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THE RESPONSE TO DEPRESSION:
RANGITIKEI COUNTY, 1928-1935.

A thesis presented in partial
fulfilment of the requirements for the degree
of Master of Arts
at Massey University

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January 1978

CS200.07

ABSTRACT

This thesis examines the effect of the depression of 1929-35 on one rural area - Rangitikei County - and its interior boroughs. First, it deals briefly with the history of the county and second, identifies and evaluates the various local responses made to the depression by Government, local bodies, charitable organizations, farmers and the spokesmen of political parties.

The predominant response to the depression within Rangitikei was conservative and introspective. Local bodies, faced with the responsibility of administering relief schemes used relief labour to help subsidise their own operations, particularly the maintenance of roading. Many of the Unemployment Board schemes were unsuited to rural areas, a fact that irked local bodies who were called on to administer them. Other schemes were not always administered in accordance with the directives of the Unemployment Board due to varying interpretations and local needs. During the depression there developed an undercurrent of distrust and antagonism between local bodies and the Unemployment Board, adversely affecting the crucial relationship between local and central government.

Local bodies in Rangitikei responded to the depression by making drastic cuts in capital works and by using the Unemployment Fund to subsidise their own labour costs. Although local rates were substantially reduced, most local bodies increased the amounts they held in credit. By refusing to maintain their capital works programme, particularly in regards roading, and by their reluctance to use relief labour for developmental work, many of the local bodies left a legacy of incomplete work to their successors.

Although unemployment in Rangitikei was less of a problem than in larger urban areas, local groups and organisations provided substantial amounts of relief for distressed families. But the longer the depression

went on the less generous people became. Some charitable groups did accumulate substantial amounts of relief but were unsure how to disperse it, or were seemingly reluctant to do so. Consequently, several groups ended 1935 still holding funds accumulated for the purpose of unemployment relief.

The response of the farmers echoed the mood of introspection and retrenchment. Many farmers saw the relief schemes as a way out of their financial difficulties and used them as sources of cheap labour. Few used them for the developmental works for which they were intended. Although the recipients of much of the Government's attention, many farmers were increasingly disgruntled both with the nature and timing of legislation and the criticism they received over their use of relief labour.

M.P.'s for Rangitikei electorate, from 1928 to 1938 varied considerably in their attitudes to social and economic problems. Moreover the electorate throughout was volatile resulting in the defeat of the sitting Member at each successive election. Dissatisfaction with the handling of national problems particularly unemployment, was to be the main factor in accounting for political change rather than the personalities of the candidates.

PREFACE

A good deal of research and commentary has been produced over the years on the depression of the 1930s in New Zealand. Most have concentrated on the economic and political aspects of depression though of late there has been a notable increase in the number of social histories of the "sugarbag years."

In the absence of an authoritative text of the depression there remain many gaps in the coverage afforded to the early thirties. Though the much maligned legislative attempts of the Coalition Government have been well documented as have been the economic reasons for, and political consequences of, depression, little is recorded on the effects of the depression outside of the main centres.¹

This thesis attempts in part to remedy this situation. In so doing, it avoids, where possible, mention of the broad economic, legislative and political changes wrought by the depression, a chapter on which has traditionally been an integral part of all but the most recent theses on the depression. A number of more than adequate and detailed chronological surveys of the depression and/or aspects of the depression are contained in many of these earlier theses.² Mention, of course, has been made of economic factors of government legislation pertaining directly to the text.

¹ There is in fact little documentation of the effects of the depression on local bodies, and in particular, on the response of local government bodies to the unemployment schemes. Oakley's thesis on the social effects of the depression in Christchurch (P.J. Oakley 'The Handling of Depression Problems in Christchurch 1928-1935: A Social Study' Canterbury University, 1953) provides a valuable insight into the relationship between local and central government and is a pioneering work on the operations of local bodies during the depression. Although not available when this thesis was concluded, a thesis has been completed during the past year on Oamaru during the depression of the thirties (NZJH, No. 2, October 1977, p.207). Most other theses of the period have their heart elsewhere and pay only lip service to this crucial relationship between local and central government.

² The following theses in particular provide useful and informative chapters on the early thirties: A. Ashton-Peach, 'The Social Effects of the Depression in Auckland 1930-1935,' Auckland University, 1971;

The subject of this thesis 'Rangitikei 1928-35 - Response to Depression' is essentially an amalgam of two types of history - a local body history of the county of Rangitikei and its interior boroughs and town districts and a social history of a community under stress. Because of my intention to identify Rangitikei with the broader front of depression, I have had to be more severe in the division of my material than would otherwise have been necessary. For instance, there is a single chapter on unemployment relief schemes, though it has been necessary to allude to several of the schemes in other chapters. Also the local government response to the depression, while permeating other chapters, particularly those on administering charitable aid and the various relief schemes, has been, where possible, dealt with in isolation. Nor do the anomalies end there. The concluding chapter on the political response of the Rangitikei would seem to hang initially on the fact that the name of the county and the electorate are the same and that they overlap to a considerable extent. The differences between the two regions, however, are not as great as a comparison of maps would suggest. The name Rangitikei as used by the newspapers in particular transcended the changes in electorate and local body boundaries, to refer to the broad geographic region surrounding Marton and Taihape. As such, it was limited as much by the circulation of the three newspapers, as by the boundaries of the county.

While Rangitikei is occasionally used, particularly by contemporary newspapers, to denote a general region approximately coinciding with either the county, the river valley or the electorate, the boundaries and area of the county are the yardstick by which Rangitikei is used in this thesis. Despite substantial increases in area after its inception in 1876, no changes occurred in the boundaries of the county during the period 1928-35 of 1684 square miles with the area being that defined in the opening chapter.

2 (contd.)

J.R. Belshaw, 'The Crisis in New Zealand 1930-1934,' Auckland University, 1934; Rosslyn J. Noonan, 'The Riots of 1932: A Study of Social Unrest in Auckland, Wellington, Dunedin,' Auckland University, 1969; P.J. Oakley, 'The Handling of Depression Problems in Christchurch 1928-35: A Social Study,' Canterbury University, 1953; N.T. Ruth, 'The Labour Force and Unemployment in New Zealand From 1926-1945,' Otago University, 1949; S. Wigglesworth, 'The Depression and the Election of 1935: A Study of the Coalition's Measures during the depression and the effect of these measures upon the election result of 1935,' Auckland University, 1954 (Chapter Two).

Rangitikei County was chosen for several reasons. It provided a variety of farming types including sheep, dairying and crop farming enabling a more balanced study to be made of the farmers' response to the depression than would otherwise have been possible. Its interior boroughs were large enough to provide a counterweight to the county population, yet remained small rural centres whose lot was closely intertwined with the fortunes of the farmer. The county itself was called on to play a major role in administering relief works, as to a lesser extent were the other local bodies. For the RCC, however, the county's size and the sparseness of unemployed posed considerable difficulties in the adaptation and administration of unemployment relief schemes.

By 1926 Rangitikei found itself at the crossroads. The number of timber mills and the demand for fodder crops which had largely sustained its early growth were in decline. During the decade after 1926 the population had begun to decrease significantly and continued to do so until after the Second World War. The effect of the depression was to hasten the decline in population and accentuate the state of flux in which the county found itself in the mid-twenties. It was a combination of these factors that made the county an eminently suitable case study of what was a predominantly rural community during the depression years.

Selecting the time span for a thesis on the depression traditionally involves few difficulties. Most commentaries on the depression conclude in 1935 because that was the year in which the flagholder of the depression, the Coalition Government, was replaced by the first Labour Government. Falling numbers of unemployed and rising export prices in the same year help to make the choice logical as well as politically convenient. As to the starting point, 1928 stands out for two reasons: first, because it is far enough removed from the worst of the depression to allow for a sufficient lead into the period 1930-35 (while also allowing some examination to be made of the contention that the slump affected the country two years before reaching the towns); and second, because it was an election year which saw the start of seven

years of political unease. Throughout the county, needless to say, some of the material for the thesis extends outside of this period, particularly to the years immediately preceding 1928 and subsequent to 1935.

The depression brought out a variety of responses from all sections of the community. The initial legislative response, that of adhering to a policy of economic retrenchment, is well documented as is the political response culminating in the 1935 elections.³ Not so well known, however, were the responses of various other groups who became the intermediaries between the unemployed and the government or its subsidiary body, the Unemployment Board. Little information is available, for instance, on how local bodies viewed or utilised the unemployment schemes outside the four main centres. Nor have the relationships between central and local government, particularly crucial during this period of mutual interdependence, been fully explored. The degree of responsibility with which bodies administering unemployment relief viewed their role tended to vary significantly from one local body to the next. In most instances the response was cautiously conservative and often smacked of self-interest. It is apparent that most local bodies reduced expenditure and staff by using the unemployment funds to subsidise their operations, thereby emerging from the depression years with substantial credit balances. Few, it appears, devoted their efforts to using the relief schemes and the assistance of the Unemployment Board in the best interests of the country.

A number of minor issues received attention in the course of the thesis including the frequently voiced accusation that the farmers were very much a privileged class, and the contention that the country suffered disproportionately from the depression in relation to the towns.⁴

³ A number of theses have been written on the 1935 elections and the political climate of the early thirties. Prominent among these are the following: R. Clifton, 'Douglas Credit and the Labour Party, 1930-35,' Victoria University, 1961; E.P. Malone, 'The Rural Vote: Voting Trends in the Waikato, 1922-1935,' Auckland University, 1958; M.C. Pugh, 'The New Zealand Legion and Conservative Protest in the Great Depression,' Auckland University, 1969; and S. Wigglesworth, 'The Depression and the Election of 1935: A Study of the Coalition Measures during the depression and the effect of these measures upon the election result of 1935,' Auckland University, 1954.

⁴ H. Wilson, 'My First Eighty Years,' Hamilton, Pauls Book Arcade, 1959, p.205.

The main bulk of the thesis, however, is concerned with examining the variety of responses elicited from the different sections of the county - its local government bodies, its charitable organisations, its farmers and people - so as to provide some insight into the ways in which a particular rural area was affected by depression.

The opening chapters are concerned with providing a backdrop for the ensuing thesis. They concentrate on giving a brief historical survey of the Rangitikei and include some mention of farming and settlement patterns, the rise of local government and population and economic trends within the county. In Chapter Three attention is turned to the efforts of local bodies and later the Unemployment Board in providing relief for all able-bodied unemployed. Clearly, some of the UB schemes for unemployment relief were more suitable for rural areas than others, depending upon the supervisory and administrative demands placed on local bodies. In several instances there emerged a considerable discrepancy between the provisions of the schemes as laid down by the UB and their interpretation by local bodies. Whatever was decreed in Wellington was frequently modified and adapted in the 'outer provinces'.

The fourth chapter is concerned with the other side of relief - the allocation of charitable aid and the efforts of individual people and organisations in providing relief through an assortment of charities and fund-raising schemes. The depression for many became a time of shared responsibility in which the membership of churches, social and service clubs increased markedly. Sadly, though they were able to accumulate considerable relief funds, many organisations were reluctant to disperse it to those in immediate need.

The response of local government bodies to the depression dominates the fifth chapter, particularly the uneasy relationship that existed between local and central government. The contribution made by local government bodies in providing relief varied considerably. Predictably, most maintained a tight grip upon their own purse strings, especially where funds from the UB were available to subsidise their own operations. The sixth chapter, entitled 'The Response of the Farmer',

looks briefly at the farming trends of the previous decade before raising a number of specific issues including the farmers' use of the subsidy schemes, the rise of the farmers' union and the attempts of the farmer to produce or diversify his way out of the slump. The seventh and final chapter, on the political response of the county, dwells almost solely on the three elections of 1928, 1931 and 1935 and the efforts of the respective members of parliament on behalf of their constituents.

Each chapter is in the main separate and self-contained, raising its own premises and drawing its own conclusions. The result is intended as a microcosm of rural society during the depression in some way complementing the number of theses already written on the effects of the depression in the larger centres.

Several difficulties were confronted in the writing of this thesis, not the least of which was a shortage of material pertaining to unemployment in the county. Statistics on the numbers of unemployed were infrequently recorded particularly as totals for the whole county and what figures there were came from a variety of often conflicting and overlapping sources, notably newspapers and unemployment committee minutes. Unfortunately also, the only unemployment committee whose minutes and correspondence files I was able to uncover was in Marton. As ad hoc bodies formed to fulfill a specific role it seems little effort was made to retain their records when circumstances made their function obsolete. I was also unable to track down a full holding of one of the three newspapers then operating within the county, the Hunternville Express, although events in and around Hunternville were adequately covered by the other two papers.

Most of the thesis is based on primary sources, notably local authority minute books, rate books and letter books, as well as a substantial amount of unbound miscellaneous correspondence. Much of the material was unpaginated with the result that some minutes or letters are referred to by their date of entry. I was fortunate that the local body records of both the county and boroughs were easily

accessible and without the large gaps that can so bedevil local body historians.

Newspapers provided a substantial amount of material for the thesis. The Rangitikei Advocate and the Taihape Times gave a full and interesting commentary on day-to-day life in the county with the Advocate providing a constant stream of interesting and provocative editorials which served to capture the mood of the county during the depression. Other papers consulted included the Wanganui Chronicle, the Manawatu Daily Times and where available, the Huntermville Express. These were in turn supplemented by collections of newspaper clippings held by local bodies.

In writing the thesis I was fortunate in the number of persons who were willing and able to recapture some of the mood of the depression years in the Rangitikei. While agreeing with Noonan that "interviews are always of limited reliability because of the vagaries of memory", they did serve to provide an invaluable background to the depression within the county.

Acknowledgements Any person researching for and writing a thesis is constantly indebted to those about him. Certainly I owe a debt of gratitude to a number of people without whose assistance the writing of this thesis would have undoubtedly suffered.

Among those to whom I wish to make acknowledgement are the County Clerk and staff of the Rangitikei County Council and the Taihape and Marton Borough Councils for their time and assistance and for allowing me to peruse their records.

I offer my thanks to the Wanganui Hospital Board for the use of their records, the Taihape Historical Society for their interest and assistance and the number of persons who consented to being interviewed or were willing to discuss their experiences of the depression years.

My gratitude is also extended to the Massey University, Marton, Taihape, Wanganui, General Assembly and Alexander Turnbull Libraries for their assistance, as it is to Mrs Jill Cheer for the meticulous care and interest she displayed in typing the final copy of the thesis.

I am grateful to L.S. Rickard for his careful proofreading of the text and suggestions as to avenues of improvement.

To my supervisor, Professor W.H. Oliver of Massey University, I am indebted for his advice, consideration, knowledge and immeasurable patience.

Finally, I would like to thank my wife, Suzanne, for her assistance, particularly in typing the early drafts. Her continual encouragement throughout the year ensured that the depression remained strictly an historical phenomenon.

December, 1977.

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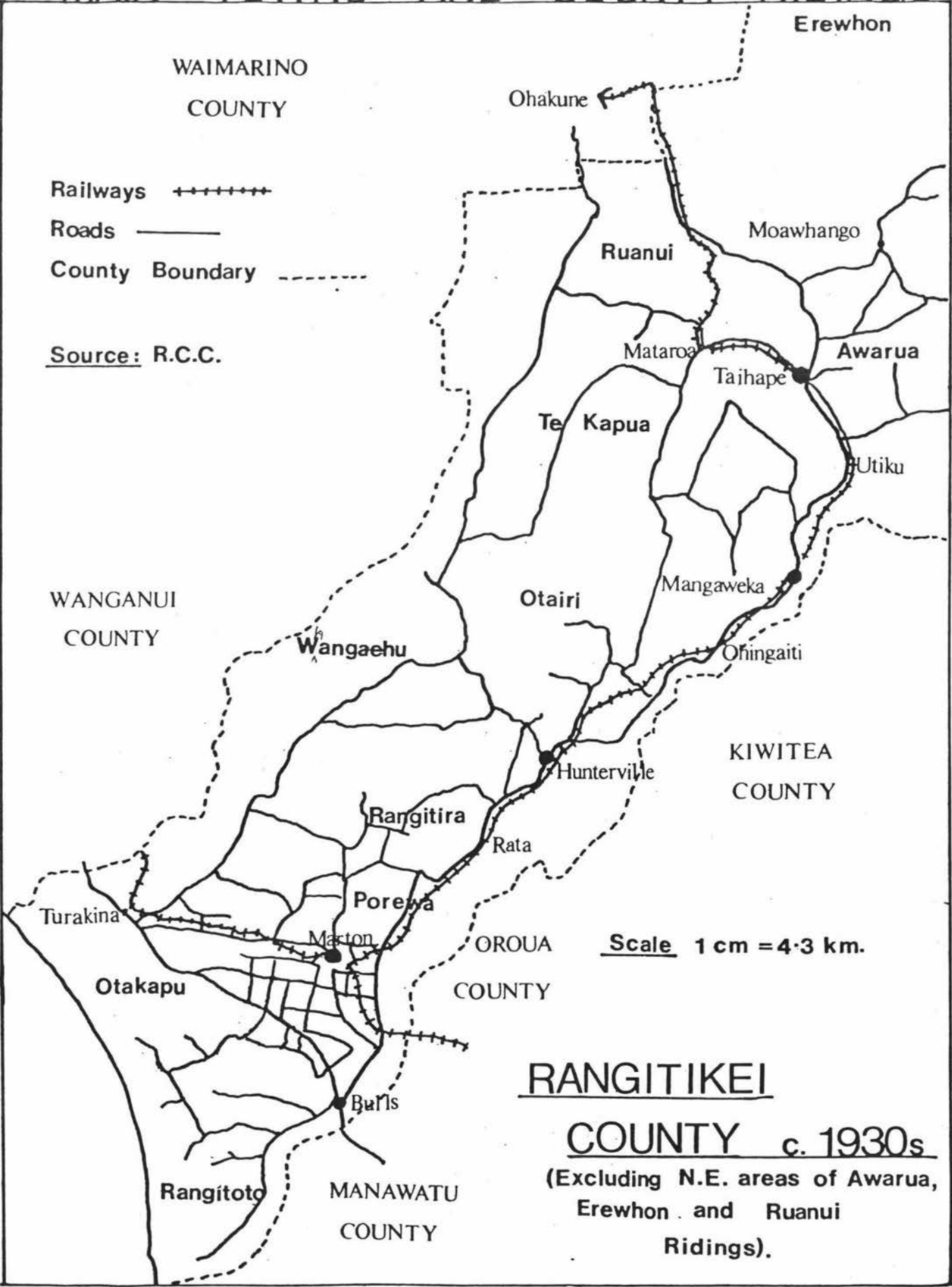
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LIST OF ABBREVIATIONS

| | |
|-------------|-------------------------------------------------------------------|
| AJHR | <u>Appendices to the Journals of the House of Representatives</u> |
| FU | <u>Farmers' Union</u> |
| HUC | <u>Huntermville Unemployment Committee</u> |
| LAH | <u>Local Authorities Handbook</u> |
| MBC | <u>Marton Borough Council</u> |
| MDT | <u>Manawatu Daily Times</u> |
| MHB | <u>Main Highways Board</u> |
| MTB | <u>Mangaweka Town Board</u> |
| MUC | <u>Marton Unemployment Committee</u> |
| NZ Gazette | <u>New Zealand Gazette</u> |
| NZJH | <u>New Zealand Journal of History</u> |
| NZS | <u>New Zealand Statutes</u> |
| PD | <u>Parliamentary Debates</u> |
| PWD | <u>Public Works Department</u> |
| RA | <u>Rangitikei Advocate</u> |
| RCC | <u>Rangitikei County Council</u> |
| TBC | <u>Taihape Borough Council</u> |
| TT | <u>Taihape Times</u> |
| UB Circular | <u>Unemployment Board Circular</u> |
| WHB | <u>Wanganui Hospital Board</u> |

FIG. 1.

MAIN TOWNS AND COUNTY RIDINGS *



* Approximate only. No boundaries.

CHAPTER ONE

RANGITIKEI - AN HISTORICAL SURVEY 1840-1928¹

(a) Early Years 1849-1880

While the presence of Europeans was first noted in the Rangitikei in the early 1840s,² it was not until 1849, with the purchase of the Rangitikei-Turakina block from the chiefs and people of Ngatiapa of Mangawhero,³ that the pakeha presence could be regarded as possessing any sense of permanence. The area of land that was purchased by Donald McLean, the Government agent, on 15 May, 1849 comprised 186,000 acres situated between the Turakina and Rangitikei rivers. Although mostly covered in bush and fern⁴ there were numerous clearings and river flats as well as plots of kumara, potatoes and wheat, evidence of earlier Maori settlement.⁵ The influx of European settlers after 1849 followed the two rivers inland with the most intensive areas of settlement being initially on the river flats and land in close proximity to the Rangitikei and Turakina rivers. As the pressures for land grew, however, the immediate hinterland was cleared and settled so that by the early 1850s, the fringes of settlement extended as far inland as Bonny Glen and Rata.⁶

¹ For the purpose of this chapter, the area designated as the Rangitikei refers to that stretch of land between the Rangitikei and Turakina rivers that in 1876 was constituted as the Rangitikei County. Also included are the northern ridings of Erehon and Ruanui which were to form an integral part of the county before 1928.

² James G. Wilson, Early Rangitikei, Whitcombe and Tombs Ltd., Wellington, 1914, pp.13-17.

³ J.G. Wilson, Extract from 'Maori Deeds of Land Purchases in the North Island of New Zealand,' 15 May, 1849, Rangitikei District, pp.37-41; James Cowan, Sir Donald McLean, Wellington, 1940, pp.41-43.

⁴ *ibid.*, pp.44-47.

⁵ *ibid.*, pp.46-47.

⁶ J.G. Wilson, Map showing land ownership in the Rangitikei-Turakina districts from the original survey 1856. Contained in pocket.

Sheep were first introduced to the area in 1850⁷ and with cattle, wheat and the milling of timber provided the early sources of sustenance and livelihood. With increasing pressures resulting from land settlement in the 1850s there was also a growing demand for auxiliary services especially roads and schools,⁸ and the area experienced many of the difficulties and shortcomings of a pioneer region that had outgrown its supports. By 1860 the Rangitikei district was deemed 'well settled,'⁹ and, for the racegoer, comparatively civilized with the first racing meeting being held in Bulls in 1857.¹⁰ However, with the increasing presence of settlers whose livelihood was to be in servicing the people of the area rather than in farming it,¹¹ and the emergence of several small settlements, notably Bulls, Turakina and Tutaenui (Marton), the settlers again looked north and south to the expanses of untapped Maori land.

The next important land purchase was to the south of the Rangitikei-Turakina block, between the Oroua and Rangitikei rivers, an area known as the Manawatu-Rangitikei block. The purchase of this area by Dr Featherston,

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- ⁷ Marton 1879-1954 Guide Souvenir 75th Jubilee, Marton, 1954, p.3. 'The first sheep were ferried across rivers in canoes and drives up to the holdings.' By May 1856 there were 13,708 sheep in Turakina-Rangitikei (eight sheepruns listed). This number had increased to 101,286 sheep (104 sheepruns listed) by May 1869. Returns of the Numbers of Sheep in the Wellington District, New Zealand Government Gazette, Province of Wellington, 1856; 18 December, 1869.
- ⁸ The demand for schooling facilities led to the constitution of the lower Rangitikei school districts 1 and 2, the Western Rangitikei school district and the Turakina school district in 1866 to 'promote the establishment of common schools in the province of Wellington.' New Zealand Government Gazette, Province of Wellington. By 1874 there were nine schools in Rangitikei with 331 children on their rolls. New Zealand Government Gazette, Province of Wellington, 30 November, 1874.
- ⁹ Marton Jubilee Booklet, p.4.
- ¹⁰ R.A. Wilson, Bulls - A History of the Township, Palmerston North, 1963, p.13.
- ¹¹ Of whom James Bull was most prominent. In 1859 he leased 5 acres from Mr Daniell (the future site of Bulls township) and started a general store and post office. Later he opened a sawmill behind the store and a carrying business, transporting timber to the port of Wanganui, R.A. Wilson, p.4.

then superintendent of Wellington province in 1866¹² had the effect of improving access between Rangitikei and the provincial capital to such an extent that by 1868 Southern Rangitikei was linked by road with both Wellington and Wanganui.¹³

It was not until 1874 with the purchase of a further 46,975 acres (the Paraekaretu block)¹⁴ that settlers in the Rangitikei were afforded the opportunity of expansion to the north. Settlement was slow and it was a considerable time before the block was completely taken up, due almost solely to the difficulties of access. Hence in 1876 when the County of Rangitikei was constituted, European settlement had not extended more than ten miles north of Marton, with the whole of the country beyond, until the open country north of Mataroa 'being an unbroken forest and practically impassable.'¹⁵ This position was to change only slowly in subsequent years with the newly established government township of Hunterville becoming the outpost of settlement in the Rangitikei until the late 1880s.

