; and, finally, the distribution and sale of the finished product to the market.

Both the raw materials and the market exist in certain locations. But while the raw material and the finished product can be transported, however, the market must be regarded as immobile. The manufacturing process, invented and operated by man, is mobile also in the sense that it can be located at any point with direct or indirect access to both raw materials and market.

Normally, however, the manufacturer is primarily concerned with the profit motive, and, as such, it logically follows that the manufacturing process will usually be located at a point where profits can be maximised. It is noteworthy, however, that sometimes economic, social or strategic requirements may cause governments to intervene directly in the location of industry, so over-riding the operation of normal economic forces. Of importance, too, is the fact that some manufacturers, because of lack of knowledge or certain non-economic reasons, may be content with a location where only a lesser margin of profits may be obtained.

The initial decision as to where to locate is very important for it is one which can mean the difference between com-
plete success or bankruptcy later. It is all the more im-
portant since it is one most difficult, and in some instances 
almost impossible, to reverse should the choice of location 
later prove to have been unwise.

In coming to this decision the manufacturer assesses the 
relative advantages and disadvantages of different locations 
in terms of his specific requirements. The location finally 
selected, however, will seldom be wholly ideal since very few 
locations have a notable absence of disadvantages coupled with 
a complete monopoly of advantages. The manufacturer, though, 
will usually seek as far as possible that location with a com-
bination of advantages most nearly meeting his requirements.

The fact that manufacturing industry is not evenly distrib-
uted over the country suggests that certain locations, 
because of specific advantages, prove more attractive to 
industry while others prove either less attractive or positively 
unattractive. It is noteworthy, too, that some locations 
prove more attractive not only to industry generally but 
particularly to specific types of industry.

In this section the various factors of location, insofar 
as they are applicable to manufacturing industry in Marton 
today, are considered. In doing so, the particular advant-
eges and disadvantages of Marton as a location for manufactur-
ing industry will become apparent.

RAW MATERIALS, MARKETS AND TRANSPORT.

Raw Materials and Markets.

A notable feature of manufacturing industry in Marton is 
the small significance of the local district both as a market 
and as a source of raw materials.
Among the raw materials currently obtained locally are clay, gravel and sand, pasture seeds, timber and wool. It is notable, however, that only a very small proportion of the total requirements of timber and wool are obtained locally. It is notable, also, that clay, gravel, pasture seeds and sand are raw materials of firms of only small significance.

It is appropriate at this juncture to consider whether any of the main products of the district are likely to lead to the establishment of new processing industries in the future.

By far the most important primary products of the district are grain, meat and wool. Since the processing of these is at present being effectively carried out in factories in neighbouring districts, however, the establishment of similar factories in the district would seem to be unnecessary.

Of much lesser importance in the district's economy are potatoes and berry fruits, notably strawberries. Negotiations are currently in progress regarding the establishment of a potato processing plant in the town. There are no plans, however, to process strawberries.

A final point relates to the pine plantations which the government has established along the coast. It is normal government policy to lease such blocks of timber to local companies for processing. Probably none of the timber firms, including the two in Maxton, established in the Wanganui - Manawatu area, however, have plants large enough to process a significant proportion of this timber. The manager of one of the local firms foresees instead, the establishment of a large new factory in which most of the timber firms in the area
would have shares. Such a factory, should it eventuate, is at least twenty-five years away, however. Furthermore, it remains to be seen whether such a factory would be built in the local district or in one neighbouring it.

The significance of raw material-oriented industries in the district, then, seems destined, for the immediate future at least, to remain small.

The relatively small population of the local area, too, would suggest that there is little likelihood of any large market-oriented industry being established either.

It would appear, then, that any large industries which may be established in the future will be basically similar to those at present operating; that is, they will serve a wider-than-local market and be based upon raw materials imported into the district.

**Transport.**

A significant point which arises from the above discussion is the importance of the transport factor in the success of local firms.

Marton is a good distribution centre since it has ready access to the major population centres of the country. The town is situated less than six miles from the junction of two National Highways (No. 1, Wellington to Auckland via Taihape, and No. 3, Woodville to Hamilton via New Plymouth). Also it is situated at the junction of the Wellington - New Plymouth and Main Trunk railways (Fig. 9). Two civil airports are situated at Wanganui and Palmerston North, respectively twenty-two and twenty-six miles from Marton.
Fig. 9: Major Rail and Road Networks, North Island, New Zealand

Legend
- National Highways
--- Other Highways
- Railways

Whangarei
Auckland
Hamilton
Tauranga
Rotorua
Gisborne
Napier
New Plymouth
Wanganui
Marton (See Inset)
Palmerston North
Wellington

Scale
0
miles
60
miles
There are several train services in each direction daily. In terms of road transport, there are, apart from local carriers, two N.Z.R. services daily in each direction between Wellington and Auckland via Taihape. Two private bus companies run several services daily between Marton and the neighbouring cities of Palmerston North and Wanganui. There are, also, several services daily through the two airports.

Since rail and road are the most important forms of transport used by the local firms it is appropriate to consider their relative advantages and disadvantages.

For long hauls rail transport tends to be the more economical, mainly because greater quantities can be carried in a single shipment and because the transfer costs, while initially higher, tend to increase more gradually over distance travelled than do those of road transport. Thus road transport is more suited to short hauls. Road transport is also able to offer "door-to-door" service and is particularly well suited, because of its flexibility, to short hauls between a large number of points over a dense network of routes. Another disadvantage of rail transport is that additional transport is required between the factory and station. The double-handling involved adds to the expenses while increasing the opportunity for damage or loss.

In New Zealand, however, government intervention has given the railways a peculiar advantage which they might not otherwise enjoy in the face of competition from road transport. There is a complex set of regulations pertaining to the transport of goods but for the purposes of this study the most
relevant are those that stipulate that the transport of most goods by road must not exceed forty miles. One of the exceptions is logs for which the limit is raised to fifty miles.

For those firms with markets beyond the government limits, the railways are, of course, the predominant form of transport used, although the bus services are used on occasions for smaller or packet-type consignments.

For markets within the limits road transport is predominant.

The different preferences of the two timber firms (A1, A2) are of interest. The former, and larger, is located at the rail junction itself and, in fact, has its own branch lines extended to and laid throughout the factory site thus allowing direct loading and unloading. This particular advantage far outweighs other disadvantages of rail transport, and so a large proportion of this firm’s products are transported by rail.

The smaller timber firm, on the other hand, is located over a mile from the rail junction. Thus it is forced to truck the proportion of its timber transported by rail to and from the delivery yards. In this instance the increased costs involved have meant that this firm has concentrated on road transport. It is not insignificant that this firm, about half the size of the former, has doubled its fleet of trucks. Its markets, also, are concentrated within the fifty mile limit while those of the other firm are more widely dispersed.
It is noteworthy also that two other firms serving widely dispersed markets have very ready access to the railway. The dog biscuit factory (E1) is situated less than 100 yards from the station while the wool-secturing works (C1) also has a branch line extended to and throughout the factory site.

Were the government limits to be removed, many of the local firms would make increased use of road transport. Few, however, would cease completely the use of rail transport. The main disadvantage of the railways stems not from its actual costs, which are very competitive, but from factors like unreliable servicing and carelessness in handling.

The chief problem is the non-arrival of goods in either the expected time period or in the condition expected. Double-handling, unavoidable in rail transport, increases the opportunity for damage. The extent of the problem, of course, varies with the nature of the goods. Logs, for example, are relatively immune to damage as opposed to steel rods and specialised machinery which are more susceptible. The possibility of damage, of course, adds to the firm's costs since extra insurance cover and special packaging often becomes necessary.

Comparable criticism of road transport is rare. Probably the major reason accounting for this is that there is less double-handling involved and therefore less opportunity for damage. Another reason is that as the carrying
industry in Marton is highly competitive, it pays the individual carrying firms not to alienate their customers in any way.

While road and rail transport are the main forms of transport used by the local firms mention also should be made of air and sea transport. Most goods imported or exported are, of course, transported by sea. Within New Zealand, however, the shipping services are used by those firms with markets in the South Island. It is noteworthy that the main development of these has occurred since the introduction of the road-rail ferries which provide frequent and dependable services between the two islands.

Air transport is used on occasions when goods are required urgently. Because of the high per unit cost and the nature of the production of the local firms, however, air transport is of small significance in the total picture.

Since Marton's manufacturing industry serves a wider-than-local market and is based primarily upon raw materials imported into the district, the importance of the town's location in relation to the main transport networks is readily apparent.

In view of the sources of many of the raw materials and the location of the major markets, however, many of the local firms would be as well or even better served in this respect by a location in another area, notably Palmerston North, which is also a railway junction, Wellington or even Auckland, the latter two being major ports.
Thus certain other factor costs, notably those accruing during the conversion of the raw material into a marketable product, must be of particular significance also in the selection of Marton as a site for industrial production. These are considered in the next two chapters.

**FOOTNOTES**

1. Gravel and sand are used by those local firms manufacturing concrete products (D3, D4).

2. It is sometimes appropriate to distinguish between transport costs and transfer costs, the former being defined as direct freight costs, the latter also including the various indirect costs such as insurance, clerical costs and damage as well as those related to speed, regularity and dependability of services. (Estall and Buchanan, 1961, 3:).

3. This is more likely to occur in towns located on branch lines such as Rotomua.
CHAPTER 8

LOCATION FACTORS: LAND AND LABOUR.

Land

The manufacturer in selecting land for the location of his factory must be concerned with five main aspects: initial cost, rates (which will normally increase over time), location in relation to the transport networks, local government policies in respect of land use and, finally, amenities and services available.

Land zoned "industrial" in Marton is cheaper than similar land in the larger urban centres. For example, the cost of one acre of Industrial "C" land abutting the railway ranges in Palmerston North between $7,000 and $10,000 whereas in Marton it ranges between $2,500 and $3,500. At the same time the rates are lower in Marton. It must be noted, however, that a greater range of amenities and services are available in Palmerston North.