Following the purchase of the Pohonuiatane block (30,671 acres) in 1872 and the Rangatira block in 1879¹⁶ the pace and extent of settlement north of Hunterville increased. With the Otairi, Te Kapua and Awarua blocks being purchased in portions throughout the 1880s and early 1890s¹⁷ the Rangitikei was effectively laid open for the flood of settlers that were to accompany the construction of the main trunk railway around the

¹² The purchase of the Manawatu-Rangitikei block aroused considerable controversy at the time. The two main claimants of land were the Ngatiraukapa tribe who had occupied the land since 1840 by virtue of conquest, and the Ngatiapa tribe, whose claim was based on ancestral inheritance. Contemporary opinion and historical research strongly favoured the claim of the former; this was not, however, the view of Dr Featherston and the land court. For a detailed study on the purchase see E. Bradbury (ed.), The Settlement and Development of the Manawatu, Oroua, Rangitikei and Horowhenua Districts, Auckland, 1926; M.P.K. Sorrenson, 'The Purchase of Maori Lands 1865-1892,' (Thesis), Auckland, 1955; and B. Dawe, 'The Rangitikei-Manawatu Purchase,' (Thesis), Victoria, 1948.

¹³ Marton 1879-1954, p.4.

¹⁴ Offered at Public Auction, 26 October, 1874, New Zealand Government Gazette, Province of Wellington, 18 September, 1874.

¹⁵ Jubilee of the Rangitikei County - Historical Sketch, Marton, 1927, p.2.

¹⁶ J.G. Wilson, An area of 19,500 acres situated between the Paraekaretu block and the Rangitikei rivers.

¹⁷ *ibid.*, pp.241-242.

turn of the century. Also, the sale of the Awarua block between 1894 and 1896 allowed contact to be made with the European settlers who had moved into the open country north of Matoura having gained access over the Napier-Erewhon road. This contact marked the culmination of the first phase of settlement linking the two branches that had evolved from the early settlements in Rangitikei and Hawke's Bay. It also helped clarify the natural boundaries of the Rangitikei as they had emerged by the 1880s, with the Kaimanawa and Kaweka ranges forming an imposing barrier to the north, the Wangaehu river the dividing line in the west and the Ruahine range and Rangitikei river the natural boundaries to the east.

The Boom Years 1880-1914

By the mid 1880s, in the area south of Hunterville, farming and settlement patterns were well established. Two town districts, Lethbridge (Turakina) and Bulls, had been constituted in the previous decade and in 1879 Marton had crossed the threshold from town district to borough. Since the late 1860s Cobb's Coaches had linked the area to the ports of Wanganui in the north and Wellington and Foxton in the south. With the settlement of the Otari and Awarua blocks many miles of new roads were constructed.¹⁸ Also, in 1878 a railway line was opened between Turakina and Marton and, with trains running from the river ports of Foxton and Wanganui by the end of the same year, Rangitikei's isolation was rapidly becoming a thing of the past.

North of Marton settlement proceeded only slowly although the opening of a line to Kaikorangi, just beyond Hunterville, in June 1888 helped ease access into and out of the hinterland. What was being eagerly awaited in Rangitikei, however, was the decision of a government select committee which had been appointed in 1884 to decide on the route of the proposed main trunk railroad between Auckland and Wellington. While members of parliament and councillors from Hawke's Bay and Taranaki waged vigorous campaigns as to the respective merits of the eastern and western

¹⁸ The roads cleared and formed in the Rangitikei county between 1881 and 1894 provided a round route from Marton to Karioi (via Hunterville and Wangaehu) as well as a link with Taupo to the north. New Zealand map showing the roads to open crown land for sale surveyed and constructed during 1881-1894, AJHR, 1894, C.1, p.95.

routes,¹⁹ the committee report tabled in October 1884 in favour of the central route obviously made the most sense.²⁰ First, the proposed line through the centre of the North Island was by far the shortest route; and secondly, it had the advantage of opening up a vast expanse of previously untapped land in the central North Island.²¹

While the report provided an immediate fillip for settlers in the Rangitikei county, progress was slow until a final committee report came down unequivocally in favour of the central route in 1900.²² Once the decision had been made, construction was rapid with Taihape being reached in November 1904 and Waiouru in July 1908. The opening of the main trunk line on 6 November, 1908²³ marked the beginning of a new phase in the settlement of Rangitikei. Not only had a vast area of virgin country been opened for settlement in the Awarua, Ruanui and Erewhon ridings but numerous small settlements including Mangaweka, Taihape and Ohingaiti emerged along the main trunk, sustained both by its construction and its future promise.

The rapid growth of population in the Rangitikei between 1880 and 1914 coincided with a period of national expansion.²⁴ The first census after the implementation of the county system, in 1878, showed the population of

¹⁹ D.B. Leitch, Railways of New Zealand, Newton-Abbot, 1972, p.62; F.E. Gee, The North Island Main Trunk Railway, New Zealand: A Study in the Politics of Railway Construction, Auckland, 1949, makes mention of the Taranaki outrage at the South Island vote in 1884 (the committee being composed entirely of South Island members in order to achieve a decision in the best interests of the country). For an insight into the issues at stake and the range of interests represented see the debate of the Railway Loan Bill, NZPD, 1882, pp.161-309.

²⁰ Report of the North Island Main Trunk Railway Committee, AJHR, 1884, S.II, I.6.

²¹ D.B. Leitch, 'Once the line was completed the great improvement in communication, the tremendous social growth and economic prosperity that followed, cannot be over emphasised.' p.68.

²² Report of the North Island Main Trunk Railroad Committee, AJHR, 1900, I.13.

²³ D.B. Leitch, p.68.

²⁴ In New Zealand between 1896 and 1911 the area under occupation increased by 50 percent, the population of New Zealand grew by 40% and the volume of production expanded by over 60 percent. D.B. Waterson, 'Railways and Politics 1908-28,' unpublished M.A. thesis, University of Auckland, 1959, p.3. For years 1891-1921 refer to J.D. Craig, 'Fifty Acre Freehold: An historical geography of the changing character of land tenure and rural occupance in the six counties of the Manawatu, 1891-1921,' Victoria University, 1968, p.3.

Rangitikei County at 5198.²⁵ By 1896 this figure had risen to 7953 and by the census of 1911 had reached 13,991 (an increase of 75.9 percent in 15 years). When it is considered that the population of Rangitikei in 1936 had reached only 14,398 (a 2.9 percent increase since 1911)²⁶ it can be seen that these were indeed boom years. A number of factors contributed to the rapid increase in population in the years 1896-1911.²⁷ These included the construction of the Main Trunk line, the settlement of the Awarua block and northern ridings, improved means of access (road and rail) and the merging, in 1904, of the western Erewhon riding into Rangitikei county.

While settlement was initially concerned with clearing the land and harnessing its economic potential, there was by 1900 a growing network of settlements, roads and town districts serving the county. Of these early settlements, Bulls and Marton were the most important.

Bulls grew up around the general store that had been established by James Bull in 1859 and by 1874 supported a population of 237. After the town was surveyed in 1876 the population increased rapidly, levelling out by 1896 to a census figure of 521 (around which figure it was to remain until after the depression).²⁸ The importance of Bulls was most marked in the early years of settlement when it was the main commercial centre between Wellington and Wanganui. In the 1880s with the gradual population drift inland the town lost some of its earlier prominence. The simultaneous growth of Marton and the railroad acted as further dampers on the town's growth. While retaining the status of an independent town district and an important marketing and servicing centre, Bulls was unable to regain its early prominence after the turn of the century.

Marton was the first borough constituted in the Rangitikei, having

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- 25 The population figures are based on the census returns for 1878-1911 inclusive. They represent the non-Maori population of the geographic county of Rangitikei (including independent town districts and boroughs). The Maori population which was recorded independently until the 1926 was as follows: 1878, 266; 1896, 411; 1911, 387; and 1936, 1517.
- 26 This is despite a 392 percent increase in Maori population during the same period. New Zealand Census 1911, 1936.
- 27 From 1896-1911 the annual average increase in population was 5.06 percent.
- 28 Census 1878-1936.

PLATE I Broadway, Marton, no date.

'...and it is the history of the world that
the original holders of the soil where
traffic converges have become the wealthiest
of men.'

- From a Plan of Marton extension,
1909 - Messrs Brice, Broad and
Company.

(Childs Collection, Alexander Turnbull Library)



been initially settled as a private township in the early 1860s.²⁹ Unlike Bulls, Marton was to record a steady growth of population between 1879 and 1936.³⁰ The borough owed its early prominence to its situation in the centre of a large grain crop producing district.³¹ The town also served as the administration centre of the county and after 1908 was an important railway junction.

By 1908, Marton was already a prosperous county town, a distributing and servicing centre for the Rangitikei, the home of the Rangitikei Advocate³² and an important junction on the main trunk line.

Of the other settlements, Turakina (Lethbridge Town district) was created a town district in 1873, but gradually stagnated thereafter, being incorporated into the county in 1925. Like Bulls, it owed its early prominence to the early road link between Wanganui and Wellington. Hunterville and Mangaweka, both of which blossomed with the construction of the main trunk line, were constituted independent town districts in 1905 and 1910 respectively.³³ Along with Taihape which became a borough in 1906 (again, largely on the back of the railroad) the new settlements were alive with the buzz of sawmills, and the milling of native timbers (particularly Rimu and Matai), complemented the railroad as major sources of revenue.³⁴ In Taihape by the turn of the century the milling industry was seen as the basis for the town's future prosperity. In 1903, the observation was made that:

29 Originally named Tutaenui. The name was changed in 1879 to commemorate the birthplace of Captain Cook. See J.G. Wilson, p.104.

30 From 593 in 1878 to 1438 in 1911, Census, 1878, 1911.

31 Prime Rangitikei chaff was transported to many North Island districts up till 1920. After the First World War much of the land was given over to the more profitable raising and fattening of stock - especially fat lambs.

32 Founded in 1875 by Mr J.L. Kirkbridge - the main local newspaper throughout the depression years and an important source of local grievances.

33 New Zealand Local Authorities Handbooks, No. 1, 1926, pp.540-541.

34 By 1907 there were 19 registered sawmills in Rangitikei county, over half in the area about Taihape. Map of North Island showing localities of sawmills, AJHR, 1907, C.6.

'.....The sawmilling industry bids fair to become in the near future a mine of wealth for Taihape. The forests abound with good building timber and sawmillers are now actively negotiating with owners of land for cutting rights. The establishment of this great industry in our midst will more than compensate for the withdrawal of the cooperative labour which must necessarily take place of the completion of the [Main Trunk Railway] line.³⁵

The prosperity was shortlived however. Prices began to slump in 1907, the start of a permanent decline in the fortunes of the industry. Between 1908 and 1909 alone, 19 mills around Taihape closed down, largely as a result of the slump.³⁶ Even so, Taihape's dependence on the sawmilling industry was doomed as much of the immediate forest areas had been milled and cleared, making way for the sawmillers' natural successor, the farmer.

Economically and socially, the type and pattern of settlement in Rangitikei had been established by 1914. The presence of the main trunk line, itself a source of wealth, had opened up a vast area of land in the central and northern ridings which was in the process of being cleared and sown in pasture. By 1911, the total area under crops, 23,680 acres, was the highest of any North Island county, illustrating a continued demand for, in particular, oats.³⁷ The number of sheep in the county was exceeded only by Hawke's Bay and Southland and totalled 1,027,146 in 1913.³⁸ While many of the large holdings were in the Marton-Turakina-Bulls area which was particularly suited to intensive grazing, there was an increasing number of large holdings about Taihape and to the north, following the widespread burning off and milling of the native vegetative cover.

At the same time a flourishing dairy industry was emerging in

35 N.T. Moar, 'The Origins of Taihape: A Study of Secondary Pioneering,' Victoria University, 1955, p.27, M.A. Thesis.

36 *ibid.*, p.32.

37 NZOYB, 1914, p.581.

38 *ibid.*, pp.593-598. Sheep figures April 1913: Hawke's Bay county 1,128,654; Southland county 1,132,455; Rangitikei county 1,027,146. For Rangitikei the sheep were listed under 261 separate holdings - The Annual Sheep Returns year ended 30 April, 1914, AJHR, 1914, H.23. For a breakdown of holdings see Statistics of New Zealand, 1914, pp.40-41.

Rangitikei centred around the settlement of Rata. By 1914, there were three creameries in production, the largest in terms of output and the number of suppliers being the Rata cooperative dairy factory.³⁹ Altogether 287 suppliers were listed for the three factories at Taihape, Bulls and Rata, in 1914, a clear indication of the economic importance of dairy farming to the area.

By 1914, cropping, sheep and dairy farming were established as the three main industries in the Rangitikei. They were in turn supplemented by a number of smaller "industries" including cattle and pig farming,⁴⁰ the production of cheese,⁴¹ the milling of timber and the production of flax.⁴² Although the economic importance of such industries varied in subsequent years, it is safe to assert that by 1914 Rangitikei county had emerged from a period of expansion and relative prosperity with a sound and diversified economic base.

War and Recession 1914-1925

Rangitikei was by 1925^{14?} no longer an area of unlimited promise. The rapid population increases of the previous two decades, allied with the growing network of roads and rail, had meant that almost all of the arable land was being farmed as well as large tracts of less arable land in the northern ridings. As a result, by 1916 the rate of population increase had eased and was to increase only slowly in the years through to 1925.⁴³ In the same period, the area of the county had increased markedly with the

³⁹ Annual List of Creameries, Factories, Private Dairies and Packing Houses (Department of Agriculture) June, 1914 pp.21-22.

⁴⁰ By 1911, there were 48,529 cattle (including dairy cows) and 3,832 pigs in the Rangitikei county, NZOYB, 1914, p.595.

⁴¹ In 1913-14 the Marton cheese factory produced 32 tons of cheese (15 suppliers) Annual List of Creameries, p.35. By 1915 there was also a cheese factory at Mangaweka.

⁴² A flaxmill was established in Bulls to process the local product. Municipal Handbook of New Zealand, 1915, p.176.

⁴³ Especially when the increases in the area of the county are taken into account.

addition of the Upper Wangaehu Road district (from Wanganui County) in 1911, and the remainder of Erewhon riding (from Hawke's Bay County) in 1920. This brought the area of Rangitikei up to 1673 square miles,⁴⁴ (1684 square miles including interior boroughs and town districts),⁴⁵ a figure which remained constant throughout the years of the depression.

While much of the land in the Ruanui, Awarua and Erewhon ridings was of poor quality⁴⁶ the intensity of farm settlement in the Rangitikei can be gauged from the average size of farm holdings, which in 1919 was only 479 acres.⁴⁷ The smaller dairy and mixed farms of the southern Rangitikei obviously contributed to this figure; however, the fact that in many areas holdings were excessively small for the nature of the land was to be cruelly opposed when the effects of the depression necessitated changes in farming patterns and production.

During the war years, the importance of the dairying industry increased markedly within the county with the number of suppliers increasing from 287 in 1914 to 421 in 1919.⁴⁸ Dairy farming was still limited in the main to the area south of Taihape with the Rata Cooperative factory forwarding more tons of butter for export annually than the Taihape and Bulls companies combined.⁴⁹ Cattle numbers also increased from 48,529 to 69,851 during the same period, although sheep numbers dropped by over 50,000.⁵⁰

There was little change in the population of the town districts between 1911 and 1926 although Mangaweka recorded a slight decrease with each successive census.⁵¹ The population of Taihape grew substantially,

⁴⁴ Statistical Tables Relating to Local Governing Bodies 1920-21, Wellington, 1922, p.2.

⁴⁵ Local Authorities Handbook, No. 1, 1926-36, Geographic Counties, p.244.

⁴⁶ Especially in the north where yellow-brown pumice soils were predominant, in contrast to the yellow-brown earths around Taihape and to the south. Ian Wards, (ed.) New Zealand Atlas, Wellington, 1976, p.138.

⁴⁷ In contrast to the national average of 538.63 acres, NZOYB, 1919, p.510.

⁴⁸ Annual List of Creameries, June 1914, pp.21-22; June 1920, pp.11-12.

⁴⁹ 130 tons compared to 89 tons, *ibid.*, pp.11-12.

⁵⁰ NZOYB, 1919, p.531.

⁵¹ From 1577 in 1911 to 2398 in 1926, Census, 1911-26.

however, as did that of Marton⁵² although in the latter instance the increase was due largely to the absorption of the Marton Junction area into the borough in 1921. Taihape, before 1906 nothing more than a bush village, mushroomed with the arrival of the main trunk line. By 1915 it was the largest town in Rangitikei and a major stop on the Wellington-Auckland run. Initially it owed its prominence to its situation at the hub of a huge sawmilling industry; by 1926, however, with most of the land cleared, it had become the centre of a large and prosperous pastoral district, servicing the central and northern ridings of Rangitikei.⁵³

The years 1914-26 represented a period of consolidation in Rangitikei. With the advent of the Main Trunk, and the subsequent flood of settlers into the northern ridings, the county had by 1926 realised its broad patterns of farming and settlement. Several of the industries that had emerged with the opening up of the interior, notably railway construction and the milling of native timbers declined, as, for differing reasons, did the growing of flax and oats. Many farmers, when confronted with the slump in export prices in 1920-21, were brought face to face with the fact that the farms they had bought and broken in were, in many instances, uneconomic units. This was especially so with the attempts to resettle discharged soldiers in settlements such as Putorino, which consisted of 922 acres subdivided into 15 dairy farms.⁵⁴ It was not until 1923 that the Government acknowledged the comparative failure of such schemes admitting that the land which was purchased to a very large extent during the land boom, is in the case of the majority of the holdings too dear in relation to the producing capacity in good normal times, and consequently too high - some of the holdings much too high - for successful settlement.⁵⁵

The damage, however, had already been done, with numerous small farms being abandoned as uneconomic in the face of mounting mortgages and falling export prices. For the small farmer lucky enough to survive the

52 From 1438 in 1911 to 2398 in 1926, Census, 1911-26.

53 Municipal Handbook of New Zealand, 1907 and 1915; Local Authorities Handbook, 1926.

54 AJHR, 1920, C.9, p.10.

55 AJHR, 1923, C.9a, p.11.

recession it was to serve as an ominous warning of what might be expected in the event of a major slump.

The Growth of Local Government

(i) Introduction:

During the years 1840-1852 it was increasingly felt that the Government of the six "colonies" from a single centre was virtually impossible.⁵⁶ Each of the "colonies" was separated not only by distance but by differing schemes of colonisation and local interests. In spite of early moves towards establishing some form of regional government, the constitutional history of New Zealand in the period up until 1852 was a story of continued, but unsuccessful search for a decentralised system that would satisfy the needs which geography, interest and sentiment united to create.⁵⁷

The outcome of this "search" was initially realised on 9 July, 1852 with the enactment of an ordinance "to provide for the establishment of provincial legislative councils and for the election, etc. of members to serve therein."⁵⁸ Although the ordinance was subject to considerable controversy as regards its terms and timing,⁵⁹ it eventually became law with the passing of the Constitution Act on 30 June, 1852. Six provinces were thereby established, each under a provincial council with considerable administrative and legislative powers. Along with their numerous subsidiary bodies⁶⁰ they were to form the basis of local government until the Abolition of the Provinces Act in 1875.

(ii) Local Government in Rangitikei 1852-76:

The Province of Wellington, in which Rangitikei was situated, stretched from Port Nicholson in the south to Lake Taupo in the north,

⁵⁶ W.P. Morrell, The Provincial System in New Zealand 1852-76 (rev. ed.), Whitcombe and Tombs, 1964, p.24.

⁵⁷ *ibid.*, p.26.

⁵⁸ The Ordinances of the Legislative Council of New Zealand and of the Legislative Council of the Province of New Munster (hereafter, New Zealand Ordinances), 1841-53, Wellington, 1871, p.331.

⁵⁹ W.P. Morrell, pp.45-46.

⁶⁰ These included highway boards, school districts, cemetery and pound boards, The Provincial Government Gazettes of the Province of Wellington, 1860-1871.

bounded west and east by the Provinces of Taranaki and, after 1858, Hawke's Bay.⁶¹ With the only real link to the northern and central regions of the province being via the port of Wanganui, there was early dissatisfaction at the remoteness of provincial government, leading to an attempt to separate Wanganui from Wellington in 1860.⁶² In the same year, however, Rangitikei received its first form of local government with a proclamation constituting portions of Rangitikei and Turakina districts as a Road District under the District Highways Act.⁶³ Several other road boards followed in northern and western Rangitikei until in 1872 they were succeeded by the Rangitikei Highways Board.

Established under the provisions of the Highways Act of 1871⁶⁴ the Rangitikei Highways Board held its first meeting in Marton on 14 September, 1872, its primary function being to improve access into and out of the county. The board was divided into seven wards (similar in delineation to the previous road boards), and was responsible for opening up much of the area north of the Rangitikei-Turakina block.⁶⁵ After the constitution of the county in 1876, the role of the Highways Board diminished until eventually it was dissolved in 1883, when the highways district merged with the county.⁶⁶ While Rangitikei underwent considerable change in the period 1852-76, there was little opportunity for the people of Rangitikei to govern their own affairs outside of participation on school and road boards. All this was to change with the abolition of the provinces and the introduction of the Counties Act in 1876.

(iii) 1876-1928:

The abolition of the provinces in 1875 and the subsequent introduction of the Counties Act and the Municipal Corporations Act in 1876 marked the

⁶¹ Hawke's Bay separated from Wellington province after the 1858 session, W.P. Morrell, p.119.

⁶² W.P. Morrell, p.119.

⁶³ New Zealand Government Gazette (Province of Wellington), 8 December, 1860.

⁶⁴ New Zealand Government Gazette (Province of Wellington), 1 July, 1872.

⁶⁵ Jubilee Sketch, Marton, 1927, p.1.

⁶⁶ *ibid.*, pp.1-2.

real beginnings of local government in New Zealand. The responsibility for local administration which, since 1852, had been vested in the hands of the provincial, passed under the jurisdiction of central government. The provincial councils, for 23 years independent and often fiercely sectarian, were left with the job of organising the details of local administration within their provincial areas before finally relinquishing what had previously been their considerable authority.

Under section 6 of the Counties Act of 1876, 63 counties were constituted, 32 in the North Island and 31 in the south.⁶⁷ Included among the number was the county of Rangitikei,

'.....bounded towards the north by the Whanganui and Hawke's Bay counties, hereinbefore defined from Maungakaretu trigonometrical station to the Ruahine range; thence towards the southeast by right lines from peak to peak along the said Ruahine range, and by a right line to the northeast corner of the Manawatu Highway district, and thence by the northern boundary of the said highway district to the Rangitikei river; thence towards the southeast by the centre of the Rangitikei river to Cook's Strait; thence towards the west by Cook's Strait to the mouth of the Wangaehu river; and thence towards the northwest by the south-eastern boundary of the Whanganui county hereinbefore defined to Maungakaretu trigonometrical station, the commencing point.'⁶⁸

The original county comprised an area of some 900 square miles, and included the ridings of Rangitoto, Otakapu, Porewa, Wangaehu, Rangatira, Otairi, Te Kapua and Awarua.⁶⁹ This was later added to with the addition of the Erewhon riding (1904 and 1920) and Ruanui riding (1918), bringing the area of the county up to 1684 square miles by 1928.

Under the provisions of the Counties Act, local government was placed in the hands of an elected council who was responsible for the administration and maintenance of the county. The council was in turn given

⁶⁷ See The Counties Act, NZS, 1876, pp.153-198.

⁶⁸ *ibid.*, pp.191-192.

⁶⁹ Jubilee Sketch, p.2.

authority for the rating of landowners, the passing of by-laws, the raising of special loans as well as a number of minor charges.⁷⁰ As stipulated in the Act, the finances of the county were carried in a 'County Fund Account' which consisted of general rates and accumulated tolls, rents, grants and fines. Special rates could also be levied for the repayment of loan money, the clearing of noxious weeds and for special works.

The basic unit of administration in the new system was the riding. In the wording of the Act, provision was made for the sub-division of each county into a maximum of nine ridings, each with their own representative on the council and separate rating system. This remained the case until the 1931 Amendment Act by which county councils were given the power to abolish the system of separate riding finance.⁷¹ Few changes were made, however, during the depression years.

Since 1876, the administration of the local affairs of the county has been under the County Council, except in interior boroughs and town districts. Although the boundaries and area of many of the counties have undergone changes in subsequent years,⁷² the role and function of the councils has remained essentially the same.⁷³

The Municipal Corporations Act of 1876 was intended to complement the Counties Act in providing a system of local government for New Zealand. Like the Counties Act it provided for the election of council officers, a rating system, a method of financing local government and various local powers and authorities.⁷⁴ In Rangitikei, Marton was the first borough constituted in 1879, followed by Taihape in 1906. Both remained town boroughs thereafter, and entered the depression years girded

⁷⁰ F.B. Stephens (ed.), Local Government in New Zealand, (Dept. of Internal Affairs), Wellington, 1949, pp.58-69.

⁷¹ F.B. Stephens, pp.57-58.

⁷² With the result that by 1949 the number of counties had more than doubled (63 to 129), *ibid.*, p.54.

⁷³ There has, of course, been considerable legislation affecting the county councils including the Land Act of 1924, the Local Bodies Empowering Act 1921-22, various Local Body Empowering Acts and the Counties Act of 1920. These have had the effect of modifying rather than changing the role and function of county councils. See also F.B. Stephens, p.42.

⁷⁴ F.B. Stephens, p.40.

by the provision of the Municipal Corporations Act and subsequent amendments.⁷⁵

In 1881 a Towns Board Act was passed with the aim of providing minor urban amenities in small rural centres. Although the act was repealed in 1886, numerous town districts already established retained their status. In 1904, the act was again brought into force; however, friction between town districts and county councils resulted in amendments to the act in 1906 and 1908 which distinguished between dependent town districts, to be administered by the council, and independent town districts to be administered by town boards.⁷⁶

Turakina (1873) and Bulls (1876) were both initially independent town districts. Turakina was subsequently merged with the county in 1925 and Bulls was created an independent town district in 1906. Hunterville and Mangaweka were both constituted independent town districts in 1905 and 1910 respectively and, together with Bulls, retained their status throughout the depression years.

The Eve of Depression

During the years 1921-28, Rangitikei County experienced a period of rapid growth and, after the recession of 1920-21, comparative prosperity.⁷⁷ Yet, within ten years, this optimistic wave of expansion had been quelled by a depression which left in its wake a path of widespread economic stagnation and a steadily declining population.⁷⁸

The impact of those years was considerable and long lasting - for instance the county was not to recover its population total of 1926 until

⁷⁵ *ibid.*, pp.40-45.

⁷⁶ NZS, 1881, 1906, 1908, 'The Independent Town Board is to all intents and purposes a miniature borough with restricted powers,' F.B. Stephens, p.309.

⁷⁷ The intercensal population increase between 1921 and 1926 in Rangitikei was between 15 percent and 20 percent, Census, 1926.

⁷⁸ Between 1926 and 1936 the population of Rangitikei decreased by 7.68 percent, the third highest percentage decrease of any county, Census, 1936.

the early nineteen-fifties.⁷⁹ For over twenty years farms were abandoned, industries stagnated and people moved away, leaving much of the land previously cleared to revert to scrub and bush.

Many of the reasons for the prolonged stagnation lay in the social and economic structure of the county on the eve of depression. Prior to 1928, Rangitikei had experienced three decades of steady growth. As a result, the prevailing mood by the twenties was buoyant and expansive, which partly explains the initial severity of the depression. It does not, however, explain why Rangitikei was affected to a greater extent by the depression than other counties similarly placed and, seemingly, just as susceptible to a fall in export prices.

Rangitikei's vulnerability was tied up with a number of factors. Since the 1870s the county had emerged as a major agricultural area, possessing one of the largest sheep and cattle populations of any county,⁸⁰ as well as important dairying and cropping industries. With the fall in export prices, each of these industries was affected and, although the crises were staggered,⁸¹ the cumulative effect was disastrous. The abandonment of uneconomic holdings and bankruptcies resulted, again underlining the fact that the county was in many areas being farmed in too small units to survive a sustained slump in prices. Although total farm production continued to increase, the number of people employed on the land continued to decline.⁸² It was increasingly necessary for production to be stepped up so as the farmer could maintain an equilibrium, a factor that ultimately militated strongly against the small landowner already engaged in intensive farming.

⁷⁹ Census, 1921.

⁸⁰ By 1928 there were 1,091,759 sheep in the Rangitikei (645 holdings), the second largest total of any New Zealand county, AJHR, 1928, H.23B, Annual Sheep Returns.

⁸¹ 'The index number (based on previous values) of dairy produce prices tumbled from 146 in 1929 to 77 in 1934; the index of meat prices fell from 183 in 1929 to 111 in 1932; and of wool from 171 in 1929 to 63 in 1932,' W.B. Sutch, Recent Economic Changes in New Zealand (Institute of Pacific Relations, New Zealand Council), Wellington, 1936, p.22.

⁸² From 1923-24 until 1927-28, farm production per acre increased by 24 percent, while the number of people employed per thousand acres of farmland decreased by 4.2 percent. W.B. Sutch, Colony or Nation? Economic Crises in New Zealand from the 1860s to the 1960s. Sydney University Press, 1968, p.41. See Chapter 6 The Farmer's Response, p.5. for figures relating to the situation in the Rangitikei between 1920 and 1930.

Sheep and cattle farming were not the only industries affected during the early depression years. Since the nineteen-twenties oats were being phased out as a major crop due to the decline in the use of the horse as an important means of transport and production. The area around Marton previously sown in oats was being given over to fat lambs and intensive sheep farming, although the changeover was considerably slowed by the depression. The railway, for twenty years the lifeline of central and northern Rangitikei, also suffered both from the effects of the depression and increasingly, of motor transport.⁸³ The milling of timber in the same period continued to decline and Taihape, the centre of the earlier sawmilling industry shifted its allegiance to its newfound pastoral activities.

The fortunes of the town districts and boroughs rested largely upon the fate of the farming community in which they were situated. Apart from Marton which had developed as an administrative centre with some secondary industry, each of the towns relied heavily on their role as servicing and distributing centres for their immediate farming communities. As prices fell and incomes dropped, the towns were consequently affected in numerous ways, with retailers, builders and general labourers in particular feeling the pinch.

By 1928, Rangitikei County was not well situated were a sustained drop in export prices to occur. With inflated prices, numerous small and uneconomic holdings and an unhealthy reliance on the land, the county was directly exposed to any fluctuations that might occur on the overseas markets. Clearly, when the fall in export prices did occur in the early 1930s it seemed to highlight the dangers of dependence on primary production. Consequently, the prolonged period of stagnation that beset Rangitikei following 1930 can be seen as owing as much to the economic structure of the county prior to the depression and to the ravages of the depression itself.

⁸³ D.B. Leitch, p.94.

CHAPTER TWO

RANGITIKEI - 1928-1935

The first stirrings of the great depression in New Zealand are commonly linked with the sharp rise in unemployment and the equally sharp decline of export prices in late 1929. For the ensuing five years, New Zealand underwent a period of social and economic deprivation and hardship unparalleled in its history. During the early 1930s, each year's end was greeted with new-felt optimism that the country was 'on the mend,' that the number of unemployed had peaked and that a rise in the price of primary products was imminent.¹ However, it was not until the trough of the winter of 1933 had passed that the people were able to participate in a slow gradual improvement in their social and economic conditions.

In many areas the return to the situation that existed prior to 1928 was rapid, aided by progressive local government policy that actually benefited their areas in terms of local amenities. In other areas, particularly rural, the recovery was slow and painful, closely complementing the onset of the malaise that had occurred up to a decade previously.

By 1928, Rangitikei was one of many rural counties experiencing the early symptoms of depression. Despite optimism in the Advocate that the outlook was brighter than it had been for years and that 1928 had been one of the most prosperous years in the history of the dominion, there was an increasing amount of unemployment in the county, resulting from both a decrease in demand for farm labour and a general downturn in local industry and local spending.² In March 1928, a correspondent in the Advocate wrote on the shortage of employment in Marton, noting that

¹ RA, 30 December, 1932; 2 January, 1934.

² RA, 31 December, 1928.

'there is absolutely nothing doing and the very thought of winter is dreaded.'³ In the same month, an unemployment register was opened at the Marton post office in an effort to meet the increasing numbers of unemployed that were expected in the winter months.⁴

The slump was evidenced by a number of factors, two of the most relevant and accessible of which were the number of building permits issued and bankruptcies recorded in the county.

From a postwar peak in 1925-26, the value of building permits in both Marton and Taihape had steadily declined.⁵ The extent of the fall off in the building industry forced a number of local businesses to lay off labour both around Taihape, where a number of sawmills were forced to close, and in Marton, where a number of timber-associated industries were forced to reduce their staffs.⁶ The decline in the number of

³ RA, 23 March, 1928.

⁴ RA, 27 March, 1928.

⁵ Table showing value of building permits issued in Taihape and Marton, 1924-25 - 1936-37.

| | <u>Taihape</u> | <u>Marton</u> |
|---------|----------------|---------------|
| 1924-25 | (£) 11519 | (£) 30679 |
| 1925-26 | 7593 | 60937 |
| 1926-27 | 5032 | 39995 |
| 1927-28 | 4125 | 28691 |
| 1928-29 | 2260 | 16418 |
| 1929-30 | 5198 | 11675 |
| 1930-31 | 5342 | 4815 |
| 1931-32 | 528 | 2362 |
| 1932-33 | 940 | 2408 |
| 1933-34 | 2238 | 5163 |
| 1934-35 | 1344 | 1412 |
| 1935-36 | 2838 | 13771 |
| 1936-37 | 9408 | 14963 |

⁶ The New Zealand Census 1936, Vol.1, Population Census IX supports this view when explaining that the decline of population in Taihape after 1926 was 'probably affected by the closing down of a number of timber mills in the district.'

building permits issued preceded the national trend by at least a year. Up until 1926-27 the value of building permits issued nationally was steadily increasing and it was not until after 1929-30 that a sustained and dramatic fall off in demand occurred⁷ - figures that tend to support Helen Wilson's assertion that the slump was 'born of the country and country town' and that rural areas had been 'facing ruin for well nigh a year before the workers of the towns and cities felt the full force of the blizzard.'⁸

The number of bankruptcies in Rangitikei during the late 1920s also served to undermine local optimism. Following the Bankruptcy Amendment Act of 1927, an official assignee was appointed to Taihape where most bankruptcies in Rangitikei were subsequently recorded.⁹ In the four years 1927-30 the total number of bankruptcies recorded at Taihape was 81. In 1927 alone the number of bankruptcies recorded was 28 which contrasted unfavourably with such larger centres as Wanganui (21) and Dunedin (26).¹⁰ The majority of the bankrupts were not farmers, but rather general labourers including painters, hairdressers, contractors, railway employees and mill hands. However, many farmers especially around Taihape and Ruanui were experiencing considerable difficulty in meeting their financial commitments, a situation that was accentuated by the fall in export prices during 1929-30.¹¹

⁷ Whereas in Marton and Taihape there was a decrease of over 300 percent in the value of building permits issued between 1925-26 and 1928-29, nationally the decrease was little over 10 percent.

⁸ H. Wilson, p.205.

⁹ Not all bankruptcies that occurred in Rangitikei were recorded at Taihape. There was a tendency for bankrupts in southern Rangitikei to file their petitions in Wanganui or even Palmerston North.

¹⁰ NZOYB, 1929, p.753.

¹¹ The difficulties of the returned servicemen to meet their financial commitments were evidenced by their difficulty in paying their rates. In a letter to the clerk of the Pohangina county council on 6 August, 1927, Richardson wrote that 'I am afraid there will be difficulties in obtaining payment of rates on soldiers land until the soldiers themselves are working on a sound financial basis and this can only be done by weeding out the incapables and seeing that valuations are not oppressive,' RCC outward correspondence.

After 1931 the number of bankruptcies decreased largely as a result of government legislation including the Mortgagors and Tenants Relief Act of 1933, the Trustee Amendment Act of 1933 and the Rural Mortgagor's Final Adjustment Act of 1934-35. In Rangitikei the decline in numbers filing for bankruptcy was not pronounced until the worst of the depression was effectively over. During 1934 only four persons filed for bankruptcy (including one farmer) in comparison with 24 in the previous year (including two farmers).¹²

In contrast to popular myth that the farmer was most affected by the financial situation of the early thirties (a myth propagated by contemporary poems for instance Denis Glover's The Magpies), it was the population of the small towns that recorded the majority of bankruptcies. Unlike the farmer whose position was in part secured by the government's legislation, little protection was afforded those serving the rural areas. Among those who filed for bankruptcy between 1931 and 1934 were a range of 'service' occupations including labourers, drovers, carriers, contractors, bricklayers, electricians, plumbers and carpenters as well as assorted shopkeepers.¹³

By the end of 1928, it was evident that despite improved prices and relative stability in the market for primary produce, Marton and Taihape in particular were experiencing considerable hardship through the numbers of unemployed and the downturn in local industry. The fortunes of the two boroughs and the county can be illustrated by looking at the population trends of the intercensal period 1926-1936 in relation to the situation prior to 1926.

Between 1926 and 1936, the population of Taihape decreased by 9.91 percent.¹⁴ This decrease was due largely to the decline in tempo of sawmilling after 1925 and to the fact that after World War I, northern Rangitikei had experienced an influx of settlers, especially on the

¹² NZ Gazette 1931-35.

¹³ *ibid.*

¹⁴ The seventh highest decrease of any New Zealand city or borough in the period, Census, 1936.

returned soldiers' settlements, that the area could not support. In 1931 alone, several timber mills in and around Taihape as well as the freezing works, closed, substantially increasing numbers of unemployed in the borough.¹⁵ Marton, after experiencing a steady growth of population up until 1926, increased by only 0.63 percent in the next ten years, reflecting the declining fortunes of the surrounding farming community. The town districts of Bulls and Hunterville also stagnated although Mangaweka recorded a 9.63 percent growth rate by the end of the decade.¹⁶

It was not only the boroughs and town districts that witnessed a slowing or reversal of their previous rate of growth. Between 1926 and 1936, the total population of the county also declined steadily from 10,588 in 1926 to 9493 in 1936. Equally marked was a large scale movement of people from the land, the decrease in rural population of 10.34 percent being the third largest of any New Zealand county.¹⁷ This was a reflection, in part, of the declining demand for farm labour due to a corresponding increase in farm machinery and the use of electricity. Further it clearly illustrated the urban drift occurring in the mid-twenties when, between 1926 and 1928, 10,000 people moved from the country to the city in New Zealand.¹⁸ The reasons for the size of the population decrease in Rangitikei (-7.68 percent) were not solely governed by national trends. Also significant were the farming and settlement patterns that had emerged in Rangitikei by the mid-twenties, and which determined the availability of employment in the county during the early thirties.

The reason for the population decrease can in part be attributed

¹⁵ Taihape Times to Town Clerk, TBC, 26 February, 1932, TBC Miscellaneous Correspondence.

¹⁶ Between 1926-36, the figures for the three town districts were as follows: Hunterville 1926, 628; 1936, 588 (-40) a decrease of 6.37 percent. Bulls 1926, 527; 1936, 527 (nil). Mangaweka 1926, 353; 1936, 387 (+34), an increase of 9.63 percent.

¹⁷ Census 1926, 1936.

¹⁸ Lyttelton Times, 8 February, 1928 cited in P.J. Oakley, p.10.

to the economic conservatism of the county and the absence of any secondary industries of note, the worker thereby being directly or indirectly dependent upon the prosperity of the farming industry. When one section of the farming community suffered prolonged hardship (as occurred with the continual deterioration of dairy prices during the early thirties), the effect was an increase in the numbers of unemployed. Unlike other counties which were largely dependent upon a single product, many farmers in Rangitikei committed themselves to 'chasing the cheque' by attempting to anticipate the product most likely to secure the highest return. As a result, farmers reverted from fat lamb and intensive sheep farming in 1932-33 to the growing of wheat and oats, while still others committed their land and efforts to dairy farming at a time when export prices for wool and meat were dropping rapidly. Even when wool and meat prices began to improve after 1932, there was still a large number of, in particular, dairy farmers in dire economic straits. This diversity of farming interests was responsible for prolonging the symptoms of depression within the county after 1935.¹⁹

Despite the recorded loss of population, the effects of the slump from 1926 on did not visibly affect patterns of land settlement, nor were they acknowledged as significant within the county at the time. In writing to the government statistician regarding the population of the county in 1932, the County Engineer (S.A.G. Mair) noted that there had been 'no abnormal alteration within the Rangitikei County for any reason during the last few years' although he did acknowledge

a slight tendency for smaller shops to become empty, owing chiefly to more concentration in business by amalgamation of businesses and agencies and the general rationalising of industry; also for weaker businesses to go out of business because of lack of turnover brought about by the restricted spending power of the people.²⁰

Unlike in other areas affected by the depression, the onset of the

¹⁹ See Chapter 6 'The Farmers' Response to the Depression,' p.11.

²⁰ S.A.G. Mair to the Government Statistician, 8 April, 1932, RCC Outward Correspondence.

slump in Rangitikei was both slow and gradual. Unemployment had been a problem in the county since 1926 and remained so until the outbreak of war in 1939. Accompanying the increased unemployment, Rangitikei was experiencing a period of stagnation after 1928 during which the population declined steadily through until the early 1950s. As a result that it is difficult to isolate the effects of the depression from the concurrent loss of population and economic stagnation the area was experiencing.²¹

There was a significant decrease also in the Maori population of Rangitikei County with the numbers in the county dropping from 2107 to 1380 between 1926 and 1936.²² Equally significant was the changing distribution of the Maori population. In the boroughs and town districts there was an increase in Maori population from 62 to 137, while the population of Ratana township mushroomed from 25 in 1926 and 699 in 1936.²³ Although this in part indicates a move towards the centres of relief work, it was also widely acknowledged that by 1935 there were considerable numbers of Maoris moving into the county and registering as unemployed, particularly in and around Ratana.²⁴

The most visible manifestation of the depression in New Zealand was unemployment. Following the winter of 1926 the numbers of unemployed began to steadily increase as a result of the sharp fall in the prices of New Zealand's principal primary produce. By 1928 the main group of unemployed were those classified as labourers and quarrymen. Despite the effects of falling prices of the farming industry, the number of

²¹ Census 1921-1951.

²² Census 1926-1936.

²³ *ibid.* In 1926 after conflict with the RCC, Ratana declared the existence of a separate borough on 39 acres that belonged to the Ratana family. However, it was not officially recognised as such and subsequently its population is not included under the heading of boroughs and town districts. J.M. Henderson, Ratana - The Man, the Church, the Political Movement, Wellington, 2 Edition, 1972, p.27.

²⁴ RCC to Secretary, Department of Labour re numbers of Maoris registering for unemployment relief, particularly from Ratana and Turakina noted that a number of Maoris were coming into the district from other parts of the North Island and registering for unemployment under scheme 5, 21, 28 September, 1936, RCC Outward Correspondence.

unemployed farm hands was less than the number of unemployed in the building industry.²⁵

By mid-1926 the reform government had been prompted into some action by the sharp increase in unemployed and in June 1926, the Local Authorities Empowering (Relief of Unemployment) Act was passed, enabling local authorities to borrow money for the purpose of providing relief works for unemployed men. As the numbers of unemployed continued to rise throughout 1928-29, the government was forced to acknowledge the seriousness of the problem by making a closer study of its causes. In August 1929 the first section of a report on unemployment in New Zealand was presented by a committee first appointed for that purpose in October 1928.²⁶ The report noted several causes of unemployment, including the seasonal nature of some work, the permanent replacement of manual labour by new machines and materials, the effects of a widespread trade depression and unemployment arising from incapacity or from improper training. However, the remedies suggested (afforestation, sand dune reclamation, etc.) were concerned largely with minimising the social effects of unemployment, especially the drift of seasonal unemployment into the towns, both by providing relief work in the county and by providing homes for county workers.²⁷

In Rangitikei before 1930 most of the onus for unemployment relief fell upon local bodies and, in particular, the RCC. While numbers of unemployed within the county are scarce for the period 1928-30, their presence within the county in reasonable numbers is apparent from the amount expended on various unemployment relief works.²⁸ Until mid-1930 the increasing numbers of unemployed in the county were catered for by

²⁵ NZOYB, 1930, p.891.

²⁶ AJHR, HII, 1929.

²⁷ *ibid.*, pp.8-11.

²⁸ Before February 1928 unemployed had to register with the unemployment bureaux of the labour department. After this date registration could be made at any post office. These records were unable to be traced.

council relief works or in cases of severe hardship as a result of bereavement, disability or injury through the charitable aid board.

Outside the County Council relief works little attempt was made to alleviate the increasing problem of unemployment within the county. During the late twenties, more attention was focussed on the increasing problem of land aggregation, particularly along the Main Trunk railway.²⁹ In response to government overtures on government settlement and attacks on increasing land aggregation, a Taihape branch of the Closer Settlement League was established in May 1929 with a view of subdividing properties for more intensive settlement. At a meeting of the branch in May, two properties were placed before the land purchase board and the division of the 10,000 acre Santoft property was mooted.³⁰ However, the effect of the league was minimal and did little to help the movement of people back onto the land and a break up of the large properties or the rehabilitation of derelict farms.

By 1930, the outlook regarding unemployment was serious both nationally and for the county which, according to the Advocate, 'had to provide the money spent on a policy that does not even palliate unemployment.'³¹

The second section of the report on unemployment in New Zealand was presented by the government committee headed by W.D. Hunt in January 1930 and included a number of specific measures for dealing with unemployment concluding that two things were urgently required: 'First, the creation of a permanent organisation to deal with problems of unemployment, and second, a fund to be used for the purposes of such an organisation.'³²

²⁹ The Member of Parliament for Rangitikei, Mr J.T. Hogan, was a leading opponent of land aggregation. One instance he cited in the House was that the area from Hunterville to the Wangaehu river (86,000 acres) was held by twelve people, NZPD, Vol.221, 18 July, 1929, p.475.

³⁰ RA, 17 May, 1929.

³¹ RA, 6 December, 1929.

³² AJHR, HIIB, 1930.

Many of the measures advocated in the report were assimilated into the Unemployment Act of 1930 which established an unemployment fund (supported by a levy of 30s. a year from all males twenty and over), an Unemployment Board and a register of all male persons.³³ This act was continually modified during the next five years, especially as regards the size of the levy, the composition of the board and the rates of relief pay provided yet still remained the cornerstone of the government's legislative attempts to solve the problems of unemployment during the early thirties.³⁴

Unemployment continued to rise steadily throughout 1930 reaching a peak of 11,442 by 15 December. During the next three years the peak unemployment figures rose consistently each year with the peak numbers of registered unemployed reaching 51,408 in October 1931, 56,498 in September 1932 and 57,352 in July 1933.³⁵ While the numbers declined after 1933, there was not a rapid fall off and unemployment remained a major problem well into the term of the first Labour government.

After the 1930 Unemployment Act there were a number of important measures that affected unemployment and the unemployed, usually aimed at either increasing the funds of the Unemployment Board or curtailing the amount paid out in relief wages. The Unemployment Amendment Acts of 1931 and 1932 were both responsible for increasing the unemployment tax and for extending the tax to all wage and salary earners.³⁶ Conversely, acts such as the National Expenditure Adjustment Act of May 1932 and the Finance Act of March 1931 reduced wages, old age widows and miners'

³³ The Unemployment Act of 1930 established an Unemployment Board of eight members representing the government, primary and secondary industries, employers and workers organisations and the Returned Servicemen's Association. This was reduced by the Unemployment Amendment Act of 1931 to a board of five comprising the Minister of Labour, the Commissioner of Unemployment and three members appointed by the Governor-General.

³⁴ With the Unemployment Amendment Act of 1931, the levy of 30s. per year was reduced to £1, but an additional tax of 3d. in every pound earned was levied. This was further amended in April 1932 with the tax being raised to 1s. in the pound.

³⁵ NZOYB, 1934, p.594.

³⁶ NZS, 1931, p.72; NZS, 1932-33, p.11.

pensions by 10 percent as well as reducing exemptions for civil pensions and family allowances.³⁷

The Unemployment Board not only lacked initially sufficient finance to implement and maintain its various schemes, but also a comprehensive policy towards unemployment. For instance, no provision was made for unemployed youths and women despite the fact that after the 1931 Unemployment (Amendment) Act, they were expected to contribute to the unemployment fund. Often, the schemes made little concession to the local difficulties in implementing and administering the schemes, causing some dissension between local bodies and the Unemployment Board.³⁸ Even though the Board was able to announce in 1933 that 'any change in the unemployment situation should now be for the better,' the amount of money held by the Board at the end of each financial year continued to increase, almost doubling between 1934 and 1935.³⁹ While this was an indictment of the Unemployment Board and their operations, especially during 1934-35, the policy of 'undue parsimony' was practised by various government departments.⁴⁰ In 1934, for instance, questions were raised in the House regarding the finances of the State Advances Corporation who, it was alleged, were paying out only one twenty-fifth of their receipts in repayments, despite the desperate position of the building industry.⁴¹

³⁷ NZS, 1931, p.29; NZS, 1932-33, p.35.