The "industrial" land in the town is well-situated in relation to the transport networks. Virtually all of the Industrial "C" land, for example, abuts the railway (Fig. 5). A considerable proportion of the "industrial" land is still available for industry (Table XII).

Land-use zoning is an important local governmental influence on the location of industry since it prescribes and prescribes specific land uses to special areas. This is done for a variety of reasons. Firstly, in preventing the indiscriminate inter-mixing of land-uses, it maintains the stability of property
values as well as making the town a more pleasant and attractive place to live and work. Secondly, the orderly spatial array of various land uses facilitates the provision and maintenance of amenities and services appropriate to each land-use zone and enables each to be made in as economical a manner as possible. Thirdly, it gives a certain security to an industry in that it is more able to expand and diversify as it sees fit.

**TABLE XII**

**MARTON: DISTRIBUTION OF INDUSTRIAL LAND-USE ZONES, 1968**

<table>
<thead>
<tr>
<th>Industrial Zone</th>
<th>Total Area (Acres)</th>
<th>Area in use (1968) (Acres)</th>
</tr>
</thead>
<tbody>
<tr>
<td>A</td>
<td>17</td>
<td>9.5</td>
</tr>
<tr>
<td>B</td>
<td>52</td>
<td>2.0</td>
</tr>
<tr>
<td>C</td>
<td>53</td>
<td>24.0</td>
</tr>
<tr>
<td></td>
<td>122</td>
<td>35.5</td>
</tr>
</tbody>
</table>

**Source:** Marton Borough Approved District Scheme, 1968, 6-7.

Land-use zoning in Marton was instituted in January, 1968 when the Marton Borough Approved District Scheme came into operation.

An interesting development which has occurred since its institution relates to the re-location of firms presently situated in the non-industrial zones or in the wrong industrial category.
The congestion in many firms was apparent during the research, but it was especially so in those formerly engaged only in retail or servicing which had established manufacturing branches since World War II. Yet, largely because of "industrial inertia", many manufacturers were postponing re-location even though they knew that future progress, in terms of diversification and expansion, would be more assured on a new site. Since the District Scheme does not permit, in several instances, diversification and expansion on the present site, it is in fact the stimulus to re-location elsewhere in the near future.

Similarly the District Scheme is, in effect, forcing firms engaged in both retail or servicing and manufacturing to "split". Success in the former branch, unless it is of a type to induce the customer to make a special trip, requires a site in the main retail area, whereas success in the latter, if diversification and expansion are desired, requires a site in the correct industrial zone. It is noteworthy that one firm (B3) has already decided to re-locate its manufacturing branch in the Junction area thus allowing its service and repair business to expand over the site formerly used for manufacturing.

**Labour.**

A manufacturer in selecting a location for his factory is concerned with the following aspects of labour: size of and skills offered by the labour pool, cost of labour (as expressed by salaries and wages), its productivity and reliability and the excellence of the industrial relations.
While the cost of labour in a small town is usually lower than that in a larger urban area it should be noted that variations in labour costs are not entirely a question of differing wage levels. High levels are not in themselves disadvantageous since manufacturers are usually more interested in what they get for what they pay, than in what they pay alone. Thus of great importance to the manufacturers are variations in labour productivity. Estall and Buchanan note that variations in productivity, while partially attributable to natural conditions, arise mainly from a whole complex of economic and social causes. Of particular relevance here are such factors as labour attitudes, turnover and absenteeism.

Absenteeism and turnover affect productivity through the interruption of production routines.

Absenteeism is not a serious problem in any of the firms studied. In fact, only two firms (A1, A2) consider it a problem at all. Both of these are large timber firms and absenteeism occurs primarily among the unskilled sections of their staffs. It is more prevalent, also, among the Maori employees who make up a significant proportion of the unskilled sections.

The policies of the two firms vary with the availability of replacement labour and the particular occupation - absenteeism in the sawmill, for example, being considered more serious than that in the stacking-yard. It is noteworthy, however, that since absenteeism is more prevalent among the unskilled sections of the labour force, replacement labour is usually readily available.
None of the firms in the study consider their rate of turnover high. In many cases, in fact, and especially among the skilled labour force, the employees have been with one firm for all of their working lives.

There are two main reasons for this. Firstly, there appears to be a tacit agreement among the managers not to rob each other's labour by offering inducements. It is realised that such an action, because it raises wage levels, is ultimately to their detriment.

Secondly it is a reflection upon the very good industrial relations in the town. Significant in this respect is the small size of most of the firms - twenty-nine of the thirty-six firms have staffs of eight or less. This obviates a split into workermanager groups and, in fact, in many cases the manager is part of the production line. The atmosphere in such firms is very relaxed with conversations being on a Christian name basis and with much good-natured banter prevailing.

In the larger firms the relations between workers and management are becoming more formal as the latter are being confined more and more to their offices and an "up-through-the-ranks" promotion above foreman is becoming more rare. Increasingly managerial positions in the larger firms are being filled by outsiders trained for the job.

In the larger firms the atmosphere is not so relaxed as that in the smaller firms. Contentment varies but those in the skilled trades who are doing a job which they probably enjoy tend to be more satisfied than those in the unskilled sections who are
doing any available job. One manager believes, though, that as many of the latter lack the ability for jobs they like he doubts whether they could ever be entirely contented.

One other factor accounting for the good relations is the small size of Marton itself. Thus there is a tendency for the workers and management to live in the same areas, deal at the same shops, belong to the same clubs and generally move in similar circles.

Industrial relations are generally so good while everybody belongs to the appropriate trade union, troubles arising from this source are virtually nil. Any problems which do arise, therefore, can usually be solved with a minimum of disruption.

One further factor contributing to the high productivity are the superannuation and other welfare schemes offered by several firms. These, of course, cost the firms something but the benefits which accrue are considered large - most firms subscribing to the view that a happy labour force means higher productivity. In the same category is the over-time offered by most firms.

The disadvantages of a small labour pool, namely the shortage of or even complete absence of certain skills, its lack of flexibility and the difficulties of terminating employment, became very apparent during the research.

Eleven firms in the town, almost a third, consider the shortage of skilled labour a major problem. Eight of these are
engineering firms (B1, B2, B3, B4, B5, B6, B9, B12) while the other three are timber and joinery firms (A1, A2, A5). It is significant that none of the two largest textile firms in the town (C1, C2) find this a problem. Both are highly labour-orientated but only a small proportion of the labour is required to be highly skilled. In most cases the skills required are easily obtainable on the job.

As a group the engineering firms are most seriously affected by the shortage of skilled labour. There are three main reasons for this.

As long as the engineering firms were engaged in servicing the local district there was no problem. With the addition and development of manufacturing branches, however, the engineering industry has steadily outgrown the quality and quantity of skills available in rural town.

The problem has not been alleviated by the second factor: the failure of many apprentices to stay in the town after the completion of their time. Many migrate to work in the larger centres while a not inconsiderable number return to the family farm where their engineering skill is valuable. The failure of an apprentice to remain in the firm after the completion of his time means that the firm's investment in him has been largely wasted.

The third factor is the difficulty of attracting skilled labour from other towns when the trend is towards the cities with their greater range of amenities and services.
In an attempt to solve this problem one firm (B12) became more capital intensive. Formerly this firm had employed upwards of twelve but after World War II several automatic lathes, presses and shaping machines were installed. This action, however, has restricted its range of products since a machine is capable of doing only those operations for which it is designed. Skilled labour, on the other hand, is more adaptable. It is noteworthy, also, that automation leads to an increased demand for highly skilled labour to maintain and service the intricate plant.

Another problem of location in a small town is that there is less freedom in the termination of employment.

It is difficult for a manager of a small firm, where relationships are on a personal level, to terminate an employee's position. It is somewhat easier in the larger firms but even here the movement of both management and employees in many of the same circles make this a difficult task.

Another difficulty regarding the termination of employment is that of finding a replacement. For some positions several weeks may elapse before a replacement can be found and the interruption of the production routines may mean it is better to retain the poorer employee. Even in the less skilled positions, the training of replacements may be expensive.

One final consideration in this chapter is the existence of job opportunities for females. These are becoming increasingly important today as more and more females are joining the labour force. Many of these are married women and thus there is the added complication of many wanting to work only during school hours and during school terms. The establishment of
textile firms, whose staffs usually include a high proportion of females, is then of particular significance since not only are the skills required usually able to be taught on-the-job but also, as much of the work is "piece-work", the peculiar demands of married women can be catered for.

In summary, then, it can be said that the relatively low cost of industrially-zoned land and its location in relation to the transport networks as well as the relatively low rates make Marton an attractive location for certain types of industry. The excellence of the labour in terms of its productivity, its industrial relations and its relatively low cost add to the location's attraction.

The shortage of skilled labour, however, is a serious disadvantage and until it is remedied it seems unlikely that any firm with a large staff, unless it imports its own, will be established in the district.

FOOTNOTES

1. Services and amenities are considered in Chapter 9.

2. Personal communication with Palmerston North City Council and the Marton Borough Council.

3. "Inertia" here refers to the state of immobility which develops following the establishment of a factory at a given site. It develops because capital equipment is heavy investment and thus it cannot be readily written off. Furthermore, the considerable expense and effort, as well as the disruption of production, involved in transferring to another site means that it is often more economic to continue operating at the original site even if this has certain other disadvantages.
4. Estall and Buchanan, 1961, 72.

5. The textile group employs just over two-fifths of the total employed in the manufacturing sector.

6. It was this characteristic, in fact, which allowed the largest firm in the town (C1) to employ many of those "put-off" by other firms during the recent economic recession. It was indeed fortunate for the town's economy that this firm's introduction of a second shift coincided with this event.

7. The town's labour shortage is considered more fully in Chapter 10.
CHAPTER 9

LOCATION FACTORS: MISCELLANEOUS.

The Economics of Concentration and Linkage.