³⁸ One example was UB Circular 90 (10 December, 1931) which made it a condition of relief that workers 'cultivate in their own time areas of ground they are occupying whether as owners or tenants, for the purpose of growing vegetables thereby assisting to maintain themselves.' Little consideration was made to the difficulties of administering the scheme in an area as large as Rangitikei. In a letter from Richardson to Mair in 1932, the County Clerk noted 'I do not know whose job it is to go round and see that the men are cultivating their garden plots. The officers of the council certainly have not the time,' 9 July, 1932, RCC Miscellaneous Correspondence.

³⁹ The money held by the Board on 31 March, 1934 was £677,823 compared with £1,332,946 a year later, AJHR, 1934-35, H.35, p.2; AJHR, 1935, H.35, p.4.

⁴⁰ This point is made in a number of theses on the depression years including A. Aston-Peach, 1971; P.J. Oakley, 1953; S. Wigglesworth, 1954.

⁴¹ A. Aston-Peach, pp.12-13.

In Rangitikei, most unemployed turned to their local bodies for assistance. In Marton where there were a number of unemployed, a correspondent commented in the Advocate that 'the borough has not done much if anything at all.'⁴² Other local bodies were equally disinclined to assist unemployed from their own pocket. A discussion on unemployment by the RCC arrived at the conclusion that many of the unemployed were 'loafers with no sense of moral obligation,' and that the seriousness of local unemployment was exaggerated.⁴³ This view conflicted with correspondence in the Advocate. A letter in late 1930 stated that 'there are families in Marton today whose breadwinners are out of work and hardly know where their next meal is coming from to feed the little ones.'⁴⁴

In January 1931 unemployment committees were set up in all the boroughs and town districts to deal with the growing numbers of unemployed in accordance with the directives of the Unemployment Board.⁴⁵ Initially the problem did not seem as severe in Rangitikei as in neighbouring counties, particularly Wanganui and Waimarino, due to the large amount of seasonal work available; the numbers registering as unemployed, however, steadily increased after February 1931 in line with the increase in registered unemployed throughout the country.

Two factors make it difficult to ascertain the extent of unemployment: first, there is a lack of statistical information on the numbers of unemployed in the county at any particular time; and second, there were continual and often considerable changes recorded in the numbers of unemployed from one month to the next, making it exceedingly difficult to do anything more than generalise on the amount of unemployment within the county.

In the early months of 1931 when the numbers of unemployed were

⁴² RA, 20 August, 1930.

⁴³ RA, 5 September, 1930.

⁴⁴ RA, 21 November, 1930.

⁴⁵ RA, 17, 23, 24 January, 1931.

increasing rapidly, the numbers of registered unemployed were reasonably well documented. Despite seasonal work available in the south of the county during the summer over fifty men were out of work in Marton and Hunterville by mid-January.⁴⁶ By February the numbers registered as unemployed or on relief work had risen considerably. In Taihape, 91 were registered as unemployed with a further 47 out of work in Marton and Ohingaiti, placing considerable strain on local efforts at providing relief work.⁴⁷ Even so, the problem facing the county was not seen as severe as in other counties and boroughs especially Taumarunui where 150 were reputed to be out of work.⁴⁸ In the same month the Advocate expressed its optimism at the temporary improvement in the price of wool and the fact that there were 'comparatively few unemployed locally.'⁴⁹

April saw further increases in the numbers of registered unemployed to well over 200 with 98 and 94 registered in Marton and Taihape respectively.⁵⁰ In Taihape in particular the situation continued to deteriorate with 139 registered as unemployed by late May, increasing to 163 by July.⁵¹ Even so the Mayor, Mr de Lautour, felt the situation sufficiently under control to comment in June that 'on making investigation I have found the amount of actual distress in Taihape consequent upon unemployment is really very small. We have been singularly fortunate.'⁵²

The first six months of 1931 were characterised by a certain amount of confusion at the rapid increase in unemployment and increasing financial uncertainty. In April while the numbers of unemployed in Marton continued to increase, the Hunterville Unemployment Committee waited with several schemes on hand, but no spare unemployed. In the northern and central ridings of Rangitikei numerous requests for labour were received

⁴⁶ RA, 17 January, 1931; 28 January, 1931.

⁴⁷ RA, 5 January, 1931; TT, 25 February, 1931.

⁴⁸ RA, 14 January, 1931.

⁴⁹ RA, 6 March, 1931; 14 March, 1931.

⁵⁰ RA, 14 April, 1931; TT, 10 April, 1931.

⁵¹ TT, 25 May, 1931; 20 July, 1931.

⁵² TT, 26 June, 1931.

from farmers and from the Mangaonoho and Putorino school committees, yet were met with the response that there was insufficient unemployed labour to go round.⁵³ Just as several farmers were finding the going hard with wool, meat and dairy produce prices still plummeting, advertisements appeared in the local press offering to buy dairy and sheep farms mentioning that 'over £50,000 worth of country property had been sold in the district [Wanganui-Rangitikei] during the previous two months.'⁵⁴

Charitable aid expenditure in the county dropped by over £300 a month during early 1931 largely as a result of the various relief schemes which helped to supplement the role of the hospital boards.⁵⁵ The wool market which was supposed to do much to 'restore confidence among the men on the land in this district' continued to improve if only locally.⁵⁶ In May a further editorial entitled 'the Silver Lining' viewed the improving position of the dairy industry with a certain degree of optimism, and it appeared to those not directly affected that the depression was passing by like 'a ship in the night.'⁵⁷

For many unemployed, however, the reality of their position was somewhat gloomier, especially for those not fortunate enough to obtain regular relief work through being single, too young or female. Those who did hold regular employment although suffering reductions in income were compensated in part by reductions in living costs with rates declining by between five and twenty percent (up to 50 percent in the county) and wheat, meat, clothes and grocery prices all dropping substantially. Even bread was down to 4d. a loaf by June at the local cooperative shops⁵⁸ as a result of a local bread war despite the assertion by the Reform Party candidate for Oroua that the 'baker could not make a living at the present price of flour by selling bread at 5½d. a loaf.'⁵⁹

⁵³ RA, 10 April, 1931.

⁵⁴ RA, 29 April, 1931.

⁵⁵ RA, 19 March, 1931.

⁵⁶ RA, 25 March, 1931.

⁵⁷ RA, 7 May, 1931.

⁵⁸ RA, 5 June, 1931.

⁵⁹ RA, 15 June, 1931.

Throughout the winter months of 1931 the number of unemployed in the county remained at between two and three hundred. By November, the number had started to decrease somewhat with seasonal work available either on farms or in the freezing works at nearby Feilding and Longburn. By November two requests by farmers at Hunterville for labour had to be declined as there were again no unemployed available within the area.⁶⁰

Over the summer months of 1931-32 there was little evidence of the severity of the winter that the country had passed through. Shopkeepers in Taihape reported business over the Christmas period to be at least equal to the previous year.⁶¹ In February, a prolonged drought in the county and falling wool prices had little effect on the Marton A. and P. Show which recorded unprecedented entries in all sections and an almost record attendance.⁶²

By March 1932, the numbers of registered unemployed had again increased, with 194 registered in Taihape and Marton alone.⁶³ The announcement in the same month that the unemployment tax was to be increased from 3d. in the pound to 1s. in the pound was a further drain on the wage earner and signalled the start of a long and difficult winter. By June between two and three hundred were unemployed throughout the county, 130 of these in Marton.⁶⁴ Relief depots in Hunterville and Taihape assisted a number of distressed families during the winter months.⁶⁵ As the novelty of unemployment lessened, criticism was levelled at groups of unemployed for not endeavouring to find other work or for sponging on local relief works. In particular, many unemployed were criticised for using relief schemes after earning up to £200 in six months of seasonal work at the freezing works.⁶⁶ Agitation also grew about the role and responsibilities of the farmers, many of whom it was felt were not making sacrifices in line with the rest of the community. Most criticism was

⁶⁰ RA, 25 November, 1931.

⁶¹ TT, 30 December, 1931.

⁶² RA, 25 February, 1932.

⁶³ TT, 9 March, 1932; RA, 1 March, 1932.

⁶⁴ RA, 8 June, 1932.

⁶⁵ RA, 17 June, 1932.

⁶⁶ RA, 16 June, 1932.

directed at the farmers' use of relief labour and their unwillingness to retain farm labour. For many of the more prosperous farmers including those fortunate enough to attend the Annual Hunt Club Ball with its 'assorted viands, savouries, salads, and sweets in endless profusion' the depression in fact had little visible effect.⁶⁷

By October 1932 the number of unemployed had begun to decrease from the monthly totals of over 250 registered during the winter. With shearing work available as well as large numbers employed in nearby freezing works, the number of unemployed continued to decline although not at a sufficient pace to satisfy local farmers or unemployment committees. By December 1932 there were still 80 registered unemployed around Hunterville and Turakina alone in spite of a shortage of labour on the farms.⁶⁸ This was in part a result of the fears held by relief workers of closing their regular relief work and a reflection on the wages offered for haymaking and harvesting. The situation became even more farcical when the unemployment committees were forced to notify all unemployed that they were obliged to give preference to private employment and urged farmers to seek out the lists of unemployed at the local post offices.⁶⁹ The appeal was to little avail, however, and the continuous heavy rain of mid-February which caused an estimated crop loss of £20,000 accentuated both the farmers' parsimony and the anomalies that existed in the provision of unemployment relief.⁷⁰

By March 1933, most seasonal work had ended and the number of registered unemployed in Marton again increased rapidly. Despite an editorial hopefully entitled 'Is the Worst Over?' the situation continued to deteriorate through the months of May and June.⁷¹ Compounding the fact that the numbers of unemployed equalled the highest levels of the previous two years was the substantial reduction in the amounts allocated for relief. Altogether there remained over two hundred unemployed in the

⁶⁷ RA, 20 July, 1932.

⁶⁸ RA, 23 December, 1932.

⁶⁹ *ibid.*

⁷⁰ RA, 15 February, 1933.

⁷¹ RA, 22 May, 1933.

county throughout the winter months.

With the end of the winter there was an air of optimism in the county. The Advocate through its columns expressed its view that unemployment had peaked and that the county was about to enter upon a rapid recovery.⁷² A series of full page advertisements exhorting the residents of Marton to 'Build! Renovate! Improve! while prices are low' appeared in September supported by a number of building and associated industries.⁷³ In October an end of depression ball was held to give 'Mr Depression a fitting send off'.⁷⁴

Other signs of recovery were also evident. The Taihape Dairy Company in October announced a profit of £5400 for the preceding year and was able to distribute 1½d. per pound of butterfat to the suppliers. This was in spite of a sharp decline in butter and cheese prices.⁷⁵ When the merry-makers of the 1933 revue returned with their show Back Again, it was a sell-out with people turned away in droves.⁷⁶ Most significant, however, was the news that appeared on 17 November to the accompaniment of a letter entitled 'Goodbye Depression' that announced 'fat lambs were now 17s.6d. a head, cast ewes 16s. a head and wool is at an almost payable level.'⁷⁷

The effects of the improved wool and meat prices were soon felt in the town districts and boroughs. In Marton alone, the monthly turnover by mid-November was 75 percent up on the previous twelve months⁷⁸ with the public responding freely to the large Christmas advertisements and urgings of the festivities committees. Even a deputation to A. Stuart, M.P. regarding six or seven workers in Marton whose circumstances were particularly 'necessitous' was soon placated by offers of assistance.⁷⁹

⁷² RA, 21 September, 1933.

⁷³ RA, 9 September, 1933.

⁷⁴ RA, 27 September, 1933.

⁷⁵ RA, 10 October, 1933; 2 November, 1933.

⁷⁶ RA, 11 October, 1933.

⁷⁷ RA, 17 October, 1933.

⁷⁸ RA, 17 November, 1933.

⁷⁹ RA, 15 December, 1933.

The weekly number of unemployed which had been decreasing since June was as low as 28 by November 1933⁸⁰ with the likelihood of further decreases as more seasonal work became available. This in turn led to the decision of the Marton Unemployment Committee to disband in November 1933, a move accepted with regret by the Unemployment Board.⁸¹ Hereafter all matters concerning unemployment were referred directly to the certifying officer or local registrar.

Wool was the 'hero' of the hour, dominating editorials and advertising. While the new year editorials stated that 'there cannot be any doubt that 1933 leaves us a great deal better off than it found us'⁸² the reasons for the optimism were succinctly expressed in the ditty that appeared in mid-December:

Mary had a little lamb
Lambs 8d. in the city
And wool at 20d. a lb.
Gee Mary's sitting pretty.⁸³

The first few months of 1934 continued to give hope that the depression had indeed passed. In January, the Marton A. and P. Show again recorded 'large numbers of entries of outstanding quality.'⁸⁴ At Hunterville an Unemployment Committee meeting was cancelled because there was no business.⁸⁵ Even the introduction of a sustenance scheme in Wellington and Auckland for men over 60 was not greeted with the opposition that might have been expected six months previously.⁸⁶ As the number of unemployed dropped, the interest of the unemployment committees in setting up productive relief schemes diminished with relief workers being engaged on such non-productive works as cleaning footpaths, grubbing blackberry, clearing around young trees and clearing cemeteries.⁸⁷ In February the Hunterville Unemployment Committee decided to arouse the unemployed from

80 Average allocations to the relief workers for the month of November 1933. MUC Outward Correspondence files.

81 B. Bromley, Commissioner of Unemployment to C.C. McDonald, Town Clerk, Marton, 5 December, 1933. MUC Inward Correspondence.

82 RA, 2 January, 1934.

83 RA, 14 December, 1933.

84 RA, 24 January, 1934.

85 RA, 27 January, 1934.

86 RA, 30 January, 1934.

87 RA, 9 February, 1934.

their apathy by standing down all able-bodied men working under scheme 5 for two weeks, the object being that the men would find work without the assistance of the unemployment fund.⁸⁸

By the winter of 1934, the most serious period of unemployment had passed, with the upturn in meat and wool prices and the more efficient mobilisation of local organisations and improved coordination of local relief efforts. Although instances of distressed families still reached the public's notice, by mid-1934 local unemployment was considerably down on the previous years. By May 1934, apart from Ratana where 30 were registered unemployed, there were only 60 on the lists of registered unemployed compared to 120 a year previous.⁸⁹

With the decrease in unemployment nationally after March 1934, the administration of the unemployment fund was again a topic of debate in the county. While it was acknowledged that 'nobody seems to know the exact position of the unemployment funds',⁹⁰ the Advocate in an editorial on 25 May warned that 'it is just as bad to err on the side of caution as on that of overspending.'⁹¹ Clearly it was felt that locally at least, the worst had passed and that increased efforts should be made to alleviate the conditions of those still unemployed or on relief work. Both the boroughs and county councils had recorded substantial credit balances from the financial year ending 31 March, 1934⁹² and were anxious that the Unemployment Board increase its financial commitment to the unemployed in view of that body's steadily mounting fund.

To accompany their new-found political voice, local farmers

⁸⁸ RA, 10 February, 1934.

⁸⁹ RA, 19 May, 1934.

⁹⁰ RA, 15 May, 1934.

⁹¹ RA, 25 May, 1934.

⁹² The credit balance of Marton in 1934 was £1132.14s.10d., a situation it described as 'very satisfactory,' RA, 19 June, 1934. In Taihape the Borough General Account improved by over £800 between May 1932 and May 1933, TT, 3 May, 1933. The County Chairman in his annual report for the year ended 31 March, 1934 commented on the 'substantial credit balance' held by the Council. (The credit in the County Fund Account by 31 March, 1934 was £24,990).

demonstrated their confidence in improved conditions by an increase in the amount of fertiliser purchased (the first such increase registered by the Rangitikei Dairy Company for some years). The same company was also able to register a cash surplus of £18,122 which enabled a further payout of 2s.6d. per lb. of butterfat and a cash dividend of 5 percent for shareholders. For the sheep farmer at least, the depression was on the wane.⁹³

In the town districts and boroughs, conditions were not so conducive to economic recovery. By September 1934 there were still numbers of relief workers engaged in grubbing blackberry, planting trees, carrying wood and fencing grounds, while in Marton, a service station manager and a local licensee were forced into bankruptcy in September and November respectively.⁹⁴ Still, the general feeling was that 'prospects of a truly merry Xmas were decidedly bright.'⁹⁵ Outwardly at least the optimism was well placed. When the Grenadier Guards visited Marton in December, an estimated 3,500 paid to attend their performance.⁹⁶ This was followed on 2 January by the attendance of Prince Henry, Duke of Gloucester at the Marton Jockey Club, an event that attracted an unprecedented 15,000 people to the course and increased totalisator returns by over 25 percent.⁹⁷

Signs of the economic recovery that had occurred since early 1934 were evident in local papers. Advertisements for large American cars featured after a five-year absence and in January a weekly motoring page was started.⁹⁸ Record attendance figures were again registered at the Marton A. and P. Show and at the night athletic sports in January.⁹⁹

While by February 1935, the New Zealand Educational Institute had not succeeded in having the school age reduced (from six years to five

⁹³ RA, 13 August, 1934.

⁹⁴ RA, 28 September, 1934.

⁹⁵ RA, 17 November, 1934.

⁹⁶ RA, 17 December, 1934.

⁹⁷ RA, 2 January, 1935.

⁹⁸ RA, 31 January, 1935.

⁹⁹ *ibid.*

years), the Rangitikei branch of the institute was pleased at some salary restoration and the reopening of two teachers' colleges.¹⁰⁰ Other local branches, aroused from their slumber by an improving economic climate spoke out on local and national issues especially as regards the forthcoming elections.

Since the dissolution of the Unemployment Committee, unemployment relief became the concern of the County Council, who took most of the unemployed out of the towns and boroughs and placed them on to the roads or farms. There were exceptions, however, and Bulls continued its history of unproductive works, with a contingent of unemployed engaged in digging ditches.¹⁰¹ The new sustenance scheme when introduced in Marton attracted a lot of opposition in the early months of 1935, both from unemployed and administrators and there were several letters to the press declaring that the manner of payments was deeply humiliating.¹⁰² While unemployment remained a problem, it was in many instances successfully swept under the mat. By May 1935, the residents of the county were more concerned with the King's Jubilee celebrations than with personal (or impersonal) hardship, a sentiment acknowledged by the Rangitikei County Council who gave £60 to local bodies in the county for Jubilee celebrations.¹⁰³

During its last year in office the government at last attempted to come to the aid of the dairy farmers with new subsidies on dairy factories, milking sheds and farm machinery. The returns of the Rata dairy factory in August, however, showed that the legislation was too little, too late as prices had begun to improve of their own accord.¹⁰⁴ The Government was to feel the resentment of the dairy farmer in the Rangitikei for its lack of assistance to the dairy industry at the elections only three months away.¹⁰⁵

¹⁰⁰ RA, 19 February, 1935.

¹⁰¹ RA, 11 January, 1935.

¹⁰² RA, 26 February, 1935.

¹⁰³ £15 each to Marton and Taihape, £10 to Bulls and Hunterville and £5 to Ohingaiti and Mangaweka, RA, 3 May, 1935.

¹⁰⁴ At the AGM of the Rata Dairy Company despite a decrease in production of 99 tons, there was an increase in turnover of £2891 with an average payout for the season of just over 9½d. per lb., RA, 5 August, 1935.

¹⁰⁵ See Chapter 6 'The Farmers' Response' and Chapter 7 'The Political Response.'

By September 1935, there were a steady number of job vacancies appearing in the newspapers, the first since 1928.¹⁰⁶ Wages offered were as low as 10s. a week, however, and the number of applicants was invariably high. When the county advertised for a noxious weed inspector for the northern end of the county in October, there were over 90 applicants for the job. This high number could in part be attributed to the proportionately higher numbers of unemployed in the north of the county and the reasonable salary offered by the county including a basic wage of £334, a 15s. per week horse allowance and actual out-of-pocket expenses for board.¹⁰⁷

On October 17, salaries of public servants were increased by 7½ percent and pensions restored, a move followed by the Rangitikei County Council who resolved that salaries be increased from 1 November, 1935, '.....by an amount equal to the second ten percent reduction in salaries made as from the 1st September 1932.'¹⁰⁸ Throughout October and November the number of job advertisements increased moving Alex Stuart, M.P. to comment 'there are farmers today who can't get men.'¹⁰⁹

Christmas of 1935 was reported as the busiest in years, in which the pursestrings of the public were more definitely loosened.¹¹⁰ Armed with a new Member of Parliament, the county looked forward to a continuing decrease in the numbers of unemployed. Progress, however, was only gradual. At the time of the 1936 census there were still 118 registered as unemployed in the county as well as another 119 categorised as partly employed.¹¹¹ Even as late as 1939, many unemployed were still working on relief schemes throughout the county.

¹⁰⁶ RA, 17 September, 1935.

¹⁰⁷ RCC Minutes, 31 October, 1935.

¹⁰⁸ RCC Minutes, 31 October, 1935.

¹⁰⁹ RA, 20 November, 1935. Stuart admitted that one important reason why many farmers could not get labour was, that they were not prepared, or not able, to pay a 'decent wage.'

¹¹⁰ RA, 27 December, 1935.

¹¹¹ NZ Census, 1936.

Although 1935 saw out the worst of the 'sugarbag' years in terms of unemployment and the prices of New Zealand's primary products, the problems of declining population and general stagnation within the boroughs and town districts remained.¹¹² By May 1936 the Marton Borough Council was able to boast that, apart from the Hospital and Charitable Aid rate which had doubled since 1922, the rates for the town were the same as they had been 14 years previously.¹¹³ The Mayor of Marton since 1921, Mr F. Purnell, and his council maintained a policy of keeping the rates down to the minimum and of borrowing only when 'absolutely necessary.'¹¹⁴ In 1936 even Mr Purnell felt the council was being too modest with its expenditure, with £7000 being spent in Taihape on main highways compared with £900 in Marton including the construction of two bridges.¹¹⁵ Other critics were not so kind, labelling Marton 'a very municipally backward town'¹¹⁶ unwilling to face up to its responsibilities, obsessed with balancing its books and having failed to utilise relief labour to further the amenities of the town. The total assets created in Marton during the depression by relief workers consisted of street widening, tree planting and improvements to the water supply reservoir embankment worth some £700, a meagre return in view of the amounts spent on local unemployment relief.¹¹⁷

The borough paid dearly for the shortsightedness and parsimony of those years. The policy, however, was not theirs alone, having been

¹¹² For instance, in Marton between 1934-36, the amount of outstanding rates rose fivefold despite the county's improved economic climate, RA, 15 April, 1936.

¹¹³ RA, 26 May, 1936.

¹¹⁴ Marton Borough Jubilee Booklet, September 1929, 'A Civic Sketch' by F. Purnell (unpaginated). This policy was essentially unchanged during the period 1928-1936.

¹¹⁵ RA, 26 May, 1936.

¹¹⁶ RA, 4 October, 1935.

¹¹⁷ Purnell and the MBC for instance were criticised by A. Stuart for not going ahead with an urgently required water supply scheme which had been proposed and planned by the county engineer, S.A.G. Mair, at an estimated cost of £35,000. Stuart stressed that a loan could be raised at 3½ percent and that the Unemployment Board would pay 35s. per week per man, to no avail. Later councils were bitterly critical of the conservatism of the Borough during these years.

strongly endorsed at successive elections throughout the 1920s and 1930s. Many considered, no doubt, that low rates during the worse years of the depression were ample compensation for the lack of amenities and services provided by the borough.

The problem was not Marton's alone and in fact the county town was to survive the period 1936-45 in better shape than Taihape, Hunterville or Mangaweka¹¹⁸ despite the conservatism of its local administration. The problem was one, rather, that afflicted the whole county. While the slump in the growth of Rangitikei had begun before the depression and continued into the early 1950s, the depression years formed an inglorious chapter in which conservatism, parochialism, localism and sectionalism were the major driving forces.

¹¹⁸ At least in terms of population, Marton was able to record a slight increase in this period whereas Taihape, Hunterville and Mangaweka all suffered declining populations, NZ Census, 1936-1945.

CHAPTER THREE

UNEMPLOYMENT RELIEF 1928-1935

Prior to the Unemployment Act of 1930 there was no statutory provision for the relief of hardship caused by unemployment in New Zealand.¹ Legislation did exist for the relief of distress due to indigence through the Hospitals and Charitable Institutions Act of 1885;² however, this Act had no provision for coping with the abnormal situation that developed during the late twenties when increasing numbers of unemployed were forced to seek relief.

Although hospital boards, assisted by Government subsidies, did initially provide outdoor relief work for unemployed, the allocation of charitable aid was their first priority. Following a conference between the unemployment and hospital boards in 1932, it was agreed that applicants for relief should be classified as to their physical condition as either fit for any class of work, for light work only or unfit for work.³ From 4 July, 1932, the Unemployment Board agreed to assist all able-bodied men while the hospital boards were to care only for those in the latter two categories. This agreement had the effect of freeing the hospital boards from contact with the main operations of unemployment relief, allowing the boards to concentrate on the provision of charitable aid to necessitous cases.

While the Hospital and Charitable Institutions Act of 1885 and its various amendments provided a possible, if indirect, source of unemployment relief up until 1938, there was an increasing move in the twenties to absorb unemployed either through government departments, particularly

¹ The Growth and Development of Social Security in New Zealand, p.31.

² NZS, 1885, pp.154-178.

³ AJHR, 1932-33, H.35, p.3.

the Public Works Department (PWD), or local bodies. The PWD took most of the early burden, increasing the amount spent on relief from £130,000 in 1926-27 to £680,393 by 1928-29.⁴ Most of those taken on by the PWD were engaged on the roads with the numbers thus employed more than doubling between 1927 and 1930.⁵ The State Forest Service also provided a source of employment for unemployed relief workers, with the amounts spent on relief increasing from £14,240 in 1926-27 to £50,250 by 1928-29.⁶ As a result of Government policy in accommodating unemployed within the various labour intensive Government departments, there was a considerable amount of hidden unemployment within New Zealand by 1929.

One of the first measures introduced in response to the sharp increase in unemployment during 1926 was the Local Authorities Empowering (Relief of Unemployment) Act⁷ which allowed local authorities, without taking a poll of ratepayers, to borrow money for the purpose of providing relief works for unemployed men. This Act signified an acceptance by Government of some responsibility in curbing unemployment and in providing unemployment relief. As such it also marked the beginnings of a prolonged legislative attempt to solve, or at least cater for, unemployment; an attempt which was to continue into the thirties under the auspices of the Unemployment Board and was to dominate the policy and fortunes of both the United and Coalition Governments.

Unemployment Relief in Rangitikei 1928-1930

The main agencies providing unemployment relief in New Zealand up until December 1930 were the departments of central government and local government bodies. Most relief work offered by Government departments within Rangitikei was done so under the auspices of the PWD and MHB. The work usually consisted of road maintenance and construction, often undertaken in conjunction with local bodies, notably the RCC.

⁴ AJHR, 1930, H.11B, p.23.

⁵ From 2095 in 1927 to 5380 in 1930, NZOYB, 1930, p.861.

⁶ AJHR, 1930, H.11B, p.23.

⁷ NZS, 1926, p.5.

Local bodies had already been given encouragement for the provision of unemployment relief within their areas by the Local Authorities (Relief of Unemployment) Act and were further assisted by the Imprest Supply Act of 1927 which provided a sum of £150,000 to subsidise relief works carried out by local bodies.⁸

During 1928, the County Council undertook to carry out relief work to assist local unemployed. Initially the work comprised of widening and a number of general improvements on county roads (other than main highways), resulting in the expenditure of £2188.8s.6d. by the council for the year 1928-29.⁹ Most of the work provided was subsidised by the Public Works Department. In August 1928 the PWD agreed to a subsidy of £1470 for relief works in the county, while also providing a public works grant of £300 (£:£) for works on widening the Turakina Valley Road.¹⁰ The subsidies were not entirely without strings, however, as road works had to be confined to the central and northern portions of the county. The roads in the southern section did not conform to the class of work upon which relief workers could be profitably employed.¹¹ Consequently there was considerable wastage from providing work of only slight productive value and from attempting to cater for the unemployed in their own ridings or localities. The sacrifices being made by local bodies, although often not considerable in the amounts outlaid, were acknowledged by central government. The Minister of Finance, Downie Stewart, stated in Dunedin on February 29, 1928 that 'It is well known that unemployment relief schemes are not economic and do not yield full value for money spent.'¹²

Despite increasing unemployment, the amount spent on unemployment relief in Rangitikei during 1929 decreased from the previous year to

⁸ NZS, 1927, pp.4-5.

⁹ RCC Chairman's Annual Report, 31 March, 1929, p.4.

¹⁰ PWD Stratford to Council, RCC Inward Correspondence Files, 2 August, 1928.

¹¹ RCC Chairman's Annual Report, 1929, p.4.

¹² RA, 1 March, 1928.

£1635.1s.7d., half of which was contributed by the Government.¹³ Most of the allocation was used by the RCC for widening points on the county roads and for the widening of creeks.¹⁴ Various other schemes of relief work were instigated during the year, either under subsidy from the PWD¹⁵ or else in response to the urgings of interested settlers.

Contributions from settlers were usually required in order to implement local relief works; the widening of the Turakina Valley Road at Otairi was one such work undertaken only after the payment of £60 by interested settlers towards the cost of the work.¹⁶ The excess cost of relief work not met by Public Works grants or subsidies was usually allocated to the Riding Account wherein the work was carried out, a practice that did little to endear unemployment relief work to the rate-payers of the various ridings.

Throughout 1930 the numbers of unemployed within Rangitikei county grew rapidly, placing a further burden upon the council in the administration and supervision of relief schemes. By April 1930 there were sixteen separate relief works operating in the county, at a total estimated cost of £3960.¹⁷ Most of the schemes were limited to either maintaining or improving county roads or productive works such as fencing and tree planting; some maintenance work was also carried out on main highways in cooperation with the MHB.¹⁸ Of the total estimated cost of relief works in operation by April 1930, £2380 (or approximately 60 percent) was allocated to the Public Works Department, £1160 (29 percent) to the County Council and £420 (11 percent) to the Main Highways Board.¹⁹

¹³ RCC Chairman's Annual Report, 1930, p.5.

¹⁴ Mair to District Engineer, PWD, 29 June, 1929, RCC Outward Correspondence.

¹⁵ Secretary, PWD to Richardson, 3 September, 1929, RCC Miscellaneous Correspondence.

¹⁶ RCC Minutes, 3 September, 1929.

¹⁷ Schedule of Relief Works referred to at folio 784, RCC Minutes, 10 April, 1930.

¹⁸ Including relief works on the Bulls-Taumarunui Highway between Mangaweka and Taihape at Hunterville, at Rata and at Ongu. *ibid*.

¹⁹ The actual cost breakdown was:

| | |
|-------------------------|------------------------|
| RCC | £1160 - 29.293% |
| Main Highways Board | 420 - 10.606% |
| Public Works Department | 2380 - 60.101% |
| | <u>£3960 - 100.00%</u> |

Apart from the unemployment relief work that was under the administration of the county, there were numbers of 'road gangs' employed by either the PWD or MHB within Rangitikei. Often work was 'created' by Government departments serving little useful purpose. One Councillor expressed his surprise, in June 1930, on coming across approximately 100 men on the Wangaehu Valley Road rounding off corners without the council's knowledge - work he described as 'not important at all.'²⁰

As 1930 progressed the number and variety of relief works administered by the County Council increased. In October a Public Works authority for £150 was reserved from former unemployment relief authorities for tree planting at Hihitahi.²¹ A contribution of £50 from the Taihape Cooperative Dairy Company assisted by an unemployment relief subsidy and a further £50 from the Awarua Riding Account resulted in the metalling of Toe Toe Road in the latter months of 1930.²²

By November the outlook regarding unemployment relief was bleak. For the previous three years the County Council had had to carry the burden of unemployment within Rangitikei at considerable cost to the ratepayer without palliating the problem. With the introduction of the Unemployment Act in November 1930 the county may have reasonably expected to be relieved of some of its responsibilities, both financial and administrative. This was not to be, however, and the introduction of, in particular, the No. 5 scheme in February 1931 was to fall almost entirely under the county's wing. Little wonder that by 1930 the county was both more cynical and sceptical than the borough councils and newly elected unemployment committees, of Government efforts to alleviate the problems of unemployment, or even the distress of unemployed themselves.

The Unemployment Act: The Initial Government Response

Founded in the main on the submissions of the committee appointed by the Government in October 1928 to report on unemployment in New Zealand,

²⁰, RA, 14 June, 1930.

²¹ RCC Minutes, 30 October, 1930.

²² RCC Minutes, 31 October, 1930.

the Unemployment Act of 11 October, 1930 signified the acceptance by Government of overall responsibility for unemployment relief within New Zealand. The main provisions of the Act involved the setting up of an Unemployment Board consisting of seven members and an Unemployment Fund financed by a levy on the adult male population for the provision of unemployment relief.²³ From this fund it was proposed that the Board would coordinate employment opportunities, provide primary and secondary industries and recommend on the payment of sustenance allowances.²⁴

Within three months, the main functions of the Board as outlined in the statute were obsolete due to the rapid increase in the number of unemployed.²⁵ Even by late December it was clear that any attempt to devise methods of stimulating full time employment would have to be indefinitely shelved. At the first meeting of the Board on 25 November, 1930 it was felt that the most expedient form of unemployment relief would be provided through making available grants, loans or subsidies to local bodies or individuals for developmental or improvement works.²⁶ It was with a view to procuring immediate respite for over 7000 unemployed that the Board began its chequered career in December 1930, with the implementation of the first of its relief schemes, scheme 1.²⁷

Under the No. 1 Scheme the Unemployment Board offered to subsidise local bodies who were willing to find work for unemployed. The work was required to be either of a capital nature or else special maintenance and

23 NZS, 1930, p.49.

24 *ibid.*, p.55.

25 The numbers of registered unemployed on 27 October, 1930 were 6018, a figure that had jumped to 14,875 by 19 January, 1931 (29,234 by 2 March, 1931), NZOYB, 1932, p.733. This was in response to an Unemployment Fund which was to make provision for financial resources to meet the requirements of an anticipated maximum of 15,000 unemployed men, AJHR, H.35, 1931, p.3.

26 AJHR, 1931, H.35, p.3.

27 *ibid.*, p.7.

to contain at least 50 percent labour costs based on wages computed at 14s. per day.²⁸ The Board's subsidy offer was on the basis of £2 for £1 and all work had to be recommended and reported on by the Public Works Department engineer in charge of the district before being approved by the board. The scheme was only intended as a temporary measure, finally closing on 18 December, 1930, though expenditure for work subsidised could be incurred up to 31 January, 1931.²⁹ While limited in the amount of relief provided,³⁰ the scheme did serve to continue relief work along the lines of previous Government subsidies, despite the restrictions imposed by the Board.

Most local bodies in Rangitikei reacted too slowly to take advantage of the scheme.³¹ The Marton Borough Council did, however, already have work proposed and immediately wrote to the PWD district engineer at Stratford, applying for a subsidy of £200 for clearing the reservoir area of the Marton waterworks from ti-tree, scrub, gorse, blackberry and briar.³² Eventually £100 was granted by the Unemployment Board, the work being carried out during December, and January 1931.³³

Partly in acknowledgement of the fact that most local bodies had insufficient time in which to prepare unemployment relief works under scheme 1, and the fact that numbers of unemployed could not be reached by local bodies, the Board introduced the No. 2 scheme in December 1930. The scheme was a special emergency measure for work made available by private individuals at a subsidy rate of £1:£1 on wages only, with the work to be completed by the end of January.³⁴ Again the work was to be

²⁸ AJHR, 1931, H.35, p.7.

²⁹ *ibid.*

³⁰ Initially approval was given for the expenditure of £25,000 under scheme 1, although in all, subsidies amounting to £32,576 were finally approved, AJHR, H.35, p.7.

³¹ It was acknowledged by the Unemployment Board that only local bodies who had proposals of work already prepared could start work quickly - hence the introduction of schemes 2 and 3, AJHR, H.35, p.8.

³² Town Clerk to the Engineer in Charge, PWD, Stratford, 28 November, 1930 in Marton Unemployment Committee file, Outward Correspondence.

³³ Letter to the Unemployment Commissioner acknowledging the grant of £100, 17 December, 1930, Marton Unemployment Committee copies of letters.

³⁴ In fact the scheme was extended through until the end of February 1931 with £34,953 granted in subsidies, AJHR, 1931, H.35, p.8.

of a developmental nature, including improvements to, and maintenance of, land. In the county £120 was expended under this scheme, partly subsidising work on private property³⁵ and partly supplementing work begun earlier under the no. 1 scheme on clearing gorse on the waterworks reserve. Grants under the scheme were also made to Mangaweka (£20)³⁶ and Taihape (£50) for subsidising local works.³⁷

As schemes 1 and 2 were unable to provide all unemployed with some relief work, there was one further scheme introduced in December. Scheme 3 was proposed as a special Christmas relief measure for those not reached by other schemes whereby £10,000 was allocated by way of straight-out grants to local bodies, to be administered by them in conjunction with local unemployment committees.³⁸ Under the scheme local bodies were asked to provide two days work before Christmas for each registered unemployed, resulting in the expenditure of £8789 helping 5500 men among 90 local bodies. Rangitikei's share was £186 granted to the county council in mid-December and subsequently used for special unemployment relief works in the county under the provisions of the scheme.³⁹

By the end of January 1931, unemployment numbers were beginning to rise steadily despite seasonal work. Clearly the schemes introduced for the immediate relief of the unemployed had provided some work, though it was invariably too little spread among too few. By February the situation was so serious that some broad far-reaching measures were required to cater for the numbers of unemployed. Consequently, on 9 February, 1931 the no. 5 scheme was introduced, followed on 23 February, 1931 by the no. 4A and no. 4B schemes, in an effort to provide relief work for all qualified unemployed male wage earners.⁴⁰

³⁵ Letter to F.R. Nitschke from Secretary, MUC, 28 January, 1931, MUC Copies of Letters Outward.

³⁶ TT, 16 February, 1931.

³⁷ TT, 23 February, 1931.

³⁸ Where Local Unemployment Committees had in fact been established. There were no Unemployment Committees within Rangitikei until January 1931, the grant being administered by local bodies.

³⁹ RCC Minutes, 19 December, 1930.

⁴⁰ AJHR, 1931, H.35, pp.7-9.

The No. 4A and No. 4B Schemes for Unemployment Relief

Investigation into the question of utilising the unemployed on the development and settlement of Crown lands in early 1931 served to uncover two important facts: first, that there was in fact little Crown land suitable for settlement; and secondly that any work available entailed considerable overheads and organisation especially in the establishment of camps.

As a consequence it was decided that the Board would concentrate on lands in private occupation where 'much development work still remained to be done, and which was not being done on account of the financial plight of the farmers.'⁴¹

Accordingly schemes 4A and 4B were introduced in February 1931, the former providing for those farmers who wished to secure additional labour on a weekly basis and the latter for those who desired to have developmental work done by contract.⁴² The emphasis in both schemes was on the subsidising and placing of additional labour and the carrying out of developmental contracts on farms which, owing to the financial position of farmers, would not otherwise have been done.

⁴¹ AJHR, 1931, H.35, p.9.

⁴² Under scheme no. 4A farmers willing to employ additional labour on their farms were offered the opportunity of obtaining such labour from the ranks of the registered unemployed, the selection often being made by the local unemployment committee. The farmer and the worker arranged the rate of pay, and the board subsidised the actual wages up to 15s. per week for a single man and £1.5s. a week for a married man, a condition being that the employer found the man in board and lodgings, or housing where necessary. The periods of subsidised employment varied from four to 26 weeks.

Under Scheme 4B contracts could be arranged for developmental work on farms such as bushfelling, scrub cutting, rush-grubbing, stumping and logging, drainage of farmlands, cutting new drains and improvement of existing drains, cleaning out noxious weeds, fencing, and developmental work of a similar nature. The Board granted a subsidy of 33 $\frac{1}{3}$ % of labour cost only, the maximum subsidy payable on any individual contract being limited to £75. The men employed were required to be engaged from the ranks of the registered unemployed and the contract arranged on a cooperative basis. Applications for subsidy were to be forwarded through the Commissioner of Crown Lands for the district; the Field Inspector of the lands department inspected the work to be done and reported thereon with a recommendation to the Unemployment Board. An individual farmer could apply for one or more subsidies under scheme 4B, the idea being to have as many men as possible employed on small contracts. Each application was given individual consideration by the Board, AJHR, 1931, H.35, p.9.

The specific intention of the schemes to be limited to those in financial need was often distorted by unemployment committees, particularly in rural areas. As the farmer was not required to outline his financial situation the schemes were subject to some abuse by farmers who could afford to pay for the development of their own lands out of their own pockets. While the scheme was designed to provide unemployment relief, it seemed already that the farmer was to be the recipient of Government attention. The point did not go unnoticed by the relief worker, and 'for many, unemployed relief schemes 4A and 4B designed to subsidise developmental work by individual farmers, epitomised the Government's apparent determination to help the farmer at their expense.'⁴³

By 31 March, 1931 the total number of men employed under schemes 4A and 4B was 1542⁴⁴ with both schemes well established. Although a number of changes were introduced especially in regards the subsidies available from the unemployment fund,⁴⁵ the no.4 scheme remained one of the major provisions for coping with unemployment throughout the Depression. The scheme reached its peak in terms of payments from the Unemployment Board during 1932/33 with £217,047 being paid out - a figure that had dropped to £19,852 by 1935/36. The 4B scheme continued to increase in popularity through until 1934/35 when £113,327 was paid out under its provisions.⁴⁶

In Rangitikei a number of farmers availed themselves of both schemes, particularly after the Unemployment Board subsidy on the 4B scheme was raised from 33 percent to 50 percent.⁴⁷ Between April 1931 and July 1932 seven placements were made under scheme 4 by the MUC;⁴⁸ in the northern ridings the response was more encouraging. By May, 19 men were employed on farm development work under the 4A scheme in and around Taihape;⁴⁹ by August this number had grown to 28.⁵⁰ Several relief workers were also

⁴³ R.J. Noonan, p.10.

⁴⁴ AJHR, 1930, p.9.

⁴⁵ NZOYB, 1930-37.

⁴⁶ NZOYB, 1937, pp.711-712.

⁴⁷ RA, 30 July, 1932.

⁴⁸ MUC Correspondence Files, 1931.

⁴⁹ TT, 25 May, 1931.

⁵⁰ TT, 17 August, 1931.

engaged under the scheme by the HUC.⁵¹

During the period 1933-34 considerable use was made of the 4A and 4B schemes in Rangitikei, particularly on contract work for drainage and scrub-cutting in the Santoft area.⁵² Work under the scheme was generally encouraged by the RCC who saw the scheme was both more productive and easier to implement than the no. 4 'over-the-fence' scheme. Although it was openly acknowledged by the county that the provisions of the scheme had been abused,⁵³ it was still seen as preferable by those administering it to the no. 5 scheme. When the termination of the no. 4 scheme was mooted in August 1931, the MUC immediately wrote to the Minister of Labour deploring the action arguing that 'The number 4 scheme has much to commend it. It is assisting production. The No. 5 scheme is 75 percent non productive and anything that will tend to increase the number of employees under it is to be discouraged.'⁵⁴

In comparison to the no. 5 scheme it possessed a number of advantages, the most important of which were the ease of administration and the high employer/employee ratio which aided worker supervision. As the scheme was smaller and more personalised than the no. 5 scheme it managed to avoid the direct brunt of public wrath that was aroused by the 'over-the-fence' scheme. Although superseded by the no. 5 'over-the-fence' after November 1931,⁵⁵ the scheme was frequently viewed with suspicion by relief workers and was invariably implicated in the accusation levelled at farmers that they were manipulating unemployment for their own ends.⁵⁶

51 RA, 23 March, 1932.

52 RA, 17 June, 1933. Scrub cutting at Santoft - large area of land available for letting by contract (4B).

53 RA, 18 April, 1934.

54 Secretary, MUC to Minister of Labour, 27 August, 1931, MUC Correspondence.

55 The passing of the Finance Act, 1931 (no. 4) part 2 made possible the employment of scheme 5 by local authorities for the benefit of private property, NZS, session V, 1931, pp.499-501.

56 There was also a widespread suspicion that some of the assisted local bodies, private firms and farmers were taking advantage of the scheme to get virtually costless labour so that unemployment was being perpetuated instead of alleviated, A.J.S. Reid, 'Church and State in New Zealand, 1930-35: A Study of the Social Thought and Influence of the Christian Church in a Period of Economic Crisis,' Victoria University, 1961, p.60.

The No. 5 Scheme

The no. 5 scheme was the mainstay of unemployment relief in New Zealand throughout the depression.⁵⁷

Under the provisions of the scheme, the Unemployment Board provided free labour on a rationed basis to local bodies. The local bodies in turn were responsible for providing materials, tools, transport and supervision for work undertaken under their authority. Work was rationed according to the number of dependents: single men received two days work per week; married men (without or with one dependent child) three days per week; and married men with two or more dependent children four days per week.⁵⁸ Although the scope and conditions of the scheme were frequently altered in response to the pressures placed upon it, its main purpose remained that of providing relief work for all qualified unemployed male wage earners.⁵⁹

Initially the scheme was envisaged as a partnership between the Unemployment Board and local governing authorities who, it was felt, 'Should take their share of responsibility in the care of the unemployed in their districts.'⁶⁰

It was proposed that, where possible, work should be of a developmental or genuinely productive nature. Such works, however, placed heavy demands on local administration and required time to implement; consequently the majority of men placed under the scheme up until June 1932 were engaged on non-productive works.⁶¹

With the passing of the Finance Act (No. 4) in November 1931, the

⁵⁷ AJHR, 1931, H.35, pp.9-11. For the changing conditions of the scheme refer to AJHR, 1932-36, H.35.

⁵⁸ The local employing authority was also expected to insure relief workers. Following 1 October, 1932, the Unemployment Board took over the insurance of relief workers, UB Circular 167, RCC Inward Correspondence Files.

⁵⁹ AJHR, 1931, H.35, p.9.

⁶⁰ AJHR, 1932, 1932-33, H.35, p.13.

⁶¹ Non-productive work included improvements to streets, domains and school and hospital grounds. In December 1931, the number of men so employed was 30,500 or 75.7 percent of the total employed under the scheme. By June this figure had decreased to 28,650 (61.2) percent), AJHR, 1932, H.35, p.13.

no. 5 scheme was opened up to the farmer. As it was felt many farmers were unable, because of the depression, to carry out developmental work on their farms, the Unemployment Board invoked the cooperation of local bodies, principally county councils to provide for, and administer, the placement of unemployed labour onto farms.⁶² Although the placement of such labour was supposed to be restricted to situations where the farmer was financially unable to carry out the developmental work necessary, the scheme was frequently abused. Administered by men with strong empathy for the farmer, little attempt was made to evaluate the farmers' needs; often the farmers themselves felt that by taking on unemployed under the scheme, they were 'doing their duty' in helping to alleviate the problems of unemployment.⁶³

Though the 'over-the-fence' scheme⁶⁴ was an important part of the whole no. 5 scheme, its use and abuse largely reflected the farmers' response to the depression; consequently the provisions, implementation and operation of the scheme within Rangitikei County are dealt with in a later chapter on the rural response to the depression.

The implementation of the no. 5 scheme proper in February 1931 had met with the general approval of local bodies within Rangitikei. The RCC in particular greeted the proposals enthusiastically. The county engineer, S.A.G. Mair, described it as a 'wonderful scheme' under which the enormous amount of road formation to be done within the county could be done by unemployed relief labour at 'practically no expense to the ratepayers.'⁶⁵ Immediately the scheme was offered, a number of applications for labour were lodged with the local unemployment committees.⁶⁶ Prominent among these were several received from local school committees for improvements

⁶² AJHR, 1932-33, H.35, p.13.

⁶³ At least this was a sentiment expressed by one RCC councillor (and large landowner) who, when accused of using relief labour on his land admitted it openly, stating that it was his 'duty' as a public man to show confidence in the scheme, RA, 22 June, 1932.

⁶⁴ The name given to the employment of labour on farms under the provisions of the no. 5 scheme.

⁶⁵ TT, 16 February, 1931.

⁶⁶ Including applications from the New Zealand Railways, Education and domain boards, MUC Inward Correspondence.

to, and maintenance of, school grounds.⁶⁷ Most of the early applications fell into the category of unproductive work as designated by the Unemployment Board, i.e. improvements to streets, domains and school and hospital grounds.⁶⁸

From the outset the RCC took up the scheme vigorously. As early as mid-February, some fifty men were employed under its provisions on road works within the county.⁶⁹ The TBC also made early use of the scheme with seventeen men engaged on maintenance works within the borough by late February.⁷⁰ By 10 April, 1931 when the no. 5 scheme was suspended for two weeks, 94 were employed by the RCC under the scheme as well as numerous others engaged by the boroughs, town boards, education and hospital boards and miscellaneous committees.⁷¹

In the six months following the recommencement of scheme no. 5 on 27 April, 1931, the main role of relief work under the scheme was in maintaining county roads in the face of a wet winter. Work was primarily concerned with day-to-day maintenance and keeping the roads open. A number of slips that occurred on the Mangaweka-Taihape road, particularly during July, were duly cleared by the RCC using no. 5 relief labour.⁷² Road access to many backblock settlers was continually hampered and disrupted during the winter months resulting in large numbers of relief workers being deployed as work gangs in the northern ridings.