Industrial linkage involves the association of a number of separate firms each of which contributes a process or different production stage to a given product. A major advantage of linkage is that because a firm is able to concentrate upon one aspect of the production process it becomes more economic to adopt more specialised equipment and techniques. At the same time the firm is able to "contract out" of making certain other parts or of carrying out certain other processes both of which would normally be undertaken only on a smaller and more expensive scale. A possible disadvantage of the development of linkages is that firms become dependent upon each other to complete various tasks to the standard required and within the specified time period.

Such specialisation in a process or product only develops where a suitably large market for the process or product exists and thus linkage is usually most apparent in larger industrial concentrations.

Some firms in Wanganui, however, relied quite heavily, in the past, on firms located in such larger centres as Palmerston North, Wanganui or even Wellington, for specialised processing. The advantages of sub-contracting, however, were often outweighed by the disadvantages. Apart from the problems normally associated with linkage there was, also, the problem of moving goods or materials over a considerable distance to production points.
Communications had to be by letter or telephone and as such often special instructions were inadequately carried out. Furthermore, some semi-processed goods were, on occasions, damaged or even lost in transit.

These problems became so serious that one firm (B1) established its own foundry. On purely monetary terms the foundry is uneconomic but the firm believes that its advantages, notably the convenience and the fact that quality control can be maintained, make it a very worthwhile investment.

In recent years the dependence upon outside firms for specialised processing has been reduced. This has been brought about, firstly, by certain firms ceasing the manufacture of those products which require such specialised processing and, secondly, by the establishment of specialist processing plants in the town itself. Thus a certain amount of linkage is apparent today among some of the firms in Marton, particularly those engaged in engineering.

A noteworthy example of linkage occurs in the manufacture of petrol pumps. The sheet-metal casing of these is pressed by one firm (B3) while others supply the dial glasses (B2), carry out the electrical work (B5) and electro-plate some of the components (B10). A fifth firm (B1), which contracts the work out, supplies certain components itself, as well as assembling the final product. A sixth firm (A1) supplies the packing cases in which the petrol pumps are delivered to the customers.

The establishment of the electro-plating plant (B10) in 1968 was a particularly significant development since it
provided a service which today is becoming increasingly important in the engineering industry.

A measure of the importance attached to this firm by other engineering firms in the town was indicated by the concern expressed when it was found that, because the owner had infringed the town's zoning regulations, he would have to close this branch of the firm. The special decision made recently allowing him to continue has been favourably received by several of the local manufacturers.

There are, of course, other specialist services which are not yet available in Marton but should a sufficient market develop their establishment is possible in the future.

As it is, the existence of the electro-plating plant, the foundry and the sheet-metal pressing plant add to the attractions Marton already has for industry.

Another disadvantage of Marton's location outside the major industrial concentrations is that it lies beyond the "mainstream" of New Zealand industrial production. The principal warehouses of manufacturers' stocks, for example, are established in the larger centres and thus any manager of a local firm desiring to keep abreast of the latest developments in equipment and tools must regularly take business trips to "browse" through such warehouses. The fact that many of the materials used by the local firms have to be imported from overseas adds to the disadvantage of Marton's location in this respect.
Conferences and trade fairs are usually held in the main centres and these, too, require attendance. Of great significance in this respect are the social relationships which can develop among managers of firms engaged in similar branches of industry, thus allowing discussion of common problems and other matters of mutual interest.

Of course, Marton's location, less than three hours' drive from Wellington and within easy reach of the civil airports at Palmerston North and Wanganui, means that this is not necessarily a serious problem although it is inconvenient.

An advantage of a location outside a main centre, noted by one firm (B1), is that there is less likelihood of interruptions by visitors, whether government officials, industrial spies, research students, school parties or travellers. Thus production and research can be carried out with a minimum of disruption. Marton's location off the main highways adds to this advantage.

**Amenities and Services.**

Marton, of course, has suitable provision of such things as banking and insurance facilities, efficient fire and police services and satisfactory postal, telecommunication and transport services. Of particular significance to industry, however, is the provision of certain energy supplies, waste disposal services and water supplies.

**Energy Supplies**

The most important source of energy used by the local firms is electricity, supplies of which are readily available.
There has been no gas reticulation throughout the town since the closure of the gas-works in 1955. Furthermore, even though several firms established in Marton expressed an interest in natural gas, it was decided not to connect the town to the main natural gas pipe-line south from Taranaki which passes about eleven miles to the south-west. The non-availability of natural gas in Marton may prove to be a disadvantage in the future since it may become a significant energy source.

Waste Disposal Services.

At present under construction is a new sewerage plant using oxidation ponds. This plant is expected to be adequate for all future requirements at least until the 1980's. It is doubtful, however, whether it could handle large amounts of highly noxious wastes and thus it is unlikely that such an industry could be located in the town unless it installed its own plant for treating its effluent.

There are no serious problems regarding the disposal of other wastes although it is noteworthy that the two timber firms (A1, A2) regularly receive complaints about the smoke and soot from their incinerators.

Water Supply.

Water is an essential requirement of most industry, being used variously in cooling, in processing, in steam raising and in washing. In assessing the water supply of various possible locations, then, a firm will be concerned with its quality and quantity in terms of its particular usage.
In the past Marton’s water supply has been greatly criticised for both its quality and quantity. Quantity was such, in fact, that on one occasion during the early 1950’s the town actually ran out of water. The completion of a third dam in 1955, however, brought the total storage capacity to 164,000,000 gallons and this is expected to be adequate until the 1980’s at least. Quality, similarly, has been improved and today it is regarded as being good by the Health Department.

While today none of the local firms consider the water supply inadequate in any way, it is not surprising that, with the inadequacies of the supply in the past, few of the town’s factories use great quantities of water. There are, in fact, only two within the borough which use in excess of 1,000,000 gallons annually.

Even with the recent improvements, however, it seems that the quantity of water available can be regarded as inadequate for the establishment of certain industries. In fact, already one firm which found Marton ideal in most other respects did not establish its factory in the town for this very reason.

Conclusion

A major advantage of Marton as a site for industry is its location in relation to the major transport networks. With its good rail and road services, allowing same-day deliveries to most of the major cities and towns of the island, Marton is an excellent distribution centre.

The labour force is stable and industrial relations are good. While wages are probably lower than those in the city, living costs
are also lower and thus, in this respect, working in Marton would probably not be considered disadvantageous from an employee's viewpoint. The availability of employment for females is also an advantage.

The chief disadvantage of a small labour pool, the shortage or even absence of certain skills, is, however, very apparent. This is serious and is probably the town's principal disadvantage as a site for industry. Furthermore, it is one which must be remedied if significant growth in the manufacturing sector is to continue.

Land costs are lower than in comparable city areas — especially when the availability of industrial sites proximate to the railway station is considered. About 100 acres of land zoned for industry are still available. The existence of land-use zoning itself is an advantage since it indicates a receptive attitude towards industrial development.

While there are certain disadvantages of a location beyond the major industrial concentrations these apparently are outweighed by the advantages.

Water and sewerage services, however, while adequate for expected future requirements may prove to be inadequate for the establishment of certain types of industries. It is doubtful, for example, whether these services could adequately handle an industry which used either great quantities of noxious wastes. Another possible disadvantage in respect of services is the non-reticulation of natural gas throughout the town.
Should the labour shortage and the deficiencies in amenities and services be remedied, however, Marton in the future should prove a particularly good location for industry of a similar nature to that already established, that is, serving a wider-than-local market and using raw materials imported from beyond the district.

**FOOTNOTES**


2. The wool-scouring works (C1) use about 500,000 gallons of water daily but it is located beyond the borough. Its supply is obtained from the nearby Rangitawa Stream.

3. The labour shortage and the deficiencies in amenities and services are considered more fully in the following two chapters.
## Part Four

**The Future of Manufacturing Industry in Harton**

<table>
<thead>
<tr>
<th>Chapter</th>
<th>Title</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>10</td>
<td>Future Prospects: The Labour Shortage</td>
<td>139</td>
</tr>
<tr>
<td>11</td>
<td>Future Prospects: Industrial Promotion</td>
<td>153</td>
</tr>
<tr>
<td>12</td>
<td>Conclusion</td>
<td>160</td>
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</table>
CHAPTER 10

FUTURE PROSPECTS: THE LABOUR SHORTAGE.

One of the aims of every borough is population growth which, because it tends to have a multiplier effect upon the borough's growth, promises survival and continuing prosperity. For example, an increase in population leads to a greater income for the business community. This in turn leads to expansion and therefore a greater range of goods and services can be offered. At the same time the range of job opportunities can be expanded. This, of course, attracts more population and so the process continues.

By the same token increased population means increased revenue for the local authority and thus it is able to expand and improve the range of amenities and services offered. These, too, are important factors in the attraction of more industry and thus increased job opportunities.

The important factor in the growth of population of a town is the availability of job opportunities. Without these surplus labour will migrate to where they are available. At the same time, there will be little in-migration of labour. On the other hand, it should be noted that it is unlikely that industry will be established in a town which has a shortage of labour.

After World War II the availability of labour in the district contributed to the establishment of two highly labour-oriented firms and the expansion of several firms.
already established. These developments, since they also contributed to in-migration of labour, were significant factors in the town's growth during the 1950's and 1960's. Today, however, there is a shortage of labour and thus it is unlikely that any firm with more than a small staff will be established until the situation is remedied.

It is not without significance, for example, that none of the ten firms which have established a factory in Marton since 1960 employ more than five. Furthermore, several firms which have considered establishing a factory in Marton have not done so in the final instance because of the labour shortage. The most significant example of such an occurrence was reported in the local paper. "A Wellington-based firm producing sports trousers has chosen Marton as a site for a branch factory to handle finishing work. Should sufficient staff (about twenty-five females) be available, the firm intends......" Some six weeks later the following report appeared: "(The firm) has decided against the development because of its inability to get trained technical staff to come to Marton to put the factory into operation." It should be noted, too, that the firm was also unable to attract the local labour required.

This would suggest that not only is there a shortage of labour but that the town itself is also not sufficiently "attractive" to encourage in-migration of labour. The fact, too, that there is significant out-migration of labour from Marton while there is a shortage of labour would confirm the
view that the town itself has certain deficiencies as a place to live.

It is appropriate at this juncture to consider what Hoover terms "consumer location" and "producer location". He states that people have some preference as to "consumer location" - that is, where they would like to live and spend their income. Acting as consumers, then, people prefer to settle where living is secure, cheap and agreeable. On the other hand, there is also the question of "producer income" - that is, the best place to earn an income. Acting as producers, then, people prefer to work where earnings will be large and assured and working conditions pleasant. These consumer and producer motives exert conflicting pulls on the individual who must then choose a compromise location.

A further noteworthy point is the fact that most people come to prefer the kind of environment in which they are living rather than some other because psychological security and social contacts have been established.

By contrast, migration to a new area, where a better price for labour is being paid, involves physical effort, cost and risk as well as the often permanent severance of social connections. Labour, then, being an imperfectly mobile factor of production, does not quickly adjust to fluctuations in the producer's need for it as evidenced by the different prices being paid for labour.
These considerations have relevance to the situation in Marton. Firstly, if there is a shortage of labour in the town, any outward migration (except in cases where it is necessary for further education and training) must be because Marton, as a location for consumers, is inadequate in certain respects. Secondly, because consumer motives are strongly shaped by habit and past association, once individuals have been away from the town for some years and have become settled in a new location they will seldom return to live and work there. Thirdly, the attraction to Marton of either former citizens of the town or of citizens of other towns is going to become increasingly difficult the longer they live elsewhere.

There appears to be three alternative solutions to the town’s labour shortage. Firstly, there is the active discouragement of permanent out-migration of labour already in Marton. Secondly, there is the active encouragement of immigration of labour from districts beyond Marton on a permanent basis. Thirdly, there is the encouragement of nearby labour to commute to Marton instead of to other centres.

The Discouragement of Out-Migration of Labour from Marton.

Since censuses are held at five-yearly intervals and the results are classified on the basis of five-year age groups, any one age group in any one census comprises people who were in the previous age group during the previous census. If Table XIII is studied from this viewpoint it is apparent that significant out-migration has occurred in the 15 - 19 and
### TABLE XIII

**Barton Population: Distribution by Age-Sex Groups 1956, 1961 and 1966.**

<table>
<thead>
<tr>
<th>Age Group</th>
<th>Males</th>
<th>Females</th>
<th>Total</th>
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<td>50 - 54</td>
<td>90</td>
<td>97</td>
<td>121</td>
</tr>
<tr>
<td>55 - 59</td>
<td>86</td>
<td>92</td>
<td>94</td>
</tr>
<tr>
<td>60 - 64</td>
<td>65</td>
<td>71</td>
<td>85</td>
</tr>
<tr>
<td>Over 65</td>
<td>188</td>
<td>189</td>
<td>189</td>
</tr>
</tbody>
</table>

20 - 24 age groups. For example, the 15 - 19 age group (1956) is fifty-eight in excess of the 20 - 24 age group (1961); the 15 - 19 age group (1961) is fifty-two in excess of the 20 - 24 age group (1966); and, the 10 - 14 age group (1961) is sixty-three in excess of the 15 - 19 age group (1966). The 10 - 14 age group (1956) is an exception for it is only two in excess of the 15 - 19 age group (1961).

Such variation between censuses does not occur in any other age group. In fact, it is the stability in the older age groups during inter-censal periods which is significant. For example, the 24 - 29 age group (1956), the 30 - 34 age group (1961) and the 35 - 39 age group (1966) total respectively 239, 232 and 229. A significant factor accounting for this stability is that the majority of people in these age groups are married and thus security of employment and residence assume greater importance.

The relative stability of sex totals in the various age groups was also compared. It is noteworthy that more out-migration of males occurs in the 15 - 19 age group than of females whereas for the 20 - 24 age group the reverse occurs.

Certain out-migration is necessary, of course, for higher education and training but the increasing proportion who are leaving the district even though job opportunities are available in Marton is causing concern. This development is apparent when the destinations of school leavers, between
1962 and 1968, from the town's largest post-primary school, Rangitikei College, are considered (Table XIV).

These figures must be qualified since they include also pupils from Bulls and Hunterville who attend Rangitikei College. Furthermore, it should be noted that records of only the "first job" after leaving school are kept.

From this table several interesting developments are apparent. The proportion leaving the district for higher education and training has remained fairly constant during the period. The proportion finding jobs in the district, however, is declining while that proportion finding jobs beyond the district is increasing. The effect of the 1967 - 1968 economic recession is also apparent. Apart from the reduction in total numbers leaving school, a sharp reduction in the proportion and numbers leaving the district also occurred. This was brought about probably by the increased difficulty of finding jobs in the cities while at the same time in Marton the expansion of employment in one of the textile firms (C1) meant that many who formerly would have left the district found work locally.

As most out-migration takes place in the 15 - 19 and 20 - 24 age groups it is to these age groups that the attention of local authorities must be directed. If the population in these age groups can be discouraged from migrating it appears likely that they would remain in the town for most of their working life since little out-migration currently occurs in
### TABLE XIV

**Rangitikei College Survey: Destination of School Leavers, 1962 - 1968.**

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Left district for higher education or training.</td>
<td>30</td>
<td>22.3</td>
<td>26</td>
<td>18.7</td>
<td>28</td>
<td>20.4</td>
<td>28</td>
</tr>
<tr>
<td>Found employment beyond district.</td>
<td>15</td>
<td>14.1</td>
<td>21</td>
<td>14.0</td>
<td>14</td>
<td>10.2</td>
<td>13</td>
</tr>
<tr>
<td>Found employment within district.</td>
<td>70</td>
<td>51.8</td>
<td>92</td>
<td>61.3</td>
<td>95</td>
<td>69.3</td>
<td>104</td>
</tr>
<tr>
<td>Unknown</td>
<td>20</td>
<td>14.9</td>
<td>9</td>
<td>6.0</td>
<td>0</td>
<td>0.0</td>
<td>0</td>
</tr>
<tr>
<td>Total</td>
<td>135</td>
<td>100.0</td>
<td>150</td>
<td>100.0</td>
<td>137</td>
<td>100.0</td>
<td>145</td>
</tr>
</tbody>
</table>

A = Numbers  
B = Percentage

Source: Rangitikei College Records.

Note: The percentages are correct to one decimal place and thus, in some cases do not total 100.0 exactly.
the older age groups. If the reasons or motivations for migrating out of the town can be discovered then action can be taken to try to remedy the situation.

In an attempt to find possible answers a questionnaire was given, in November, 1968, to 151 students of Rangitikei College who had earlier indicated that they were going to leave at the end of that year (Appendix A). This questionnaire was concerned with the advantages and disadvantages of living in a rural town in the eyes of the teenager and some of the results are outlined in Table XV.

**TABLE XV**

RANGITIKEI COLLEGE SURVEY: PREFERENCES FOR PLACE OF WORK, 1968

<table>
<thead>
<tr>
<th>Preferred Place of Work</th>
<th>Males</th>
<th>Females</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>A</td>
<td>B</td>
<td>A</td>
</tr>
<tr>
<td>Town</td>
<td>44</td>
<td>63.8</td>
<td>31</td>
</tr>
<tr>
<td>City</td>
<td>20</td>
<td>29.0</td>
<td>49</td>
</tr>
<tr>
<td>No Answer</td>
<td>5</td>
<td>7.2</td>
<td>2</td>
</tr>
<tr>
<td>Total</td>
<td>69</td>
<td>100.0</td>
<td>82</td>
</tr>
</tbody>
</table>

A = Total Number

B = Percentage

Source: Questionnaire B

In answer to the question: "If your preferred job was available in both your home town and a city where would you prefer to work?" 49.7% indicated a preference for the home town. It was of interest to note, however, that a far greater proportion of the girls wanted to work in the city. In comparing
this fact with those apparent in Table XIII it would appear, however, that many of the females do not, in fact eventually do so.

Two other questions were of particular relevance. Firstly: "What reasons can you give as to why you would prefer to work in a city?" and secondly: "What facilities does Marton lack?" In answer to the first, the most common reasons included the desire for independence, the opportunities to meet more people, the existence of better recreational facilities and the opportunities for a better social life. In answer to the second, the most common replies included a good coffee bar and a licensed restaurant, a gymnasium, a regular dance and a youth club.

It is apparent, then, that the major reason for young people leaving Marton is not its failure as a producer location but rather its failure as a consumer location. And the main deficiencies in this respect are broadly concerned with recreation.

There are numerous clubs in the town but none are specifically directed at younger age groups. Several attempts have been made to organise youth clubs but none apparently have ever adequately filled the need. The chief criticism of these was their church association. It is indeed unfortunate that church ministers have in the past usually been one of the few groups in the town who have attempted to organise youth clubs and yet it has been this very association which has seemingly spoiled the occasion.
A regular dance and a gymnasium are other facilities referred to as lacking. The main problems in this respect seem to be a lack of people willing to supervise and organise and a lack of suitable premises. While Marton has a large number of halls most are undersized and in poor condition. Thus the erection of one good, yet simple hall for use as a recreation centre would be a very worthwhile investment.

The lack of organised recreation can be attributed, in part, to the car. Since it has given people more mobility and freedom to make their own pleasure, it has, at the same time, reduced the need for local people to unite for their own recreation.

Finance, of course, is always a problem but it is not insurmountable provided the residents of Marton can be made to appreciate the importance of such facilities in the town's growth.

Even should these various deficiencies be remedied it is doubtful, however, whether outward migration would be significantly reduced. What Marton chiefly lacks is population. A real advantage of city life is the anonymity which it gives to the individual. In a small town there is a tendency for everybody to be aware of what everyone does. Thus gives the opportunity of escaping from this atmosphere while at the same time gaining the independence desired, many young people will migrate from Marton to a city.