By early spring it was apparent that despite the amount of money and relief labour allocated to road maintenance the severity of the winter had had disastrous effects especially in the northern ridings. By October 1931

⁶⁷ Applications were received from the Marton District High, Marton Junction, West Rangitikei, Makirikiri South and Mount View Schools, MUC Inward Correspondence files.

⁶⁸ AJHR, 1932, H.35, p.13.

⁶⁹ TT, 16 February, 1931.

⁷⁰ TT, 23 February, 1931.

⁷¹ TT, 10 April, 1931.

⁷² TT, 20 July, 1931; 31 July, 1931.

between 40-100 men were engaged on road repair work in the upper Turakina valley.⁷³ Many roads in the Papanui district had been closed for up to three months by slips and washouts; one particular stretch of road from Pukoroa store to Pohonui was closed for over a week in September despite 15 men working on it.⁷⁴

With the need to utilise relief labour for strictly maintenance or non-productive works within the northern ridings, few efforts were made to utilise the large numbers of relief workers for improving local amenities. Schemes to improve backblock roads, river protection or afforestation schemes were subsequently not developed to any extent by local bodies until 1932-33. Apart from the extensive use of no. 5 relief labour on road maintenance, most unemployed labour taken on under the scheme by boroughs and town boards was engaged on unproductive works such as gorse grubbing, road widening and improvements to local domains. In both Marton and Rangitikei county, stringent economies were exercised by local bodies. Rather than use the no. 5 scheme to provide local amenities through community projects, the local bodies saw the scheme as a means of cutting labour and administrative costs, thereby providing indirect relief to all ratepayers. It was a policy which was supported by both the ratepayers and the press, particularly in Marton where the maintenance of low rates was a matter of civic pride.⁷⁵

Pressured by the economic uncertainty of the time and the large commitment to repair damage caused by winter storms the RCC during 1931 adopted a policy of economic retrenchment. For the first year in which the scheme was in operation the county reduced rates by over 22 percent and still ended the year with a credit balance of over £20,000.⁷⁶

Clearly the subsidies from the Unemployment Board were a factor contributing to the county's strong financial position in the face of a

⁷³ TT, 2 October, 1931.

⁷⁴ TT, 30 September, 1931.

⁷⁵ See Chapter 5, p.114 Local Government Response to the Depression; also RA, 6, 7 March, 1931; 15 April, 1932; 3 May, 1933; 9 May, 1935.

⁷⁶ RA, 15 April, 1932.

substantial drop in rates.⁷⁷ Despite a reduction in the amount spent on administration and wages the number of casual and temporary employees increased during 1931 from 134 to 222.⁷⁸ The average wage of temporary and casual employees, however, dropped significantly.⁷⁹ This trend was accentuated by the lack of direction evident in the county's policy towards its employees. After the depression the RCC was accused of being one of those local bodies which '.....under the Forbes-Coates misgovernment sacked permanent employees at 12s. a day and took them back as unemployed relief workers or casuals at 9/6d. a day,'⁸⁰ an accusation that the county was unable to refute.⁸¹ This was not wholly an indictment of the county's lack of concern for the plight of its employees. The county, in common with many local bodies, was as bemused as central government at the increasing number of unemployed and the economic threat posed by a prolonged depression. However, it did demonstrate that the RCC was prepared to use the funds of central government to subsidise their own operations in ways not always in accordance with the directives of the Unemployment Board. The interests of the settlers as represented by the county were that body's first concern, governing their use of the Unemployment Board's relief schemes within the Rangitikei and dictating the fortunes of local employees and relief workers alike.

Although the use made of the no. 5 scheme in Rangitikei was dominated by the conservative, selfish and often shortsighted financial policies of local bodies, the scheme did provide the main source of relief work up until 1936. During the financial year to 31 March, 1932, £8052 was

77 Total rates collected (general, special and hospital) declined from £53,763 in 1929/30, £43,898 in 1930/31 and £32,928 in 1931/32, Copies of Receipts and Payments, Richardson to the Manager, Bank of Australasia, 9 June, 1930; 5 June, 1931; 7 July, 1932, RCC Miscellaneous Correspondence.

78 LAH, 1930-1932.

79 From £204 per annum to £122 per annum, *ibid.*

80 The Standard, 12 August, 1936.

81 This practice was apparently widespread among local bodies, T. Simpson, The Road to Erewhon - A Social History of the Formative Years in New Zealand 1890-1976, Wellington, p.86.

expended on relief schemes under the county's jurisdiction mostly on widening and straightening bends on county roads.⁸² Numerous school committees made use of the scheme for improvements on school grounds as did local committees in charge of cemeteries and domains. By mid-1931, approximately two-thirds of the district's weekly grant from the Unemployment Board was being allocated to the county, the remainder being used by the Marton Borough Council and district school committees.⁸³ Despite increasing numbers of unemployed during 1931, the county council disregarded several requests from the unemployment committee to take a higher percentage of risk so as to assist in employing men to the total value of the Board's allocation. While the MBC was prepared to risk £5 above its share of the Board's weekly allocation, the county's refusal to accept an equivalent risk meant a reduction in the allocation received from the Board.⁸⁴ As the allocation was based on a percentage of the estimate supplied by the local unemployment committees, this in turn meant that many necessitous cases could not be provided with relief, a state of affairs seemingly condoned by the county.

During 1932-1933, the number of applications for unemployed relief workers from, in particular, local school committees fell away, leaving the local bodies as the main agents providing relief under the no. 5 scheme. Programmes of tree planting undertaken by both the borough council and the county council between 1932-1934 were a welcome break for many relief workers;⁸⁵ the majority, however, remained in the county's employ where,

⁸² Report of the Chairman of Rangitikei County Upon the Operations of the County for the Year Ending 31 March, 1932.

⁸³ Notifications to RCC from Secretary, Marton Unemployment Committee, 29 July, 1931; 24 July, 1931; 20 August, 1931.

⁸⁴ Letter to County Clerk, RCC from Secretary, Unemployment Committee, 28 July, 1931, Copies of Letters Outward, Unemployment Committee.

⁸⁵ This was in response to a letter from the Commissioner of the Unemployment Board, 15 February, 1932, to local bodies offering trees to local bodies on payment of lifting, packing and freight charges only. On 7 July, 1932, the RCC ordered 5000 trees from the Unemployment Board and during 1932-33, 50 acres were planted with *Pinus Ponderosa* on the road reserve along Hautapu River and at Mangakerutu, RCC Outward Correspondence. On 28 May, 1932, MUC requested 2000 trees for planting in the borough and upper waterworks reserve, MUC Correspondence Files.

during 1933-1934, approximately £15,000 was spent on the maintenance and reconstruction and metalling of county roads by relief labour.

After the disbandment of the Marton Unemployment Committee in November 1933, the responsibility for unemployment relief was passed largely to the local bodies and, in particular, the County Council. In its last month of operations the unemployment committee had become embroiled in a dispute with the Unemployment Board over the payment of £35 for relief work done under the no. 5 scheme at the Marton racecourse. After the committee had disbanded, the Mayor of Marton, Mr Purnell, took up the challenge, eventually extracting the cost of the wages from the Board in March 1934.⁸⁶ Once bitten, twice shy, the Marton Borough Council gradually phased itself out of unemployment relief during 1934. By January, 1935, the borough was not employing any relief labour leaving the Rangitikei County Council as the main agent for unemployment relief in the whole county.⁸⁷

By 1934, the worst of the depression had passed. Despite a reduction in other forms of relief, the amount spent under the no. 5 scheme by the county was down on previous years.⁸⁸ By January 1935, due to the amount of seasonal work available (primarily harvesting), the PWD was advised of the likely difficulty in securing sufficient unemployed for the Department's traffic census.⁸⁹ Nationally, the improvement in unemployment was acknowledged by the decision of the Unemployment Board to add an extra

⁸⁶ After requesting the Minister of Employment to allow the matter to be dealt with by a Magistrate's Court. While the Unemployment Board still considered its decision sound in law it felt that 'the interests of the common cause would not be advanced if the difference were ventilated in the courts,' G.E. Godrey, Commissioner of Unemployment, to F. Furnell, 13 March, 1934, Marton Unemployment Committee Correspondence Files.

⁸⁷ Letter to Commissioner of Unemployment from H. Richardson, 29 January, 1935, RCC Outward Correspondence.

⁸⁸ The amounts expended by the RCC (not including no. 5 'over the fence' scheme) under scheme 5 were as follows:

| | |
|------|-----------------|
| 1932 | £8052. 0s. 0d. |
| 1933 | £7597. 9s. 10d. |
| 1934 | £7479. 13s. 4d. |

Year ending 31 March.

RCC Chairman's Reports 1932-34.

⁸⁹ Richardson to District Engineer, PWD Stratford, 'There may be some difficulty in getting men (for the traffic census) from the unemployment ranks just at the period because a number are engaged in harvesting,' 18 January, 1935, RCC Outward Correspondence.

week to the usual two weeks' relief pay without work granted to no. 5 scheme workers over Christmas 1934.⁹⁰ With a rapidly accumulating fund of money at its disposal,⁹¹ the Unemployment Board also endeavoured to improve the conditions and provisions of relief workers employed under the no. 5 scheme. The new regulations, which came into force on 28 January, 1935 increased the daily rates of pay for married men from 10s. to 10s.6d. per day and for single men, from 7s.6d. to 8s.4d. per day.⁹² It was also stipulated that payment of the new rates was to be made every week as if work were spread evenly over a four-weekly period.⁹³ This provision in turn gave rise to the dispersion of a three-week period of relief work over a four-week period, resulting in considerable transport and administrative difficulties and the abandonment of even working days of eight hours as existed previously. The proposals were greeted with howls of disapproval from, in particular, the RCC. Cr. A. Stuart, the Coalition Reform M.P. for Rangitikei, opined that the scheme was 'absolutely impossible. The thing would drive anybody mad.'⁹⁴ In a letter to Mair, the County Clerk derisively commented: 'I think the designer of the new scheme must in his youth have been in the habit of playing practical jokes on his friends and has not forgotten the art of doing so.'⁹⁵ Mair in turn wrote to the Commissioner of Unemployment with the ultimatum that 'Unless you permit continuance of the organisation we have evolved, I see no alternative but to decline responsibility for the town unemployed, a burden we accepted to help your Department when a crisis arose.'⁹⁶

Despite a motion of no-confidence in the no. 5 scheme from the County Council,⁹⁷ the new provisions were implemented in January 1935 together with

⁹⁰ AJHR, 1935, H.1 35, p.19.

⁹¹ Between 31 March, 1934 and 31 March, 1935 the amount of money held by the Unemployment Board increased from £677,823 to £1,332,946, AJHR, 1934-35, H.35, p.2; 1935, p.4.

⁹² AJHR, 1935, H.35, p.19.

⁹³ Manawatu Daily Times, 12 December, 1934.

⁹⁴ RA, 24 January, 1935.

⁹⁵ 16 January, 1935, RCC Correspondence Files.

⁹⁶ 12 January, 1935, RCC Correspondence Files. (Though in a later letter to Richardson - 16 January, 1935 - Mair noted that 'of course, the council is now compelled to employ the men.')

⁹⁷ RCC Minute Book, 24 January, 1935, p.1143 Resolved 'that the council regrets it will not be able to continue to employ relief workers under scheme 5 unless the conditions as now laid down are made more practicable for county districts, especially as regards the transportation of workers.'

the new scale of relief payments under which allocations to relief workers were classified as either scale A (four main cities and adjoining boroughs), scale B (secondary cities and larger towns), and scale C (smaller towns and country areas.)⁹⁸ Although the provisions served to further disenchant County Councillors, for the unemployed relief worker at least they signified the first of a number of concessions that were to improve their lot considerably during the next twelve months.⁹⁹

While the amount spent on unemployment relief was down again for the year ending 31 March, 1935,¹⁰⁰ the provision of relief was still a major problem for the county especially in Marton where there were a number of men not suitable for the class of work the county had available.¹⁰¹ Resentment against the borough's decision to leave unemployment relief to the county came to a head in late March when, at a meeting of the county, Marton was pilloried as 'the only local body not doing their share.'¹⁰² The criticism failed to evoke any response from the borough despite the fact that the Taihape Borough Council was still actively involved in catering for unemployed relief workers in that town. As a result of the borough's policy and the reluctance of the county to accommodate all unemployed in the borough, several relief workers in Marton were placed on sustenance in lieu of work by February 1935, a humiliating experience for many who deeply resented having to present themselves three times a week for payments.¹⁰³

⁹⁸ AJHR, 1935, H.1, pp.16-17.

⁹⁹ Other concessions included time lost through wet weather no longer having to be made up; the waiving of the stand-down period altogether (except in particular circumstances relating to previous private employment); further issues of blankets and boots; a bonus to all part time relief workers under scheme 5 and men in receipt of sustenance, AJHR, 1935, H.35, pp.19-21.

¹⁰⁰ Works under scheme 5 in the year ending 31 March, 1935 resulted in the expenditure of £6854.8s.4d. by the RCC, RA, 22 May, 1935.

¹⁰¹ Richardson to the Commissioner of Unemployment, 29 January, 1935, RCC Correspondence Files.

¹⁰² Councillor Doole, RA, 1 April, 1935.

¹⁰³ Equally humiliating was the fact that the recipient of sustenance had to declare weekly earnings, and that by having to report three times a week for payments between 12 and 1 p.m., chances of obtaining supplementary work were slim, RA, 26 February, 1935.

While most work done under the no. 5 scheme in 1935 was on road formation and drainage, there were a number of relief works on main highways, as well as local works established by agreement between the council and settlers.¹⁰⁴ The programme of afforestation was continued by the county as was the labour-intensive job of road maintenance, especially necessary following damage to roads in the county by severe storms and flooding.¹⁰⁵

Although the no. 5 scheme continued to operate within the county for the next four years, the expenditure under the scheme gradually declined.¹⁰⁶ From its inception in 1931, the relationship between the Unemployment Board and the local bodies in Rangitikei had been at best tinged with suspicion, and at worst openly hostile. Local bodies and unemployment committees who were expected to administer the scheme were directly opposed to the fluctuating levels of the unemployment fund and the directives of the Unemployment Board. In the first six months of operations under the scheme, local bodies had to allow for a reduction in relief payments, a two-week suspension of the scheme, a reduction in relief work to three weeks in four, weekly grants that were based on a percentage of local estimates and a threatened suspension of the scheme that was only averted by last minute government intervention. The number and extent of these alterations to the scheme and the fact that the Unemployment Board was unsure as to the direction in which the scheme was moving, served to arouse a good deal of distrust and resentment among local bodies.

By 1932 the scheme was unpopular with those responsible for its implementation and administration.¹⁰⁷ Increasingly it was felt to be both

¹⁰⁴ One example of which was the proposed agreement entered into by the council and the settlers in the lower Wangaehu Valley in regard to the deepening of the Rakautaua Stream by relief labour, RCC Minute Books, 24 January, 1935, p.1156.

¹⁰⁵ RCC Chairman's Annual Report, 31 March, 1936.

¹⁰⁶ For the year ending 31 March, 1938, total expenditure on relief works under schemes 5 and 13 totalled £4814.7s.2d., RCC Chairman's Annual Report, 31 March, 1938.

¹⁰⁷ In particular the Marton unemployment committee who saw the scheme as costing more than alternative schemes and achieving little that could be labelled 'productive,' Letter to Minister of Labour from Secretary, Marton unemployment committee, 27 August, 1931, Unemployment Committee Correspondence Files.

an undesirable and largely unproductive form of relief work in comparison to work carried out under the subsidy schemes (nos. 4A and 4B). The reluctance of the Unemployment Board to provide the full amounts requested for unemployment relief in the county resulted in both the laying off of relief workers and the necessary acceptance of a degree of financial risk by the local bodies concerned. This situation was made worse by the Board's refusal to allow local bodies to use the surplus of one week's unemployment grants for the following week.¹⁰⁸

Apart from criticism of the administrative and financial burdens of the scheme, the local bodies in Rangitikei were also critical of its effect in 'curing' unemployment. The Rangitikei County Council in particular, criticised the scheme's failure to act as a deterrent to unemployed relief workers and the high percentage of unproductive works done under the scheme. As early as June 1931, Councillor Stuart had publicly asserted that relief workers employed in the county under the no. 5 scheme 'were only killing time and doing little good.'¹⁰⁹ The Council's attitude was also reflected in their determination to reduce payments for work under the no. 5 scheme and their insistence that 'it is the duty of those in charge of this work to encourage the men to look for work under private control.'¹¹⁰

The feeling that the scheme was not adequately suited to cutting down the number of unemployed first surfaced in December 1932 when local farmers had difficulty obtaining seasonal labour.¹¹¹ Local relief workers were reluctant to give up their employment under the no. 5 scheme, causing the farcical situation whereby farmers were forced to peruse the lists of unemployed relief workers in order to obtain, by law if necessary, the

¹⁰⁸ "The irritation with the Unemployment Board was through their refusal to allow local bodies to use surplus of one week for the next," P.J. Oakley, p.56.

¹⁰⁹ RA, 20 June, 1931.

¹¹⁰ Letter to Secretary, Marton Unemployment Committee, 27 November, 1933, RCC Correspondence Files (Outwards).

¹¹¹ RA, 21 December, 1932. In February, continuous heavy rain caused an estimated £20,000 crop loss. Had sufficient labour been available it was felt that the wheat may have been harvested before the rain came, RA, 15 February, 1933.

required number of men. Councillor Belk echoed the opinions of local farmers and the council when he asserted that 'the Unemployment Board is drifting to such an extent that it will have to turn around and call itself an employment board,'¹¹² - a sentiment that was echoed four years later when the numbers employed under the scheme again resulted in a shortage of farm labour.

The difficulties of organising and administering scheme 5 relief works throughout the county were a major drain on the county's energies and staff during 1933 and 1934. The increased payments and new conditions that were proposed in December 1934 rather than easing administration of the scheme, only served to further disrupt the local organisation of relief works.¹¹³ The disappointment at the failure of the Unemployment Board to alleviate pressures placed on local bodies was made clear in the county's response to the scheme that 'after no end of trouble in organising the no. 5 scheme all over a wide country area, we have it all going like a clock, and we feel disheartened at having it all upset at this stage.'¹¹⁴

The new provisions introduced in January 1935 were the forerunners of numerous changes that were made to the scheme during the following two years as the economic outlook steadily improved. The criticism of the scheme's failure to deter unemployed relief workers, first made in 1932, was reiterated in late-1936 when the number employed under the scheme was such that they were costing the county £17 a week in extra wages, in addition to supervision, tools, materials and transport costs.¹¹⁵ One of the reasons for the increase was the large number of Maoris coming into the county and registering as unemployed, particularly in Ratana and Turakina. The main reason, however, was felt to be the provisions of the no. 5 scheme itself whereby 'the increased wages have made unemployed work

¹¹² RA, 20 December, 1932.

¹¹³ Especially in regards the transportation of relief workers and the requirement that the pay of men employed for three weeks each month be divided into four weekly payments.

¹¹⁴ Mair to Commissioner of Unemployment, 12 January, 1935, RCC Correspondence Files (Outward).

¹¹⁵ Richardson to Secretary, Department of Labour, 24 September, 1936, RCC Outward Correspondence Files.

so attractive that men will not only not seek other employment, but are leaving other work to qualify for unemployment work.¹¹⁶

With the implementation of the no. 5 scheme in January 1931, the Unemployment Board did succeed in involving local bodies with the problem of unemployment in the respective local areas. The Board was not so successful, however, in persuading local bodies to view unemployment as a national problem that necessitated a unified approach, based on cooperation and compromise between the Board and local bodies. Part of the blame lay with the local bodies who were concerned with their own sectional interests and who felt first loyalty to the ratepayers they represented. A good deal of blame, however, lay with the Unemployment Board who, having coopted the local bodies for the administration of relief, used them as poor cousins, making little or no attempt to foster what could, and should, have been mutually beneficial working relationships.

Camp Schemes

By September 1931 the problem of providing relief work for the growing number of unemployed in the larger urban centres was becoming acute. Local bodies especially in the four main cities were increasingly unable to accommodate local unemployed on their relief schemes. In contrast, many country areas were experiencing proportionately lower numbers of unemployed, yet by the very nature of their extensive settlement were able to offer wide scope for useful and productive relief works.

To take advantage of this anomaly, the Unemployment Board decided early in September 1931 to experiment with the transfer of unemployed relief workers from the larger centres into rural work camps. The initial experiment, conducted with the cooperation of the Public Works Department and Main Highways Board concentrated on the improvements of roads, mainly

¹¹⁶ Letter from Richardson to Commissioner, Department of Labour, 12 October, 1936, RCC Outward Correspondence Files.

secondary highways, the costs being met by the PWD, the MHB and the Unemployment Board.¹¹⁷

The success of this scheme, designated 6A, during September and October 1931¹¹⁸ resulted in the scheme being offered to other Government departments and local bodies under similar conditions (scheme 6B). In November 1931 local bodies were invited to submit to the Unemployment Board proposals for placing numbers of single men on developmental works;¹¹⁹ if the proposal was approved, labour would then be drafted to the local body from selected employment bureaus, usually in the case of Rangitikei, within the Wellington region. Later the scheme was extended to provide for land improvement, land drainage, sand dune reclamation, afforestation and other developmental work (designated scheme 6C); the provisions of the scheme, similar to those of schemes 6A and 6B, differed notably in that the work was not restricted to unmarried men.¹²⁰

Within Rangitikei, the County Council expressed most interest in the camp scheme as a means of improving backblock and secondary roads. However, it was not until April 1932 that the County Council decided to establish its first camps for relief workers in the Turakina Valley to undertake road improvement works.¹²¹ By this time, the provisions of the camp scheme had been tightened considerably with only those works having a definite value to the community being approved by the Unemployment Board. Also, some contribution to the costs of the camps was usually required after April 1932 from the local authorities or interested settlers in order to offset the costs of the Unemployment Board.¹²²

The choice of the Upper Turakina Valley as a possible site for relief camps was prompted by a deputation to the M.P. for Rangitikei, Mr A. Stuart,

¹¹⁷ AJHR, 1932, 1932-33, H.35, p.17.

¹¹⁸ During September and October 1931, 1770 men were engaged under the various camp schemes (1470 men on highways and roads), AJHR, 1932-33, H.35, p.17.

¹¹⁹ AJHR, 1932, 1932-33, *ibid.*

¹²⁰ AJHR, 1932, 1932-33, *ibid.*

¹²¹ RCC Minutes, 7 April, 1932, p.935.

¹²² AJHR, 1932, 1932-33, H.35, p.17.

in early April 1932.¹²³ At the meeting a deputation of local settlers asserted that there was no other part of the county so handicapped by bad roads as the Upper Turakina Valley, and that, in view of the council's apparent reluctance to improve roading in the northern ridings, some use should be made of relief labour for that purpose.¹²⁴

Negotiations began in April for the establishment of a single men's camp at Papanui. Meanwhile there was some support forthcoming for the grievances of the local settlers. In July, following an inspection of the northern ridings, Stuart heartily agreed with local settlers regarding the condition of roads in Ruanui and Te Kapua, commenting on his return that 'I saw stretches of road out in the Papanui district which would have been hard to excuse fifty years ago, but that are now scandalous.'¹²⁵

Stuart clearly did not agree with the council that it was up to the settlers to initiate proposals for improving roads or to contribute to the works. In his view the settlers were 'quite entitled to something better considering what they have to pay in the way of rates and taxes.....' and that the council had an obligation to improve access into and out of the north-west ridings. While the criticisms of Stuart, himself a councillor, failed to arouse the RCC to any direct commitment towards improving roading out of county funds, they did serve to hasten negotiations between the Unemployment Board and the county engineer for the establishment of further relief camps in the Upper Turakina Valley.

The conditions governing the establishment of the single men's camp at Papanui in July 1932 were arranged by the county engineer in consultation with interested settlers and the Unemployment Board. The proposal was to establish a camp for forty men in the Upper Turakina Valley Road wherein the men would be employed cutting firewood for the purpose of burning 2000

¹²³ The establishment of relief camps had been suggested by the Taihape Chamber of Commerce in September 1931, TT, 30 September, 1931; the idea of camps in the Upper Turakina Valley was further raised by the Taihape Times, 31 October, 1931.

¹²⁴ TT, 11 April, 1932.

¹²⁵ TT, 27 July, 1932.

cubic yards of papa for road metal, trimming and widening the road, quarrying and burning the papa and loading and spreading the papa when burnt. The settlers' contribution was the provision of wood while the balance of the cost was met by the council and the Unemployment Board. The terms of the contract between the Unemployment Board and the county, which remained essentially the same for the establishment of subsequent camps, are worth noting as they illustrate both the considerable administrative and financial commitments of the county and the degree of control which the council officers exercised over the relief workers within the camps.¹²⁶

The Papanui Camp was the forerunner of many relief camps established by the county to improve backblocks and secondary roads (Fig.ii). Although the number of relief workers had diminished to 25 by November 1932, 20 of whom were subsidised by the Unemployment Board,¹²⁷ the camp provided a steady source of relief until its closure in mid-1934. Throughout the two years in which the camp operated approximately 27 percent of expenditure was paid by the county, the remainder being met in subsidies from the Unemployment Board and contributions from local settlers.¹²⁸ The success

¹²⁶ The suggested terms were -

- (i) Single men to be sent free to railhead by your board in batches as arranged.
- (ii) Council to transport men to job and back to railhead when finished.
- (iii) Council to erect cook house, etc. and supply all cook house gear, food, etc.
- (iv) Council to find all tools, explosives, supervision of men, insurance, carting of firewood and burnt papa, etc.
- (v) Unemployment Board to supply 2'8" x 10' tents and three flies to each four men.
- (vi) Council to pay all men on the job 10s. per week for time worked.
- (vii) About monthly Council to render to Unemployment Board or its appointee receipted vouchers for all men employed.
- (viii) The Unemployment Board to refund to the council the sum of one pound five shillings (\$1.5.0d.) per man for each week the men are employed.
- (ix) Council to have full control of the men from the railhead with the right to dismiss any men for misdemeanours.
- (x) Labourers to bring their blankets and personal clothes, bunks and straw being provided by the council.

Letter from Mair to the Commissioner, Unemployment Board, 26 May, 1932, RCC Miscellaneous Correspondence.

¹²⁷ RA, 28 November, 1932; RCC Minutes, 6 November, 1932.

¹²⁸ For the Papanui Camp the settlers' contribution was limited to the supply of free wood for the burning of papa; however, for later works on the Okaka and Mangamahoe Roads, a monetary contribution was paid by settlers, Richardson to Mair, 18 June, 1934, RCC Correspondence Files.

FIG. 2.

RELIEF CAMPS AND WORKS 1930-38 *

All works and camps 1931-1936 unless otherwise indicated

WAIMARINO
COUNTY

Railways ++++++

Roads ———

County Boundary - - - - -

M Married Men's CampSource: R.C.C.WANGANUI
COUNTYKIWITEA
COUNTYOROUA
COUNTYMANAWATU
COUNTYRANGITIKEI
COUNTY(Excluding N.E. areas of Awarua,
Erewhon and Ruanui
Ridings).Scale 1 cm = 4.3 km.

* Includes all camps and associated works located in the course of research for this thesis.

of the camp for all concerned was evident from the willingness of settlers to utilise the relief workers from Papanui for further works on Koeke, Okaka and Mangamahoe Roads during 1933 and 1934. The relief workers were generally satisfied with conditions in the camp, as was the council with the work that was done.¹²⁹ When further camps were established by the council in 1933 and 1934, the conditions and arrangements governing their establishment were not unreasonably based on those of the Papanui Camp.

In October 1933, the first of two married men's camps was established at Te Kapua for the purpose of metalling the approximately eight miles of road connecting Te Kapua and Mangaweka. The conditions were similar to those of the Papanui camp with the county council meeting the cost of establishing the camp, providing tools and supervision and being responsible for the carrying of wood and the delivery of burnt papa on the road. Unemployed men were drawn by the Unemployment Board from the 'most convenient' labour bureaus with the council arranging for the transportation of the men to the camp. The Unemployment Board subsidised the council at the rate of 25s. per man week.¹³⁰

In November 1933, the first of two married men's camps was established at Ruanui for metalling Wilson's Road (a distance of about three miles) in the Ruanui Riding. The conditions were again similar to those employed at Te Kapua and Papanui with £300 being provided by the county and £114 by local ratepayers (met almost solely by the Papanui and Alex. Young's estates).¹³¹ Although similar camps were established on the Warepu, Huia and Mangamahoe North Roads in 1934,¹³² the Ruanui and Te Kapua camps (1 and 2) remained the largest married men's relief camps established by the county in the northern ridings. These three camps alone resulted in the expenditure of an estimated £1580 by the council and ratepayers during the years

¹²⁹ NZPD, 30 September, 1932, p.198 - Stuart praised the work of the men at the Papanui Camp and recorded that the men had good quarters and were satisfied there. There were even letters from the men themselves in the papers remarking how well they were treated.

¹³⁰ Unemployment Board to RCC, 15 October, 1933, RCC Miscellaneous Correspondence.

¹³¹ Unemployment Board to RCC, November 1933, advising conditions regarding engagement of relief workers at the married men's camps at Ruanui for the metalling of Wilson's Road (in terms of sections 26 and 27 of the Finance Act 1931 [No. 47]), RCC Minute Book, 23 November, 1933, p.1054.

¹³² TT, 4 May, 1934.

1933-34. While the work still represented a considerable saving to the ratepayers of the county, despite the fairly heavy overhead charges, the local ratepayers especially in the Ruanui and Te Kapua Ridings were often pressed into subsidising works which in normal circumstances would be the obligatory concern of the County Council. Although the county argued that the camps were subsidised by the RCC to the extent of an estimated 58 per cent of total expenditure (so that in providing the men at £2 per week the actual subsidy was less than the £1 for £1 subsidy usually provided for such work by the PWD),¹³³ this figure invariably included the extraordinary contribution of the ratepayers. When, in October 1934, settlers on the Otairi Road succeeded in obtaining a small camp for the purpose of metalling 2½ miles of road so as to provide all-weather access to settlers in the district, the contribution from the settlers on the road, even those not affected by the scheme, was £300 as well as the provision of free firewood, accommodation and horses.¹³⁴ Clearly the settlers acknowledged that while they had, in effect to pay twice for their road access, it was more economic to pay extra to have the works completed by relief labour than to wait upon the whims of the County Council (as regards roading priorities). Equally clearly, it was the County Council that profited most from the road camps in the Upper Turakina River Valley. By utilising the funds of the Unemployment Board and the contributions of settlers, the council was able to improve the capital value of roading in the northern ridings without adversely affecting the level of the County Fund Account.

Although the majority of relief camps established by the county were in the northern ridings, there were a number of relief camps established in the sand dunes country around Santoft under schemes 6B and 6C.

The first of these married men's camps, established at Knottingly in May 1933, consisted of twenty relief workers from Wellington who were engaged in planting marram grass on the sandy coastal reaches.¹³⁵ As the

¹³³ Mair to Chairman, Unemployment Board, 12 October, 1934, RCC Miscellaneous Correspondence Files.

¹³⁴ 'Proposal for a small camp on the Otairi Road,' *ibid*.

¹³⁵ RA, 21 September, 1933.

county and the Unemployment Board were the only contributors to the running costs of the married men's camps, the percentage of costs met by the RCC was higher than with the road camps; however, transportation costs and overheads were lower and the camps generally smaller and shortlived (the camp at Knottingly closed on 20 September after only four months). The response to the Knottingly camp from both the county and the relief workers expressed a degree of mutual satisfaction with the job done.¹³⁶ Subsequently a request made prior to the completion of the work at Knottingly by the relief workers for the RCC to provide extra work was welcomed by the council¹³⁷ and seized on by Alexander Stuart as a means of defence for the use of relief camps during the following session of Parliament.¹³⁸

The other camps established at Santoft during 1933 and 1934 were also the result of contracts drawn up between the Unemployment Board and the RCC. One exception was the planting of sand dunes on runs 18 and 19 opposite Santoft where the owner of adjoining land, T.A. Duncan, provided a subsidy of £1 (up to £75) for every £3 provided by the county council.¹³⁹ The married relief workers for these camps were drawn largely from Unemployment Bureaus in outside districts, usually Wellington and were concerned mainly with the planting of sand dunes and other sand dune stabilisation work.¹⁴⁰ There was, however, in early 1933 a considerable sized encampment of some 30 men on the Santoft estate for the purpose of clearing sandhills and scrub with a view to using the land for afforestation and flax growing. A move towards utilising the 300 acres of coastal land permanently rested with the RCC for afforestation was also mooted during 1933, although no attempt was made to utilise unemployed relief labour from the Santoft Camp for this purpose. Considerable other work, primarily scrub-cutting and drainage, was also done on the coastal lands, but this was largely undertaken by local unemployed labour under the provision of the 4B scheme.¹⁴¹

¹³⁶ RA, 31 August, 1933; 21 September, 1933.

¹³⁷ RCC Minutes, 3 August, 1933, 1034.

¹³⁸ NZPD, 29 September, 1933, p.187, Address in Reply: Want of Confidence.

¹³⁹ NZPD, 20 July, 1934, p.706.

¹⁴⁰ RA, 25-26 May, 1933; 3 June, 1933; 31 August, 1933; 21 September, 1933; NZPD, 29 September, 1933, p.187.

¹⁴¹ RA, 6 February, 1933.

Nineteen-thirty-three and 1934 saw the most intensive use made of the camp schemes, both nationally and by the RCC.¹⁴² The amount expended by the RCC under the no. 6 scheme during these years underlines both the considerable use made of the scheme by the RCC and the growing move towards married men's camps in preference to single men's camps.¹⁴³ By mid-1934, the married men's camps accounted for by far the greater percentage of the county's expenditure under the scheme and included all of the major relief camps in the northern ridings. The improved economic conditions in the country by October had resulted in a shortage of unemployed labour for relief camps in the northern ridings. Apart from numbers of men returning to their former employment there was also considerable seasonal work available within the county, factors which encouraged relief workers to press for increased wages in parity with PWD camps.¹⁴⁴

Although the numbers of relief camps declined during 1935 there were still several camps engaged on road improvements within Rangitikei County,

¹⁴² The largest numbers of men engaged under the no. 6 scheme were recorded in September 1933 (4370 men on 2 September) declining gradually to 2574 by 22 December, 1934, AJHR, 1933, H.35, p.8; AJHR, 1934-35, H.1, H.35, p.10.

¹⁴³ Expenditure by the RCC was as follows for the financial years ending 31 March:

| | <u>Single Men's Camps</u> | <u>Married Men's Camps</u> |
|------|---------------------------|----------------------------|
| 1933 | £1063. 2s. 11d. | - |
| 1934 | £1211. 0s. 4d. | £1038. 3s. 7d. |
| 1935 | £231. 16s. 7d. | £2263. 14s. 2d. |

¹⁴⁴ Relief workers at Te Kapua land two camps and at Ruanui were paid 35s. per week and keep cf. PWD camps £3 per week, TT, 29 October, 1934. In reply to the demands for increased wages by relief workers at Te Kapua, 12 November, 1934 letter to council a request was made to the Unemployment Board. On 5 November the Minister of Employment wrote to Stuart stating that 'the Board advises that its contributions towards the cost of the RCC camps is considerably in excess of the current measure of relief granted in Wellington, from where the men are drawn and also is in excess of its contribution towards camps operated by Government departments.' While the Board noted that it would have no objection to local bodies granting a similar increase, this was ignored by the County Council (23 November, 1934 'no action,' RCC Minutes, 23 November, 1934, p.1133).

particularly in the Te Kapua and Ruanui Ridings. Some new camps were established, the largest being that set up for the reconstruction of Mangamahoe Road, comprising 25 married relief workers. Unlike the Papanui and Te Kapua camps, the Mangamahoe camp was established in cooperation with the PWD, with the result that the county was only required to contribute £400 of the estimated cost of £2000, with the Unemployment Board (£1140) and the PWD (£460) sharing the remainder.¹⁴⁵

Following the Employment Promotion Act of June 1936¹⁴⁶ most camps were closed down as work was completed, with practically all remaining camps becoming full time Public Works camps subsidised from the Employment Promotion Fund.¹⁴⁷ Most camps established during and after 1936 especially in connection with alterations to the Mangaweka-Taihape Road no longer came under the provisions of the camp scheme 6 as set up in November 1931, but were either full time PWD camps or operated under schemes 5 or 13.

Opposition to the camp scheme as a means of utilising unemployed relief labour was widespread following the scheme's inception in November 1931. Complaints regarding the scheme were usually of two sorts: first, a deep-rooted resentment on the part of the relief worker at the arbitrary separation from his family and home (particularly in the case of married men); and second, complaints regarding the conditions within the camps, their lack of facilities and the restrictions imposed by their isolation.¹⁴⁸

In Rangitikei, opposition to the scheme itself was minimal in comparison with that from the areas from which the relief labour for the camps was drawn. The principle of relief camps was tacitly opposed at least, by relief workers in the southern county. In August 1933 a special meeting of the Marton Relief Workers' Organisation carried the resolution 'that this meeting of the MRWD condemns the camp schemes as wrong in principle. We are

¹⁴⁵ Letter from Stuart enclosing a letter from Minister of Public Works, J. Bitchener, TT, 4 October, 1935.

¹⁴⁶ NZS, 1936, No. 3, pp.25-52.

¹⁴⁷ NZOYB, 1937, p.713.

¹⁴⁸ R.M. Burdon, The New Dominion - A Social and Political History of New Zealand 1918-1939, London, 1965, pp.139-140.

of the opinion that every man, whether married or single, should be given the right to work for a living wage. We therefore call upon the Government to withdraw all camp schemes and institute a policy of work at trade union rates of pay.'¹⁴⁹

However, as few local relief workers were affected by the relief camps, there was little sustained opposition to the scheme within Rangitikei. Unlike neighbouring counties Wanganui and Waimarino, Rangitikei was not represented at the early conferences of the National Unemployed Workers' Movement, with the result that the Movement's opposition towards the camp schemes and conditions therein was effectively muffled within the county.¹⁵⁰ More important in dispersing opposition to the scheme was the sheer size of the county and the remoteness of most relief works from centres of population. Further, whereas many relief camps established, particularly during the early months of the scheme, were criticised because of their being poorly planned and constructed, the RCC made considerable efforts to ensure the comfort of the men. In October 1933 Stuart was able to justly state in the House that 'I visited several camps in my own district and I found the men quite satisfied. They were well fed and the camps were absolutely good enough for anyone. I never heard any complaint at all.'¹⁵¹

While the costs of the married men's camps were considerably more than the single men's camps,¹⁵² it is evident that by using the camp scheme, the RCC was able to get a number of major road improvements carried out at a considerable saving to the county. Unlike their utilisation of the no. 5 scheme in which the local bodies were given virtually a free hand, the work

¹⁴⁹ RA, 23 August, 1933.

¹⁵⁰ List of delegates from the 3rd Conference of the NUWM, 25-28 March, 1932, Ohakune, Raetihi and Wanganui were each represented at the Conference by a delegate, The National Unemployed Workers' Union 1932-39 Papers MS 130 (Alexander Turnbull Library). Rangitikei was also not affected by the formation of District Anti-camp Councils (as operated in Raetihi, Wanganui, etc.) following the stepping up of the policy aimed at the 'depopulation of the urban centres' at the beginning of winter 1933, P.G. Morris, Unemployed Organisations in New Zealand 1926-39, Ch.VII 'The Anti Camp Struggles,' pp.65-72.

¹⁵¹ NZPD, 26 October, 1933, p.750 (Imprest Supply Bill). However, the RCC was not so easy to please. The Ruanui camp which consisted of eight relief workers from Wellington trimming and breaking shellrock at Rangiwaia was broken up and the men returned to Wellington as their work was not satisfactory, RA, 31 August, 1934.

undertaken by the RCC under the camp scheme closely followed the directives and requirements of the Unemployment Board. In terms of its financial commitment to roading within the county it is arguable that the RCC was merely using the Unemployment Board and ratepayers contributions to the work camps in place of county rates designated for that purpose, thereby building up the county fund account at the expense of the unemployment fund.¹⁵³ Such a move was an almost inevitable consequence of the scheme in which no account was taken of the relative wealth of local bodies. In utilising the no. 6 scheme (as with most of the preceding relief schemes), the self-interest expressed by local bodies for their dependent areas and ratepayers merely served to illustrate the gulf that emerged between local and central government during times of economic deprivation.

Miscellaneous Relief Schemes

Though the numbers four, five and six schemes were the most popular within Rangitikei County, there were a number of other relief schemes that were utilised by Unemployment Committees and local bodies.

Of these 'secondary schemes' one of the most significant was that launched under the umbrella of the Department of Agriculture on 1 June, 1932 for the settlement of unemployed men on small leased holdings. Labelled the Small Farm Plan, the scheme provided for the cost of establishment of farm holdings, including the erection of cottages, provision of necessary improvements and the transport of personal effects to be met by a special vote, recoverable by way of amortized rent. Cottages and sheds were erected by the Crown on leased property.¹⁵⁴

¹⁵² Richardson to Mair, 2 August, 1934 'the papa burnt on the Upper Turakina Valley Road at Papanui cost £70 per mile when done with single unemployed. Apparently the net cost with married men will be considerably more,' RCC Miscellaneous Correspondence.

¹⁵³ The County Fund Account in 1929 was £16,839.5s.2d., a figure that had grown to £24,990.9s.4d. by 1934, RCC Chairman's Annual Reports.

¹⁵⁴ AJHR, 1932; 1932-33, H.35, p.19.

The scheme was not without precedent. Similar efforts had been made during 1931 under the 4C scheme, the object of which was the rehabilitation and settlement of abandoned farms of which there were estimated to be 400 in various parts of the Dominion.¹⁵⁵ Earlier, the soldiers' settlements had been founded on the similar belief that the provision of land was a panacea for solving the problem of unemployed returned servicemen. In introducing the scheme a further consideration faced by Government was the threat posed to law and order by the large numbers of unemployed in the four main centres. Several members of the House were of the opinion that as well as providing more scope for relief work and possibly land for settlement, the sending of unemployed relief workers into the country would serve to dissipate the potential for unrest. Stuart, who by early 1932 had become convinced of the need to move the unemployed into country areas,¹⁵⁶ reiterated this belief when speaking on the Unemployment Amendment Bill: 'Some of the unemployed will be far better off trying to "make good" on a 10-acre block of land than chasing a red flag around the streets of our cities and towns.'¹⁵⁷

On 9 June, 1932 a farm allotment committee was set up at Marton to obtain suitable offers of land (to be either loaned, donated or leased) by local farmers. Blocks were subsequently obtained at Leedstown, Putorino and on the Onga Road for utilisation under the scheme, while land at Silverhope and Vinegar Hill was also suggested as being suitable for settlement.¹⁵⁸

Initially there was considerable local opposition to the scheme¹⁵⁹ although this had in part been mollified by December 1932 with its early success.¹⁶⁰ By October a small farm committee had also been set up in

¹⁵⁵ AJHR, 1931, H.35, p.19. The object of which was the rehabilitation and settlement of abandoned farms of which there were estimated to be 400 in various parts of the Dominion.

¹⁵⁶ Stuart's slogan was reported as being 'Get the men into the country. Get them out of the towns at all costs - for there, nothing is bred, but unrest,' RA, 1 March, 1932.

¹⁵⁷ NZPD, Vol. 231, 6 April, 1932, p.818.

¹⁵⁸ RA, 10 June, 1932.

¹⁵⁹ *ibid.*

¹⁶⁰ RA, 14 December, 1932.

Huntermville and further allotments offered around Putorino, Silverhope and on Potaka Road.¹⁶¹ Interest in the scheme within Rangitikei soon subsided, however; while most of its beneficiaries managed to survive the depression, the costs of establishing the farms, the shortage of suitable land as well as the often inexperienced tenants reduced the scheme to a minor role in the provision of unemployment relief. The folly of the Government's belief that it was 'far better for a man with a wife and children to be put on the land even if it is only a few acres, and to have a cow or two and be able to grow vegetables than to live in a town,'¹⁶² became apparent when prices for dairy produce continued to decline during 1933-34, rendering many 'small farms' uneconomic and almost useless.¹⁶³

The small farm scheme could claim some degree of success where small farm allotment committees closely administered and supervised its implementation. After March 1933 when the scheme was taken over by the Small Farms Board a wider policy of rural settlement was initiated throughout the county aimed at providing developmental work for as many more men as possible.¹⁶⁴ In the period until March 1936, 1246 men had been engaged on developmental blocks under the scheme at a total cost of £738,840 representing a considerable per capita cost in terms of the number afforded relief by the Small Farms Board.¹⁶⁵ The aim of encouraging self-sufficiency, inherent in the attempts of Government to move numbers of unemployed to small rural holdings, was a major consideration in the introduction of the 'vegetable' scheme in January 1932. Its intention was to make it a condition of relief work that workers cultivated, in their own time, plots for the growing of vegetables. Land for the purpose, if none was owned or leased, was to be secured for the relief worker by local bodies of Unemployment Committees.¹⁶⁶

The aim of the scheme, that of self-help, was laudable; however, the efforts of the Unemployment Board in making the scheme mandatory for all

¹⁶¹ RA, 31 October, 1932.

¹⁶² NZPD, Vol. 235, 9 February, 1933, p.398.

¹⁶³ See Chapter 6, The Farmer's Response

¹⁶⁴ Following the enactment of the Small Farms (Relief of Unemployment) Act, NZS, 1932-33, pp.436-444.

¹⁶⁵ NZOYB, 1937, p.715.

¹⁶⁶ UB Circular 90, 10 December 1931, RCC Correspondence Files.

unemployed created difficulties for local committees attempting to enforce the regulations. The responsibility for ensuring that unemployed workers had satisfied the criteria of the Unemployment Board involved local bodies in compiling questionnaires to be filled in by applicants for relief, arranging of plots for those relief workers without land, providing vegetable seeds and supervising the scheme to ensure that the plots were, in fact, being cultivated.¹⁶⁷ The provision of suitable land caused no undue difficulty in Rangitikei County; however, the problem of administration did, due to the widespread distribution of relief workers throughout the county and some confusion as to whose responsibility it was, in fact, to administer the scheme.¹⁶⁸

By mid-February 1932 the Unemployment Board was able to claim the scheme was a great success in encouraging self-sufficiency among relief workers,¹⁶⁹ yet it did little to improve relations between the Unemployment Board and local bodies. As early as January 1932, the Marton Unemployment Committee had protested to the Minister of Labour that the administration of relief schemes had placed an undue burden on local bodies;¹⁷⁰ the 'vegetable' scheme, commendable in its aim, further widened this gap between the initiators and implementors of policy by increasing the demands placed upon local bodies.

Of the other subsidiary relief schemes employed before 1935, few provided any significant amount of unemployment relief within Rangitikei,

¹⁶⁷ UB Circular 94, December, 1931; UB Circular 96, 21 January, 1932, RCC Correspondence Files.

¹⁶⁸ Despite the fact that it was stated on UB Circular 90 that 'Suitable gardeners or other suitable registered unemployed men may be employed under no. 5 scheme on the ordinary rationed basis to act as inspectors and supervisors of the scheme' the RCC made no effort at supervising the scheme during the first six months. On 9 July, 1932 Richardson wrote to Mair that 'I do not know whose job it is to go round and see that men are cultivating their garden plots. The officers of the council certainly have not the time. Under UB Circular 96 of 21 January, 1932 it would appear that unemployed workers under scheme 5 could be engaged for the purpose,' RCC Miscellaneous Correspondence Files.

¹⁶⁹ UB Circular 99, 18 February, 1932, RCC Miscellaneous Correspondence.

¹⁷⁰ Letter to Minister of Labour from Secretary, MUC, 19 January, 1932, MUC Outward Correspondence.

although scheme II, designed for combating rabbit infestation, was utilised by the RCC and some local farmers during 1933 and 1934.¹⁷¹ Even the provision of sustenance, first begun in the four main cities in late 1933, significant in terms of the Government's changing attitude towards social legislation, had little effect within Rangitikei.¹⁷² Requests for sustenance allowances during 1934 on behalf of a number of relief workers who were incapable of pick-and-shovel work met with the response that sustenance payments were not available for unemployed workers in Marton.¹⁷³ Relief workers who could not manage the work offered by local bodies were consequently referred to hospital boards until sustenance payments were begun in Marton during early 1935.¹⁷⁴

The introduction of sustenance payments in Marton in February 1935 was largely in response to requests from the RCC who were irked both at the MBC's refusal to engage any relief labour in Marton and at the subsequent onus placed upon county ratepayers to provide special works for borough unemployed.¹⁷⁵ The introduction of sustenance, although easing the burden placed upon the county, did little to endear the Unemployment Board to the recipients of the scheme. Relief workers in Marton placed on sustenance in lieu of work saw its conditions as irritating and humiliating, especially in the requirements that workers had to present themselves three times weekly for payments between 12-1p.m. (thereby affecting any chance of supplementary income) and having to declare their weekly earnings.¹⁷⁶ Generally, however, the reaction to the sustenance scheme, although critical of its conditions, was muted, due to its relatively short duration, the improved provisions of the scheme as operating by 1935 and the comparatively small number of unemployed affected locally.

¹⁷¹ RCC Chairman's Annual Report, 31 March, 1933.

¹⁷² AJHR, 1935, H.35, p.17.