Even so, the establishment of the various facilities noted above would not detract from Marton as a consumer location.
The Encouragement of In-Migration
Of Labour to Marton.

The encouragement of people from beyond the district to live and work is difficult. Very significant is the inertia which develops in respect of one's place of residence. At the same time the overall national trend is towards the larger urban centres which have certain inherent advantages as both consumer and producer locations. Wages are usually higher, in money terms at least, and there are more numerous and varied job opportunities available. Cultural, educational, recreational and retail facilities are also better developed.

There are, however, certain advantages in living in a smaller centre. The cost of living, for example, is often lower than that in a city. The slower pace of activity in the retail centre and the availability of parking close-by, together with the fact that the place of work is usually not far distant from the place of residence are other important advantages. The amenities and services however, are not usually as well-developed and, also, there are fewer and less varied job opportunities available.

Thus for the individual it is a matter of weighing up the relative advantages and disadvantages of living in a small town.

While Marton does not have many of the facilities which younger people desire, with regard to those in the older age groups, the town is well-serviced. A hospital, a library, p​lunket services and the main churches are established as are
numerous cultural and sporting clubs. Educational facilities ranging between kindergarten and college levels, both private and public, are also established. Regular bus services run between Marton Junction and the main retail centre which is itself regarded as well-developed for a town of Marton's size.

Thus the town has available most of the requirements of a married man and his family. The proximity to Marton of two cities, Palmerston North and Wanganui, furthermore, means that regular trips to obtain special requirements can be made with little difficulty.

Before significant in-migration would occur, however, these advantages would have to be widely advertised and the very significant factor of inertia would have to be overcome. Thus it is probable that special inducements would have to be made available by the firms.

Commuting

It is noteworthy that many people working in larger New Zealand cities commute over twenty miles daily. Thus daily commuting from Palmerston North and Wanganui is not beyond the realms of possibility. The wages in Marton, however, would have to be higher than those in either city to make commuting profitable.

More likely, therefore, is daily commuting from Bulls. The population of Bulls, between 1956 and 1966, more than doubled from 793 to 1803. This occurred mainly with the development of the R.N.Z.A.F. Base at Ohakea. At present, many of the children of these people commute to Palmerston.
North for work - a special daily bus runs for the purpose. It is possible that this labour could be attracted to Marton if certain inducements, like the provision of a free bus by local firms, were provided.

The shortage of labour in the town, then, can be remedied. Considerable effort on the part of both the local firms and the local authorities will be required, however, to create those conditions which will make Marton attractive as both a consumer and producer location.

FOOTNOTES

1. A firm could import its own labour but this is not likely.


4. Hoover, 1948, 4-6.

5. A possible resolution of the conflict is to produce in one place and consume in another. There are, however, certain disadvantages in commuting whether daily, weekly or for even longer periods.

6. The greater proportion of students in the other two post-primary schools in the town come from beyond the district. These two schools were not included in the survey and nor were the small number of pupils of the district attending schools in other centres.

7. The state of Marton's retail centre was briefly considered in Chapter 5.
CHAPTER 11

FUTURE PROSPECTS: INDUSTRIAL PROMOTION.

The presence of certain advantages for an industry is not in itself sufficient to ensure future growth and prosperity. They must also be brought to the attention of industrial promoters.

Today towns and cities are becoming increasingly aware of the significance of basic industrial activity in their future growth and prosperity and thus the attraction of industry is becoming a highly competitive business. In fact, a town or city which does not actively promote its advantages as a location for industry or one which does it inadequately is at a real disadvantage.

The active promotion of towns and cities as locations for industry is largely a post-World War II phenomenon in New Zealand. Formerly the role of government, both local and national, in influencing the location of industry was fairly passive. Certain by-laws and regulations were promulgated and communication networks, health and power services, public utilities and the like were provided. Few of the latter group, however, were established with the specific aim of attracting industry. This relatively passive role did, however, considerably influence location. For example, the decision to locate the railway junction at Marton and not at Feilding has proved to be very significant
in the establishment of industry in Marton. The tardiness of the local authorities in developing the public utilities, on the other hand, has detracted from Marton as a location for industry.

Today the situation is changing as increasingly local and national governments are seeking to influence the location of industry for a variety of economic, social and strategic reasons. National government policies concerning the decentralisation of industry and the development of "depressed" areas are indicative of this more active role. No policies to benefit specifically either Marton or the local area, however, have been promulgated by the national government. Thus in Marton the attraction of industry is the responsibility of the local authorities.

A major requirement in the attraction of industry is the existence of a local promotional group. Not only does this ensure that the promotional activities will be carried out in an efficient manner but it is also indicative of a receptive attitude towards industry.

The Marton Development Council was formed in August, 1962. Initially it lacked the support of some manufacturers who believed that such an organisation, if successful in attracting industry to the town, would aggravate the labour shortage and, as a result of the increased competition for labour, lead to a rise in the price of labour. This is not a necessary
consequence of the establishment of new industry, however. Anyway, a firm considering locating its factory in Marton would, of course, thoroughly investigate such a possibility before coming to a final decision.

Promotional activities to date have been limited largely to the printing of small booklets and pictorial envelopes and the erection of signs on the main highways. Statistical data and other information of particular interest to industrial promoters has been available but the Development Council has tended to wait for a request from the promoters rather than to actively bring it to their attention. This has meant that, compared with other towns which have been more active in their promotion, Marton has been at a disadvantage.

The Development Council's apparent lack of success, that is, the establishment of no new industry as a direct result of its efforts does not necessarily mean, however, that it has been wholly unsuccessful since new residents may have been attracted to the town.

To be more successful in the future the Development Council needs to reconsider its activities in the light of its two distinct yet related roles. In its activities it has become aware of the deficiencies of Marton as a site for industry, notably the shortage of labour and certain inadequate amenities and services. It must also be aware that these deficiencies are such that until they are remedied its promotional activities are likely to be frustrated. Thus the Development Council must take on the further role of
remedying these deficiencies in order to carry out its major role, the promotion of Marton as a site for industry.

To try to remedy the labour shortage the Development Council must promote the town as a desirable consumer and producer location. This requires nation-wide advertising.

The other major deficiency is one which the Development Council itself cannot remedy. Rather it must bring to the attention of the local authorities the present inadequacies in amenities and services and hope that they will remedy the situation.

The existence of good amenities and services attract both industry and population. But since their development must be financed, a problem is posed in respect of priorities.

The problem is particularly serious in respect of amenities and services specially developed for industry. Few firms, for example, are likely to establish factories until these are assured, especially if alternative sites in other towns are available which have the necessary amenities and services already developed. Thus to attract industry and population, particularly the former, a town is more or less obliged to anticipate and develop the necessary amenities and services. Since neither the anticipated industry nor population may, in fact, eventuate such development is largely a matter of faith in the town's potential.
Marton has been relatively unsuccessful in this respect. Prior to World War I the borough council was most active in the development of amenities and services but their policies resulted in debts. During the interwar period more conservative councils were successful in making the town debt-free claiming also that the rates were among the lowest in the country. But low rates were probably at the expense of improved and expanded amenities and services since virtually nothing was done in this respect. Consequently post-World War II councils have had to remedy almost thirty years of inactivity with only limited capital available.

Until the present day, in fact, most council expenditure has been concerned with adequately servicing what was already present. With such essential capital expenditure on hand, then, it is not difficult to understand why successive councils have been averse to spending even a portion of the limited funds available on amenities and services of special benefit to industry/could remain under-utilised for many years.

In the near future, however, the council should be able to direct its attention to such amenities and services. What perhaps is most required is the development of a fully-serviced "industrial estate" since this would be a major attraction for industry. Some of the areas which have already been zoned "industrial" could provide the basis for such an "estate".
One further point relates to the availability of natural gas. Since the main pipe-line south from Taranaki passes only eleven miles south-east of the town, the construction of a branch line to Marton at some future date would be a wise development. Several firms in Marton, in fact, have already shown an interest in such a development.

When these deficiencies have been remedied the Development Council will be able to devote its full attention to what is its major role, the active promotion of Marton as a site for industry.

Industrial promotion is a highly competitive business and thus a town must ensure that its promotion is carried out in the best manner possible.

The prime requirement is a promotion officer whose task is to "sell" the town to interested industrial promoters. It is also important that he be employed on a full-time basis thus allowing him to devote his full attention to the job.

Another important requirement is the availability of accurate information on the resources and economic condition of the area. This, in turn, means that regular economic surveys of the area must be undertaken.

Furthermore, it should be noted that industrial promotion is likely to be far more successful if fully
Service industrial sites are available for immediate occupation.

FOOTNOTES

1. "Basic" here refers to those industrial activities which create purchasing power in the town. See Chapter 5.

2. Marton and Feilding were both surveyed as alternative locations for the railway junction. (A.J.H.R., 1884, I-6, 93-4).

3. The Marton Development Council employs no full-time officers. In fact, most of the members are manufacturers who naturally are primarily concerned with their own firms.
CHAPTER 12.

CONCLUSION.

Initially manufacturing industry in Marton served primarily the town and its immediate hinterland and from the same area drew most of the raw materials required. During the years that followed, however, the town's manufacturing industry became increasingly less dependent upon the local area as a source of raw materials.

After World War II, following the establishment in the town of two large textile firms with nation-wide markets, several other local firms also developed so as to take advantage of the existing transport networks and serve a wider-than-local area. Development was such that today it is a notable feature of the town's manufacturing industry that it is primarily engaged in serving non-local markets and that the raw materials used are virtually all obtained from beyond the local district, many, in fact, being imported from overseas.

The importance of transport services and networks in the success and growth of Marton's manufacturing industry since World War II, then, is very apparent. Transport, though, has been a significant influence on local industry ever since its beginnings in the 1850's.

At that time the inadequate transport development made it uneconomic to serve the district from a few large firms. Thus the establishment and duplication of numerous, small and often uneconomic firms was encouraged. With the improvement in transport such firms faced increasing competition from firms
more strategically located in other centres and a significant number, in fact, were eventually forced to close.

The improvement of transport, however, was also significant in the survival of certain firms in Marton as well as in the establishment of new firms following World War II. This post-war industry differed from that which had operated earlier in that it served increasingly a non-local market. Marton, in fact, had come to be regarded favourably as a distribution centre and thus much of the industry was established or developed to take advantage of this fact.

There were, of course, many towns whose growth was adversely affected by progress in transport but not all were so fortuitously located as Marton was to take advantage of these same developments. On the other hand, there were other towns as fortuitously located, but, like Marton, many of these lacked other distinctive features which would give them a peculiar or unique advantage.

In the early post-war period it was the element of entrepreneurship which was of considerable significance in accounting for the location of several firms, in the town. Today, however, promotion is becoming increasingly important and, as so many towns have no peculiar advantages, it is those towns which can suggest in some way that they are a better location for industry which will prove to be the most successful in this respect.

The introduction of new basic economic activity has been
of notable significance in the growth of Marton itself since World War II. The addition or elaboration of functions in what was originally essentially a service centre, however, created significant problems. This is probably because the specific requirements of different functions vary to a greater or lesser extent. In Marton's case the deficiencies which have become apparent are in the supply of labour and in the provision of amenities and services. These deficiencies have proved, in fact, a real handicap in efforts to attract more industry. Thus to ensure that Marton, in its quest for more manufacturing industry, remains "competitive" such deficiencies must be made good. Only then can the potential of this strategically situated town be fully realised and only then can its future growth and prosperity be assured.
## APPENDICES

<table>
<thead>
<tr>
<th>Appendix</th>
<th>Title</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>A</td>
<td>Questionnaires</td>
<td>164</td>
</tr>
<tr>
<td>B</td>
<td>Classification of Firms</td>
<td>178</td>
</tr>
<tr>
<td>C</td>
<td>M.S.D. - Speirs, Ltd: The Growth of a Timber Firm</td>
<td>480</td>
</tr>
</tbody>
</table>
APPENDIX A

QUESTIONNAIRES

A: MARTON - INDUSTRIAL SURVEY QUESTIONNAIRE, 1968

A  GENERAL

1 What is the full name and address of this factory?

2 What is the general nature of this company's product - e.g. engineering, textiles, etc.?

B  OWNERSHIP

1 a) Is this company privately or publicly owned?

   b) What percentage of shares are held by the residents of this district?

2 Is this company a subsidiary of another?

   If so, (i) where is the head office?

   (ii) are there any other subsidiaries?

   If so, (iii) where are they and what is the nature of their product?

3 Has this company any subsidiaries?

   If so, what are their names and the nature of their products?
C SITE AND BUILDINGS

1 a) What is the area of this site? ..........
   b) What is its approximate value? ..........
   c) What are the rates? ......................

2 a) Is the site owned or leased? ............
   b) Are the buildings owned or leased? ....
   c) If there were a choice would you prefer to own or lease:

   (i) the site ................................

   (ii) the buildings ..........................

   (iii) Why do you say this? ................

D HISTORY

1 a) In what year did manufacturing begin? ..
   b) Prior to this had there been a retail business here?

   If so,
   (i) what was this concerned with? .........

   (ii) Does this business continue? ..........

   c) Do you know what was on this site before your factory?

2 Is the present location of the factory the initial one?

   If not,
   (i) where was it? ..........................

   (ii) In what year was it shifted? .........

   (iii) For what reasons was it shifted? ....
E PRODUCTION

1 What are your present products? Indicate those which you consider are your most important products.

2 Are by-products produced?
   If so, (i) what are they?
   (ii) Where are they used?

3 What waste products are produced and what happens to these?

4 a) Have there been any major changes in products since the factor's establishment?
   If so, (i) what were they?
   (ii) Why were these necessary?
   b) Is there a likelihood of major changes in the future?
      If so, what are they likely to be

5 a) What was the value of production for the 1967/8 Financial Year?
   b) What was the total cost of new materials?
   c) What was the total amount paid out in wages?
1 What are the main requirements of this factory? 

2 a) What factors influenced the company to locate in Marton? Grade in order of importance. 

2 b) What factors influenced the choice of this specific site? Grade in order of importance. 

3 a) What are the problems inherent in locating in this town? 

3 b) What are the problems inherent in locating on this site? 

4 Is the factory likely to move or close down? 

If so, what are the reasons for this move? 

5 If the company was to start again where would it locate and why?
G RAW MATERIALS

1 Please complete this table.

<table>
<thead>
<tr>
<th>Raw Material</th>
<th>Quantity</th>
<th>Source</th>
<th>Transport</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

H WATER

1 a) What amount do you use annually? ...

1 b) Is there any important seasonal variation? ...

2 Is purity important? ...

3 Do you have a special contract regarding the cost of water?
   If so, what is it? ...

4 Are you satisfied with the supply? ...
   If not, for what reason? ...

I POWER

1 What are your sources of power and approximately what amount do you use of each annually? ...

   ...
2 Do you have a special contract regarding costs? If so, what is it?

3 Are you satisfied with your sources of power? If not, for what reason?

4 Were you affected by the closure of the gasworks?

5 Are you likely to be interested in natural gas?

J WASTE PRODUCTS

1 Do you have any problems regarding the disposal of wastes? If so, what are they?

K MARKET

1 a) Please complete the following table.

<table>
<thead>
<tr>
<th>Area</th>
<th>% output sold</th>
<th>Mode of Transport</th>
</tr>
</thead>
<tbody>
<tr>
<td>Locally</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Within 30 Miles</td>
<td></td>
<td></td>
</tr>
<tr>
<td>of Marton</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Wgtn-Manawatu-Taranaki</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Rest of the North Island</td>
<td></td>
<td></td>
</tr>
<tr>
<td>South Island</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Overseas</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

b) Do you make products for any particular markets? If so, what are the products and for what market are they made?
2 a) Have there been any significant changes in your market over the last decade? 
If so, what were they?
3 Do you advertise? 
If so, (i) by what means?  
(ii) Do you think this has been effective? 
(iii) Can you remember any specific occasions when demand for a product has been directly attributable to your advertising (e.g. demand from a new market)?

1 TRANSPORT
1 Do you have your own transport?  
If so, is this adequate for transporting all your production? 
If not, about what proportion is carried by your own transport?
2 a) Are you satisfied with the quality of transport used for carrying
(1) raw materials  
(ii) finished products  

b) Have you any complaints about certain aspects of the transport (e.g. care, costs, speed, etc)?  
If so, what are they?
c) Are you considering any changes in the mode of transport? . . . . . . . . . . . . . . . .

If so, what are these changes and why are you considering them?

M EMPLOYMENT

1. a) Please complete the following table.

<table>
<thead>
<tr>
<th>Male</th>
<th>Female</th>
</tr>
</thead>
<tbody>
<tr>
<td>Full-time</td>
<td>Total Maoris</td>
</tr>
<tr>
<td>Part-time</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td>Total No. in Factory</td>
<td></td>
</tr>
<tr>
<td>Total No. in Office</td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td></td>
</tr>
</tbody>
</table>

b) Do you employ seasonal labour? . . . . . . . . . .

If so, (i) for what period? . . . . . . . . . . .

and (ii) what number? . . . . . . . . . . .

c) Could you provide the total employment for the following years?


2 Do any of your employees live outside the borough boundaries?  
   If so, (1) how many commute more than about 3 miles?
   (ii) How many commute from Bulls Hunterville.  . . .  
        Turakina.  . . .  
        Elsewhere.  . . .  

3 a) How many vacancies have you at present?  . . . .  
   (i) How many are for general positions?  . . .  
   (ii) How many are for skilled positions.  . . .  
        (stipulate the skill).  . . .  
        ...  . . .  
        ...  . . .  

b) Do you find difficulty in obtaining an adequate supply of labour?  . . . .  
   If so, why do you think this is?  . . . .  
   ...  . . .  
   ...  . . .  
   ...  . . .  
   ...  . . .  

c) Do you advertise widely for labour?  . . . .  
   If so, how widely?  . . . .  

d) Do you offer any special incentives to attract labour?  . . . .  
   If so, what are they?  . . . .  
   ...  . . .  
   ...  . . .  
   ...  . . .
e) Do you have a policy regarding the following?
   In each case, if you do, could you explain what it is.
   (i) employment of certain age groups
   (ii) employment of Maoris
   (iii) educational levels of your employees

4 Do you do on-the-job training for skilled positions?

5 a) Are there any problems regarding labour which are causing you concern at the moment?
   If so, what are they?

b) Is labour turnover a problem?

c) Is absenteeism a problem?

d) Have you had any recent complaints from your workers?
   If so, what were they?

e) Do your employees belong to a trade union?
   Have you had problems from this source?
   If so, what were they?

f) Do you believe that your employees are happy?

g) Do you consider that there is a family atmosphere?

h) Do you think that there is a management vs. employees group?
1) Is there first name calling throughout the enterprise?    

6 Do you have a system of bonuses and incentive operating?  
    If so, what are they?  

7 Are your overseer positions filled with people who have worked up through the ranks?  

8 a) What are the normal hours of work?  
    b) Do you have shifts?  
    If so, what times are they?  
    c) Is overtime offered?  

9 Have any employees left to establish their own businesses?  
    If so, could you list the businesses established and their locality?  

N POLITICAL INFLUENCES  

1 Do you believe that the Harton Development Council is worthwhile?  

2 Has the local Council influenced you in any way?  
    If so, in what way?  
EXPANSION

a) Is further expansion contemplated in the near future?

b) Does this mean an increase in or a diversification of product?

If diversification, in what directions will it be?

c) How much additional labour will be needed. Will any particular skills be needed?

If so, what will they be?

d) Will the site and/or building be adequate?

e) Will this necessitate the development of new markets?

If so, where do you anticipate that they will be?

OTHER THOUGHTS

1. What are the main problems facing your industry at the moment?
2 Do you know of any companies which have considered establishing in Marton but which did not for a variety of reasons?

3 Can you think of any other points which may be of interest?
B: RANGITIKI COLLEGE - SCHOOL LEAVERS QUESTIONNAIRE, 1968

Name: ..........................................

Sex: ..........................................

Form: ..........................................

Home Town or District: ..................................

(Answer questions 2, 3, and 4, regardless of what your answer is for 1)

1 Assuming you could get the same job in a city as you can get in your home area would you prefer to work there (that is, in the city)? (Answer Yes or No) ..................................

2 What reasons can you give as to why you might like to work in a city? ..................................

3 What reasons can you give as to why you might like to work in your home town? ..................................

4 Do you consider that you are a Martonian, or consider it your home town? ..................................

If you do, what facilities do you think Marton lacks? (e.g. clubs, sporting groups etc.) Be specific in your answers. ..................................

..................................

..................................

..................................
APPENDIX B

CLASSIFICATION OF FIRMS.

The manufacturing firms operating in Marton at the time of the survey have been grouped in accordance with the relevant sections of the classification used by the Department of Statistics: building materials and furniture; engineering; textiles; non-metallic mineral products; food; printing and publishing; leather goods and other. Two of the groups, "building materials and furniture" and "engineering", include two and five smaller groups, respectively differentiated by the department, and these have thus been renamed.

Each group has been allocated a letter code, A to H, and the firms within each group have been numbered, beginning with the largest in terms of employment in 1969. The three most important groups in the town, building materials and furniture, engineering and textiles, head the classification.

The classification, showing the full name of each firm, its code-number and its industrial group, is shown on the next page.

FOOTNOTE.

### Classification of Firms

<table>
<thead>
<tr>
<th>Industrial Group</th>
<th>Code</th>
<th>Name of Firm</th>
</tr>
</thead>
<tbody>
<tr>
<td>Building Materials and Furniture</td>
<td>A1</td>
<td>M.S.D. Speirs Ltd.</td>
</tr>
<tr>
<td></td>
<td>A2</td>
<td>T. &amp; J. McIlvaine Ltd.</td>
</tr>
<tr>
<td></td>
<td>A3</td>
<td>A. Cobham &amp; Sons Ltd.</td>
</tr>
<tr>
<td></td>
<td>A4</td>
<td>Fletcher Timber Co. Ltd.</td>
</tr>
<tr>
<td></td>
<td>A5</td>
<td>Carey's Joinery Factory.</td>
</tr>
<tr>
<td></td>
<td>A6</td>
<td>Gorrie &amp; Witford Ltd.</td>
</tr>
<tr>
<td></td>
<td>A7</td>
<td>G. L. Sanders.</td>
</tr>
<tr>
<td></td>
<td>A8</td>
<td>B. C. Luxley.</td>
</tr>
<tr>
<td></td>
<td>A9</td>
<td>Gates (Rangitikei) Ltd.</td>
</tr>
<tr>
<td></td>
<td>A10</td>
<td>E. J. D. Zander.</td>
</tr>
<tr>
<td>Engineering</td>
<td>B1</td>
<td>Production Engineering Co. Ltd.</td>
</tr>
<tr>
<td></td>
<td>B2</td>
<td>Domett Tractor Co. Ltd.</td>
</tr>
<tr>
<td></td>
<td>B3</td>
<td>Bronco Ltd.</td>
</tr>
<tr>
<td></td>
<td>B4</td>
<td>C. H. Campbell Ltd.</td>
</tr>
<tr>
<td></td>
<td>B5</td>
<td>Electro-Magnetic Products Ltd.</td>
</tr>
<tr>
<td></td>
<td>B6</td>
<td>Marton Motor Body Builders Ltd.</td>
</tr>
<tr>
<td></td>
<td>B7</td>
<td>Marton Engineering Works.</td>
</tr>
<tr>
<td></td>
<td>B8</td>
<td>Arc-Rite Ltd.</td>
</tr>
<tr>
<td></td>
<td>B9</td>
<td>Wynne Griffiths Ltd.</td>
</tr>
<tr>
<td></td>
<td>B10</td>
<td>Pipe &amp; Wire Works.</td>
</tr>
<tr>
<td></td>
<td>B11</td>
<td>G. R. Palmer Engineering Ltd.</td>
</tr>
<tr>
<td></td>
<td>B12</td>
<td>Nielsen's Engineering Co. Ltd.</td>
</tr>
<tr>
<td>Textiles</td>
<td>C1</td>
<td>F. &amp; T. Wools Ltd.</td>
</tr>
<tr>
<td></td>
<td>C2</td>
<td>Pacific Chenille Craft Co. Ltd.</td>
</tr>
<tr>
<td></td>
<td>C3</td>
<td>Marton Textile Printworks Ltd.</td>
</tr>
<tr>
<td>Non-Metallic Mineral Products</td>
<td>D1</td>
<td>Marton Junction Brick &amp; Tile Works Ltd.</td>
</tr>
<tr>
<td></td>
<td>D2</td>
<td>Harvey &amp; Calkin Ltd.</td>
</tr>
<tr>
<td></td>
<td>D3</td>
<td>McIlvain Ready-Mix Ltd.</td>
</tr>
<tr>
<td></td>
<td>D4</td>
<td>Marton Concrete Pipes Ltd.</td>
</tr>
<tr>
<td></td>
<td>D5</td>
<td>Pendulum Products Ltd.</td>
</tr>
<tr>
<td>Food</td>
<td>E1</td>
<td>Tux Distributors Ltd.</td>
</tr>
<tr>
<td></td>
<td>E2</td>
<td>Marton Smallgoods Ltd.</td>
</tr>
<tr>
<td>Printing and Publishing</td>
<td>F1</td>
<td>Marton Printery.</td>
</tr>
<tr>
<td></td>
<td>F2</td>
<td>The Rangitikei Mail.</td>
</tr>
<tr>
<td>Leather Goods</td>
<td>G1</td>
<td>F. E. Pilgrim Ltd.</td>
</tr>
<tr>
<td>Other</td>
<td>H1</td>
<td>Marton Seed-Cleaning Co. Ltd.</td>
</tr>
</tbody>
</table>
Major R. A. Wilson of Bulls, the founder of the original company, foresaw the potential of the magnificent stands of timber in the King Country and, accordingly, accumulated several leases of "bush" land from settlers under an arrangement by which cutting would commence as soon as the Main Trunk became operational.

By 1906 the railway had reached the main bush leases and several sawmills were opened. Of these, the Rangataua Timber Company was the most important, cutting annually, as it did, an average of two million feet of native timber throughout its seventeen years of operation. This sawmill, in fact, became the sheet anchor of the parent company.

As demand for sawn timber, at this time, was poor, a decision was made to open a yard for the storage of sawn timber at Marton - which had the added advantage of being a major railway junction. Land was purchased at what was to become probably the best industrial site in the town - the immediate junction of the two main railway lines. Just prior to opening the yard, however, the company was approached by a local joinery firm, which operated from Wellington Road, to buy them out. The takeover, site, buildings and all, was completed in 1907, the new company being named the Marton Sash, Door and Timber Company.
It was soon apparent, however, that the "Junction" site was better and the decision was made to re-locate the firm at this site over a period of years. Thus the sawmill, opened in 1923, and the planing-shed, opened soon after, were both established at the "Junction" site. Surprisingly, however, the two-storied joinery factory, which was burnt in 1933, was re-built on the Wellington Road site.

The late 1920's were difficult times for the timber trade. Firstly, a large increase in rail freight costs for logs led to the closure of the sawmill at Marton and the establishment of several smaller sawmills on the timber lands. At about the same time, bush-workings which had supplied the sawmill at Marton were taken over, thus giving the company a much greater measure of control over timber output than it had formerly.

Secondly, the depression resulted in a dramatic reduction in the demand for timber. Wilson notes, for example, that between 1926-27 and 1930-31 the amount of timber moving into the Auckland area fell from 55,176,000 to 9,608,900 feet. The drop in the value of building permits issued in the same area, from $5,453,560 in 1927 to $758,512 in 1931-32, further emphasised the depressed state of the market during this period. Many timber companies, as a consequence, were not able to survive the depression period.

M.S.D., however, inspite of heavy losses - no dividends were paid for eleven years after 1927 - did survive possibly because during the period 1918-1929 only $41,424 of the total profits of $128,940 had been paid out as dividends. The
remainder of the profits had been used to strengthen the company thus enabling it to withstand the losses of the next decade.

The company recovered well and by 1945 all the mortgages were paid off and the company's bank account was in credit. Cutting commenced at Mangapehi and during its lifetime, 1941 - 1955, it became the most successful mill of the company, surpassing even the output of the Mangataua Mill.

The post-war decade was interesting for the company, under a new manager, underwent considerable development designed to strengthen its economic base. But at the same time, however, certain company decisions were made which led to significant developments in Marton's other timber company. The latter, as a result, became a major competitor of M.S.D. A brief note on the growth of T. and J. McIlwaine Ltd. seems, then, appropriate.

T. and J. McIlwaine's timber company commencing operations in 1910 as a building and contracting firm, soon after, in 1919, opened a joinery department. It remained a fairly small company until after World War II - in 1950 only twenty men were employed by the company. Since that date, however, the company has undergone quite remarkable development. Employment has increased to in excess of seventy and it has its own sawmill and ready-mix concrete departments. In accounting for this development the present management suggests that the greatest single factor were the policies of M.S.D. While this is probably true some explanation seems called for.

After World War II, with the upsurge of demand for timber,
there was a great shortage of building materials. Government controls were instituted and actual rationing of timber occurred. Operating the only sawmill in Marton, and with a sellers' market operating, M.S.D. made two unpopular but necessary decisions. Firstly, the company would produce only stock sizes and consequently builders would have to adapt their designs accordingly. Secondly, it made a decision as to how its production would be distributed. There were two alternative courses of action. It could share its output equally amongst the builders and, as all there was insufficient to satisfy all, nobody would get that was required. Or, it could satisfy some completely at the expense of the other customers. The manager chose the latter course, the more fortunate being selected, firstly on the basis that they were a good credit risk, and secondly, that they were likely to buy all their other building supplies, notably hardware and joinery, from the company.

Although a fairly reasonable decision it proved unfortunate for the company's largest, single purchaser of timber, T. and J. McIlwaine, also had its own joinery which it refused to close. This company could afford to make this decision since it had the resources to open its own sawmill. Furthermore, once McIlwaine's had opened its sawmill, it was found to be more economic to produce in excess of its own requirements. Appreciating the profitability of this development, especially in view of the fact that this branch venture was not basic to the operations of the parent company, the company's decision was to cut to any size. It gained a considerable measure of good-will - and customers - by this action.
Apart from these decisions which gained M.S.D. a measure of unpopularity, however, the company, during the first post-war decade, embarked upon several progressive and successful developments.

Firstly, foreseeing the future scarcity of native timbers and related problems, a decision was made in 1947 to acquire 1,400 acres of rough waste-land, half of it in drift-sand, some nine miles from Marton for the establishment of a pinus radiata plantation. Today the planting of this area has been completed and the cutting of posts, as part of the thinning process, has already commenced.

Secondly, to allow the pinus timbers to be utilised, a plant for the "tanalith" process was installed in 1949—being only the second company in New Zealand to do so. By this means the company was able to encourage the use of "pinus" in building construction and also to pioneer the use, in 1952, of the process for fencing posts. As a practical demonstration of confidence in the process the company's forest was fenced with posts of four different species. Today it is clear that the treated pinus posts have lasted the best and it is perhaps not insignificant that the two native timbers used, matal and totara, proved least satisfactory.

Thirdly, in 1956, the company was the second in New Zealand to install a band-saw.

Finally realising that the company's sitting in two separate locations, about a mile apart, was both inefficient and uneconomic, a policy was begun to consolidate all departments at the "Junction" site. When the time came for the re-opening of the
sawmill at Marton and the renewal of the joinery factory, both were located on the latter site. Thus by 1960 all departments, joinery, office, retailing, sawmilling and treatment, were located at the one site. It is noteworthy that today the sawmill is but one department whereas initially it was the basis of the company's operations.

During the 1960's two further significant developments have taken place. Firstly, there was the amalgamation of M.S.D. with the Speirs Group in 1964. The operating bases of the two companies were complementary for while the Speirs Group was weak in aspects of production, it was especially strong in market outlets. By contrast, M.S.D. had well-developed production facilities but limited market outlets. Thus the amalgamation came as a logical move for it made a "complete" company out of what formerly were two "part" companies. It is of further interest to note that both companies were established in 1905 and were, in 1964, of almost similar size and capital structure.

The move towards amalgamation was hastened by the market conditions prevailing in the latter 1950's. With the marked growth of competition there was a widespread trend towards takeovers and mergers and, consequently, a real fear by both companies that they would lose their independence. The Speirs Group and M.S.D., who over the years had developed a liaison, made the decision to merge and face competition from a sounder, broader economic basis.

Manufacturing has been concentrated at Marton where the head office is also situated. The company today is in a strong position, having leases on or owning stands of timber
sufficient to keep its sawmills operating for some decades yet and, also, possessing market outlets throughout the southern part of the North Island. Probably the largest single market is in Wellington, with Palmerston North, the "Golden Coast", Hawkes Bay and Wanganui also being important. Today, only 10% of market is local and the company believes that Marton, while undoubtedly a suitable location, is possibly not the best. It considers that should the company have been establishing itself again the location of the head office, at least, in Palmerston North, which is also a rail junction, or in Wellington, which is the largest market, may have been preferred. Historical "inertia", however, means that in spite of some disadvantages, Marton will persist as the centre of production for the company for some time to come.

The second major development of this decade was the purchase of 275 acres about 1½ miles north of Upper Hutt. The intention is to develop this area, called Totara Park, into a self-contained community of about 6000 people. The plan, incorporating modern town-planning ideas, foresees the development of industrial and residential zones (separated by a shopping mall), two schools/about fifty-seven acres of recreation area. Building has already commenced.

This development was a further logical development under today's market conditions when assured markets are required. The purchase of land ready for development guarantees an outlet for the company's timber and timber products.
Today the company's plant occupies about twenty acres and comprises departments which handle timber in all stages from rough logs to the finished product. These include the band-sawmill, drying kiln, joinery, planing-shed, re-saw plant, timber recovery plant and treatment plant. Apart from these departments concerned with processing, there are, also, office, retail and transport departments.

Table XVI outlines employment in the M.S.D.-Speirs Company as at May, 1969.

The last part of this case study is concerned with respective approaches of the two timber companies to certain aspects of their business.

M.S.D.-Speirs, being the largest employer in the borough and very conscious of its reputation, has become today particularly sensitive of its presence and role in the town. Consequently, the management, in the course of its business, has tended to take heed of town "feelings" and, on occasions, to do that which is most advantageous for the town's welfare even if alternative courses are more advantageous for the company. One manifestation of this attitude is the absence of a company garage to service its trucks. Although it might appear more efficient and economic to have its own garage and workshop, the company believes that this is one service which it can offer to firms in the town. It might be added, however, that the break-down of a truck does not impede production to the same extent as does, for instance, a plant or power
# TABLE XVI

**M.S.D. - SPEIRS LTD.: EMPLOYMENT, 1969.**

<table>
<thead>
<tr>
<th>Number Employed</th>
<th>Number Employed</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Marton</strong></td>
<td><strong>Branches</strong></td>
</tr>
<tr>
<td><strong>Head Office:</strong></td>
<td></td>
</tr>
<tr>
<td>Production:</td>
<td></td>
</tr>
<tr>
<td>Band-Sawmill</td>
<td>23</td>
</tr>
<tr>
<td>Planing Shed</td>
<td>17</td>
</tr>
<tr>
<td>Joinery</td>
<td>14</td>
</tr>
<tr>
<td>Yard (incl. Forestry)</td>
<td>13</td>
</tr>
<tr>
<td>Treatment Plant</td>
<td>9</td>
</tr>
<tr>
<td>Timber Recovery</td>
<td>6</td>
</tr>
<tr>
<td>Drying Kiln</td>
<td>5</td>
</tr>
<tr>
<td>Steam Production</td>
<td>3</td>
</tr>
<tr>
<td>Artisan</td>
<td>3</td>
</tr>
<tr>
<td>Re-Saw Plant</td>
<td>2</td>
</tr>
<tr>
<td><strong>Total:</strong> Production</td>
<td>95</td>
</tr>
<tr>
<td>Retail:</td>
<td>2</td>
</tr>
<tr>
<td>Transport</td>
<td>7</td>
</tr>
<tr>
<td><strong>Total:</strong> Marton</td>
<td>131</td>
</tr>
<tr>
<td><strong>Total:</strong> Branches</td>
<td>124</td>
</tr>
</tbody>
</table>

**Source:** Company Records.

- a. As at May, 1969
- b. About 20% of this total are Maoris
- c. Unless otherwise stated these are retail branches.
failure—and so the company employs its own electrician, fitter and turner.

M. Ilmaine's, on the other hand, do maintain their own garage. The principal reason, apart from operating economies, is that the company can decide its own priorities. Being a smaller firm, even though it has a larger fleet of trucks, such a move does not appear to have caused much resentment.

The decision of the smaller company to continue to employ its carpenters' gangs (which were the original basis of this company) after the addition of the other potentially more important branches, however, was unpopular amongst the building industry in Marton. In an attempt to offset this source of contention the company sub-contracts to other local building firms.

M.S.D. - Speirs decided against developing its own carpenters' gangs because it believed that such a move would further undermine and prejudice customer relationships and probably, in fact, would put some of its own regular customers out of business.

The prices of M.S.D.Speirs' products tend to be slightly higher than those of the other company. The former, however, maintains that it is forced into this position by the different structure of the company. As a public company it has a responsibility to its shareholders. M.Ilmaine's, on the other hand, is essentially a family business. It should be noted, however, that the price difference is not so great that the prices of the larger company are not competitive.
An interesting development, occurring in both companies, is the trend for positions above the rank of foreman increasingly to be filled by newcomers to the town especially trained for executive positions rather than by the promotion of local employees as occurred formerly when both firms were smaller.

A final point refers to the market areas of the two companies. Today only 10% of the total production of the larger company and 20% of that of the smaller company is marketed in the local area. Formerly the market was almost entirely local in both cases. Both, then, are examples of small companies, which, by good management, have developed their market potential to far outgrow their original local markets.

FOOTNOTES

3. The company is usually referred to by this abbreviation.
4. The timber recovery plant is a new development for the company and is concerned only with timber usually considered of low value by virtue of its short length or poor quality. The plant make short lengths, as short as nine inches, into salable lengths of timber by "finger-jointing". 
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<table>
<thead>
<tr>
<th>Author/Title</th>
<th>Year</th>
<th>Notes</th>
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<tbody>
<tr>
<td>Marton Borough Council</td>
<td>1968</td>
<td>Marton Borough Approved District Scheme.</td>
</tr>
<tr>
<td>Marton Jaycee (Inc.)</td>
<td>1954</td>
<td>A History of Marton and Its People.</td>
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<tr>
<td>Wilson, J.G.</td>
<td>1914</td>
<td>Early Rangitikei.</td>
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<td>Wilson, R.A.</td>
<td>1957</td>
<td>The First Fifty Years of the Marton Sash, Door and Timber Company.</td>
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<tr>
<td></td>
<td>1897</td>
<td>Cyclopedia of New Zealand.</td>
</tr>
<tr>
<td>Unpublished Works</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>


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