¹⁷³ Richardson to Commissioner of Unemployment, 31 October, 1934, RCC Outward Correspondence.

¹⁷⁴ RA, 26 February, 1935.

¹⁷⁵ Richardson to Commissioner of Unemployment, 29 January, 1935.

¹⁷⁶ RA, 26 February, 1935.

With the Employment Promotion Act of June 1936 and the abolition of the Unemployment Board,¹⁷⁷ most of the remaining relief schemes were phased out. Many relief workers previously employed under the provisions of the camp schemes were absorbed under the MHB or PWD at standard rates of pay; many other registered unemployed were transferred from relief work to full-time subsidised employment also at standard rates of pay.¹⁷⁸

In Rangitikei relief works continued during 1935 and 1936 under schemes 5 and 13.¹⁷⁹ Most of the work done consisted of road formation and drainage, with settlers contributing to overhead expenses.¹⁸⁰ Expenditure on relief works carried out under these two schemes continued to decline, dropping from £8999 in 1936/37 to £4814 in 1937/38, although in the latter year there were still a number of large relief works in evidence, particularly on Ohaumoko Road¹⁸¹ and at Moawhonga.¹⁸² Early in 1938, however, the county was asked to provide work for a number of men under scheme 13, including 46 relief workers from Wellington.¹⁸³ Several road works were subsequently initiated with the major proportion of overhead costs being met by interested settlers who were persuaded by the RCC

¹⁷⁷ NZS, Session 1, 1936, pp.25-53.

¹⁷⁸ By 6 July, 1935 8330 relief workers had been transferred to full-time subsidised employment, AJHR, 1935, H.35, p.16.

¹⁷⁹ Scheme 13 - by the provisions of this scheme, certain works of either a national or local character put in hand by local authorities eligible for a subsidy. Schemes were required to be labour intensive with 50% - 80% of men employed taken from registers of employment bureaus, NZOYB, 1938, p.801.

¹⁸⁰ RCC Chairman's Annual Report, 31 March, 1938.

¹⁸¹ The metalling of Ohaumoko Road was undertaken during 1938 at an estimated cost of £1200; £600 provided by Government, £200 provided by the RCC and the balance of £400 by settlers directly interested.

¹⁸² The work at Moawhonga consisted of constructing 130 chains of road to provide access to 3000-4000 acres owned by the Batley family. Overheads were met by the family while workers were paid award wages (15 unemployed from Taihape). The camp established for the purpose under scheme 13 (Employment Promotion) was praised for its splendid facilities and conditions, in a letter from the Secretary, Municipal and General Workers Union to Richardson, 14 February, 1938, RCC Miscellaneous Correspondence.

Mair to Commissioner of Unemployment, 2 July, 1937, RCC Outward Correspondence.

¹⁸³ J.C. Hunter, Secretary, Department of Labour (employment division) to Mair, 24 June, 1938, RCC Miscellaneous Correspondence.

to recognise this 'golden opportunity' to have their roads widened so as to accommodate the increasing transport of sheep by lorry.¹⁸⁴ The subsidy, while containing a number of conditions,¹⁸⁵ represented a considerable saving to the county. Expenditure on relief works during the year 1938/39 totalled £21,000, £19,000 of which was met by the employment fund,¹⁸⁶ most of the balance being met by interested settlers. This figure forms a marked contrast with the amount expended by the RCC during the period 1932/33 when unemployment in the county was at its peak.¹⁸⁷

In attempting to evaluate the success or failure of the Unemployment Board in catering for unemployment relief it is evident that its operations were hampered by the barrier of misunderstanding and distrust that existed between it and the local authorities. The Board's 'necessary parsimony',¹⁸⁸ was at least in part responsible for souring relationships; this was particularly so with the provisions of the number 5 scheme which prohibited the carrying over of surplus grants from one week to the next and placed pressure upon local bodies to accept a degree of financial risk. Equally detrimental, though, were the responsibilities placed upon local

¹⁸⁴ Mair to Secretary, Department of Labour, 17 June, 1938, RCC Outward Correspondence.

¹⁸⁵ The conditions governing the subsidy were: (1) New Zealand materials must be used where possible; (2) workers must be employed under normal industrial conditions - pay must not be less than PWD standard of 25s. per hour or award rate if higher; (3) subsidy will be payable only in respect of registered and eligible men engaged through a government employment bureau; (4) employing authority will be required to arrange insurance cover over all labour employed; (5) full week of 40 hours to be worked - subsidy only payable where 40 hours worked; (6) workers may not work in advance as a reserve against wet weather; (7) subsidy won't be paid in respect of labour engaged on any work or portion of a work carrying a subsidy from the Main Highways Board or other Government source; (8) wages tax of 1d./2s.6d. will be payable on gross earnings of each man; (9) where the employment comes under the scope of an award or industrial agreement, men must be members of an appropriate union, employment must comply with terms-conditions of the award. Sheet 2 attached to letter Secretary, Department of Labour to Mair, 24 July, 1938.

¹⁸⁶ RCC Chairman's Annual Report, 31 March, 1939.

¹⁸⁷ The total amounts expended by the county on unemployment relief for 1932 and 1933 respectively were £8052.11s.3d. and £11,912.19s.0d., RCC Chairman's Annual Reports, 1932/1933.

¹⁸⁸ P.J. Oakley, p.56.

bodies for the supervision of relief schemes ranging from ensuring that each relief worker was maintaining his vegetable patch, to the inspection of contracts under scheme 4B by councillors who were 'willing to voluntarily assist the Board.'¹⁸⁹ Each of the major relief schemes placed pressure on local bodies. The number 5 'over the fence' scheme for instance severely taxed the staff of the county council with its contractual and financial stipulations; relief camps set up by the county invariably involved prolonged negotiations with the Unemployment Board and necessitated detailed planning, usually by the County Engineer; road works in operation under the no. 5 were continually frustrated by the specific provisions of the scheme, notably the stand-down week and the allocation of varying work according to the entitlements of relief workers.

In turn the local bodies undoubtedly benefited by the unemployment relief schemes, though to what extent usually depended upon the administrative foresight of each local body. Marton, for instance, had only a fleeting relationship with the Unemployment Board, the borough retaining a tight hold on its expenditure. The county, while making considerable use of relief labour, albeit reluctantly, still emerged from the depression with allegedly the worst roads in the country.¹⁹⁰ Taihape, perhaps more enlightened particularly with the construction of a new reservoir in the borough, faced a storm of local criticism for their efforts at using relief labour to improve the town's amenities.¹⁹¹

By 1934 employment, and the administration of schemes designed to cater for unemployed, had become an integral part of local government. After the MUC had disbanded in November 1933 after a dispute with the Unemployment Board, more responsibility for administering relief was placed upon the RCC.

¹⁸⁹ Commissioner of Unemployment Board to Richardson, 17 January, 1933, RCC Miscellaneous Correspondence Files.

¹⁹⁰ L.A.P. Sherriff to RCC 16 March, 1937, roads resemble a 'rough shingly riverbed,' RCC Miscellaneous Correspondence Files. In its defence, the RCC felt that some local works could have been done cheaper on contract (i.e. Gower's Hill) than by unemployed relief labour, RA, 1 April, 1935.

¹⁹¹ RA, 8 October, 1934.

Although the RCC was the major employer of relief labour in the county, its interests were naturally weighted towards the consideration of ratepayers rather than the problem of national unemployed. When the bridge construction scheme (whereby the construction of bridges on main highways would be treated by the Unemployment Board as work under scheme 10) was discussed by the RCC in January 1934, the initial move of the council was to oppose the scheme. In acknowledging the feeling that the scheme was wrong in principle in that it would prolong unemployment, the County Chairman inquired as to whether it was 'wise for the county to turn these schemes down [while] the cities are taking full advantage of them.'¹⁹² It was this consideration of ensuring that local bodies derived the maximum possible benefits of relief schemes for their local areas that was at the forefront of local body administration of unemployment relief schemes throughout the depression.

Often the intention of the Unemployment Board was misinterpreted, as with the 'over-the-fence' scheme of which a number of wealthy landowners and even councillors, availed themselves in order to 'help the unemployed.' Subsidies under the no. 4 scheme were not infrequently paid to employers who could clearly afford to meet the costs of development works from their own pockets.¹⁹³ Often work was carried out by local bodies for no other purpose than to secure regular relief payments for local unemployed.¹⁹⁴

Usually the abuse of the relief schemes was the result of the hazy wording of the schemes, rather than a reflection on those administering them. Although not always complying with the intentions of the Unemployment Board, many schemes were adapted to the requirements of local bodies

¹⁹² RA, 30 January, 1934.

¹⁹³ The instance of one large landowner raised in Parliament on 20 July, 1934, stated that the farmer in question had 110 employed for scrub cutting and drainage work on an adjoining property and was receiving a subsidy for the work, NZPD, Vol. 238, p.706, 20 July, 1934.

¹⁹⁴ 'The local body which could suggest work to be done in the most inefficient way received more payments from the unemployment fund, for it could absorb more men for a longer time,' W.B. Sutch, The Quest for Security in New Zealand 1840 to 1966, Wellington, 1966, p.130.

who interpreted their provisions as best they could in relation to the local situation.

During the depression the interests of ratepayers remained of paramount importance to the local bodies, usually over-riding the varied requirements of the Unemployment Board. Faced with a continual barrage of circulars from the Board,¹⁹⁵ most local bodies stoically accepted their responsibility to assist in the provision of unemployment relief within their areas. As the main administration of unemployment relief, particularly in rural areas, the contribution of local bodies to the Government's efforts towards unemployment between 1931-1935 was immense. Yet it was at all times an uneasy marriage. Mindful of their interests, the two parties made little attempt to understand the problems of the other. Consequently what should have been a successful working relationship between the Board and local bodies working for the benefit of the unemployed often faltered and broke down to the detriment of those seeking unemployment relief.

¹⁹⁵ In the first 14 months of operation the Unemployment Board had sent out 90 circulars regarding its operations, a rate that was maintained throughout the depression.

CHAPTER FOUR

CHARITABLE AID AND SUPPLEMENTARY RELIEF

In bestowing charity, the main consideration should be to help those who will help themselves: to improve part of the means by which those who desire to improve may do so; to give those who desire to rise the aids by which they may rise; to assist, but rarely or never to do all. Neither the individual nor the race is improved by almsgiving.

Andrew Carnegie.
- C. Bingham (comp. and ed.),
Men and Affairs. A Modern
Miscellany, Sydney, 1967,
p.398.

I'm not against the workers; when I was a small boy I used to take them oranges on Sunday, with my nurse.

General Henri Giraud.
- *ibid.*, p.396.

The Official Response

The Hospital and Charitable Institutions Act of 1885¹ was the cornerstone of legislation designed to provide for the distribution of charitable aid. It was financed by subsidies paid to the respective hospital boards from the consolidated fund at the rate of a pound for every pound of voluntary contributions and local rates (with the latter source invariably being the main contributor).² The revenue was in turn used to provide for hospital administration and maintenance, the enforcement of food and drug regulations, the payment of board officers and the

¹ NZS, 1885, pp. 154-177.

² The Royal Commission on Society Security in New Zealand, AJHR, H.53, 1972, p.40.

provision of charitable aid.³

In 1909, the act was superceded by a second Hospital and Charitable Institutions Act designed to 'consolidate and amend the law relating to public hospitals and charitable institutions, the distribution of charitable aid and the establishment of private hospitals.'⁴

By its provisions one hospital and charitable aid board was set up for each district.⁵ Each board was solely responsible for the provision of financial aid for the indigent in their areas.⁶ This situation continued until 1932 despite further legislation amending and consolidating the earlier enactments.⁷

Though the Government had begun assisting unemployment by providing works and subsidies during the 1920s, there was no precedent for the situation that arose during 1930-31 when many thousands suddenly found themselves in need of relief from hospital boards on the grounds that they were in a state of distress due to indigence.⁸ Three factors saved the charitable aid system from completely breaking down. First, as local bodies paid hospital rates it was in their interests to scrutinise applications for charitable aid either by requesting a police report on the circumstances of each applicant or by restricting the amount and type of aid available (factors that sorely affected the dignity of the applicants). Second, most unemployed managed to avoid reaching a state of

³ Annual Reports of the Department of Health, AJHR, H.31.

⁴ NZS, 1909, p.59.

⁵ A.O. von Keisenberg, 'The Functions of the Health Department in Relation to Hospital Boards,' in F.B. Stephens (ed.) Local Government in New Zealand, Wellington, 1949, p.138.

⁶ L.H. Barber and R.J. Towers, Wellington Hospital 1847-1976, Wellington, 1976, p.69.

⁷ The principle law governing hospital boards was again amended and consolidated in 1926, with subsequent amendments in 1928, 1929 and 1932, D. MacDonald Wilson, A Hundred Years of Healing. Wellington Hospital 1847-1947, Wellington, 1948, p.110.

⁸ Indigence being a condition of need initially included unemployed. As numbers grew aid was restricted only to those unemployed affected by health or sickness from participation in relief works.

distress through the provision of local body relief schemes prior to 1930 or later through relief work provided by the Unemployment Board. Third, even those in genuine distress were loath to appeal to the hospital boards for charitable aid which would thereby, under the Destitute Persons' Act of 1877, make each one liable to be deemed a 'destitute person.'⁹

The strain placed upon hospital boards endeavouring to cater for unemployed was nevertheless considerable. Hospital Board expenditure increased steadily after 1928 as more and more availed themselves of charitable aid. Usually the increases were on outdoor relief,¹⁰ that most effective scheme for the 'systematic cultivation of social parasites.'¹¹ Between 1928-29 and 1931-32, expenditure on outdoor relief more than doubled.¹² In contrast the amount expended on indoor relief declined slightly after 1931, but by no means offset the total costs incurred by the board.

In the face of financial difficulties, subsidies from Government and local bodies were often substantially reduced¹³ while expenditure exceeded estimates by rapidly increasing margins. In Wellington alone this margin was as great as £1600 a month by January 1931, a figure that had jumped by March to more than £6000.¹⁴ The situation was further affected

⁹ NZS, 1877, pp.343-351.

¹⁰ Outdoor relief was provided mainly in the form of food, clothing, rent assistance to those who applied to the hospital boards. Indoor relief referred to relief provided within institutions administered by hospital boards during the 1930s. This was to take the form of the administration of Jubilee Home.

¹¹ AJHR, 1897, H.22, p.1.

¹² Charitable Aid Expenditure 1924-34, NZOYB, 1936, p.136.

| Year | (£) Indoor Relief | (£) Outdoor Relief | (£) Total |
|---------|-------------------|--------------------|-----------|
| 1924-25 | 105,619 | 76,506 | 182,127 |
| 1925-26 | 113,584 | 77,899 | 191,483 |
| 1926-27 | 112,726 | 92,922 | 205,648 |
| 1927-28 | 112,755 | 112,519 | 225,274 |
| 1928-29 | 110,874 | 134,864 | 245,738 |
| 1929-30 | 114,532 | 140,065 | 254,597 |
| 1930-31 | 119,774 | 192,073 | 311,847 |
| 1931-32 | 99,688 | 269,632 | 369,326 |
| 1932-33 | 98,788 | 195,833 | 294,671 |
| 1933-34 | 103,316 | 172,692 | 276,008 |

¹³ Barber and Towers, p.69.

¹⁴ Barber and Towers, p.70.

by a reduction in government spending; for instance the termination of family allowances, and the reduction in the widows and old age pensions added to the plight of the needy.¹⁵

The situation reached a crisis in 1932 with a showdown between the Government and hospital boards. Prior to March of that year, it had been the practice for hospital boards to provide sustenance for registered unemployed particularly in the stand-down periods.¹⁶ By the changes first proposed in March, the line between the responsibilities of the Unemployment Board and hospital boards was clearly drawn whereby 'any relief it may be possible to give to registered unemployed apart from wages will be given from the unemployment fund while hospital boards will be responsible for relief to those whose distress is due to causes other than unemployment.'¹⁷

What on paper appeared clearcut was not, however, so. Early in 1932 the Unemployment Board had endeavoured to categorise relief workers according to their physical condition so that responsibility for their welfare and upkeep could be apportioned between the hospital and unemployment boards. Six classes of relief workers were subsequently proposed.¹⁸ From 4 July, 1932 the Unemployment Board assumed full responsibility for relief to able-bodied men (Classes A, A2 and B), requiring hospital boards to do the same for the other categories of relief workers.¹⁹

This the hospital boards were not prepared to do. While accepting responsibility for those unfit for work, most boards were not prepared to

¹⁵ Barber and Towers, p.71.

¹⁶ NZPD, 23 March, 1932, p.664.

¹⁷ *ibid.*

¹⁸ Class A: men fit for any work in any place.
 Class A2: men fit for camp provided light work is given.
 Class B: men fit for any work in city or town, but not fit for camp.
 Class B2: men not fit for camp, but fit for light work in town only.
 Class C: men unfit for work of any kind.
 Class D: men ill and requiring hospitalisation. AJHR, 1932-33, H.35, p.3.

¹⁹ Social Security Department, The Growth and Development of Social Security in New Zealand, Wellington, 1950, p.32.

provide charitable aid for those relief workers classed as B2 men 'fit for light work in towns only.'²⁰ The decision of Government to place them under the administration of hospital boards²¹ was eventually rejected by a conference of the hospital boards placing relief workers so classified in an administrative limbo in which they were continually referred from one board to the other.

By November the situation had become serious. Although in some centres B2 relief workers were being provided with work by the Unemployment Board, the vast majority received no relief. It was not until the situation had been deadlocked and men were said to be 'literally starving,'²² that any compromise was made. Few unemployed were so callously treated by the depression as those B2 relief workers who had to live with the indifference of Government and hospital boards during the latter half of 1932.

Eventually some concessions were made by the Unemployment Board. Where possible it was agreed that the Board would endeavour to find work for B2 relief workers with the hospital boards providing sustenance only when necessary.²³ Even this most hospital boards declined to do, with responsibility for the men eventually passing back to the Unemployment Boards.

After 1932 there was a gradual decline in the total expenditure on charitable aid and particularly that on outdoor relief. Between 1931-32 and 1933-34 expenditure declined by over 25 percent.²⁴ Though remaining an important agency for providing relief for those in need for reasons other than unemployment, the hospital board's role in providing relief for able-bodied unemployed had been taken over by the Unemployment Board by the end of 1932.

²⁰ AJHR, 1932-33, H.35, p.32.

²¹ NZPD, 9 November, 1932, p.242.

²² NZPD, 9 November, 1932, p.246.

²³ NZPD, 9 November, 1932, p.245.

²⁴ From £369,320 to £276,008. NZOYB, 1936, p.136.

Rangitikei County was one of five counties within the Wanganui Hospital Board district as constituted by the 1885 Hospital and Charitable Institutions Act.²⁵ Under its provisions, the county, boroughs and independent town districts contributed to the financial upkeep of the hospital board through the payment of a hospital and charitable aid rate. In Rangitikei County, it was levied on the capital value of property held within the county and between 1928 and 1932 varied between 2/11d. and 23/100d. in the pound, netting some £6000-£8000 annually.²⁶ In both Taihape and Marton the rate was levied on the unimproved value of property and was correspondingly higher ranging from 5/8d. to 15/16d. in the pound.²⁷ With the reduction in local body expenditure after 1930, the amount of subsidies received by the board declined. The total amount of money levied from Rangitikei including interior boroughs and town districts in 1932 totalled only £8068, a substantial drop from the period prior to 1930.²⁸

In Rangitikei the County Council and the borough councils acted as agencies of the board in administering and distributing charitable aid. The responsibility of the county was then delegated either to the councillor in whose riding the applicant resided or to the county clerk or engineer.²⁹ Usually relief took the form of monetary assistance, the amount depending on the extent of distress. Prior to 1930, grants of 30s. to 45s. per week were usual;³⁰ by 1932 they had dropped to 10s. to 15s. weekly usually in the forms of rations, again depending on the circumstances of those requiring relief.³¹

In most instances, the need for relief was genuine. Many cases were tragic in their circumstances - husband unemployed and in poor health

²⁵ NZS, 1885, p.154.

²⁶ LAH, 1928-1932.

²⁷ *ibid.*

²⁸ The payments to the Wanganui Hospital Board in 1927-28 for instance totalled £10,132. LAH, 1929.

²⁹ RCC Minutes, 3 May, 1928; 3 September, 1929.

³⁰ Applications for charitable aid 9 August, 1929; 28 January, 1928. RCC Miscellaneous Correspondence.

³¹ Applications for charitable aid 2 March, 1932; 16 February, 1933; 2 May, 1934. RCC Miscellaneous Correspondence.

and with six children aged under 15 years;³² husband an inmate at a mental institution with eight children (three illegitimate and one at Borstal);³³ or husband in prison leaving wife and four children without any income.³⁴ There was some abuse of the charitable aid system although this did not necessitate any action prior to the depression. By 1932, when the cash grant had been replaced by rations there were instances of the WHB objecting to items supplied to recipients of charitable aid by local shopkeepers.³⁵ Applicants were carefully scrutinised as to their eligibility for government pensions which would alleviate the burden placed on the UB.³⁶ Even so, some anomalies remained. One application highlighted a major weakness of the system. A woman with nine children separated from her husband had become involved in an illicit affair resulting in the cessation of maintenance payments.³⁷ In line with the board's policy that 'charitable relief should not be granted in cases where there were near relatives able to provide,' the woman's two children were expected to support their mother despite the apparent injustice of the case. On these grounds the application for assistance was declined.³⁸

During the depression years the county had four representatives on the board through whom the needs of the local community were monitored.³⁹ The contributing districts (Marton, Taihape, Bulls, Hunterville and Mangaweka) were represented by one further member⁴⁰ giving the district in total five 'voices' for the administration of board policy and charitable aid within the county.

³² Application for charitable aid 6 June, 1928. RCC Miscellaneous Correspondence.

³³ Application for charitable aid 17 July, 1929. RCC Miscellaneous Correspondence.

³⁴ Application for charitable aid 12 November, 1929.

³⁵ Richardson to T. Burton, shopkeeper, Marton, 19 April, 1933. RCC Outward Correspondence.

³⁶ WHB to Richardson 23 February, 1935. RCC Miscellaneous Correspondence.

³⁷ 29 January, 1931. RCC Minutes.

³⁸ *ibid.*

³⁹ A.S. Coleman, J.A. Morrison, A.J.B. Sicely and D.D. Simpson. All were again elected unopposed in 1935. WHB Minutes 15 May, 1935.

⁴⁰ T.C. Kincaid, *ibid.*

The beginnings of the difficulties that were to face hospital boards in the years up until 1932 were in evidence by early 1928. Expenditure on outdoor relief during the financial year 1927-28 had been considerably higher than that allowed for by the year's estimates because of increased numbers seeking charitable aid.⁴¹ By August 1928 there were 112 cases receiving charitable aid from the WHB at a cost of between £400-£500 a month.⁴² What was more alarming was the number of new cases registering for aid giving unemployment as the cause of distress. Of 23 new cases placed before the board in August, 13 were on account of indigence resulting directly from unemployment.⁴³ The trend continued throughout the latter months of 1928. During the six months from August-January 1929, 107 new cases were placed before the board, 62 of them due directly to unemployment.⁴⁴

As well as increasing submissions for charitable aid assistance, the board was experiencing the effects of unemployment in the area of supplementary assistance, particularly aid given to casuals. During November when 'casuals' first appeared in the report of the charitable aid committee, fourteen men were reported as having been assisted, by the WHB, all of them unemployed.⁴⁵ Although expenditure on indoor relief during the year was again down on the year's estimates, expenditure on outdoor relief including the assistance of casuals exceeded the estimates by £859.⁴⁶ Consequently the board's estimate for 1929-30 was once more increased, so as to cater for the worsening situation.⁴⁷

In Rangitikei itself there was little evidence of increasing unemployment through applications for charitable aid, most citing as the reasons for distress either sickness, desertion, insufficient earnings,

⁴¹ £6184 cf. estimate of £5000, WHB Minutes, April, 1928.

⁴² WHB Minutes 4 July; 10 August; 12 September, 1928.

⁴³ WHB Minutes 10 August, 1928.

⁴⁴ WHB Minutes August 1928-January 1929.

⁴⁵ WHB Minutes 16 November, 1928.

⁴⁶ WHB Minutes April 1929.

⁴⁷ *ibid.*

widowhood or old age.⁴⁸ Usually the distress could be directly related to the specific hardships encountered - for instance both parents being hospitalised or the wage earner being incarcerated.⁴⁹ However, by 1930 there were instances in the county where applications were made by married men for assistance on the grounds that they had been unable to secure any work for up to five months.⁵⁰

The situation by early 1931 was serious. Expenditure on outdoor relief had again exceeded the estimate for the year.⁵¹ Yet while the expenditure of the hospital board was increasing, revenue was falling as a result of decreasing hospital rates and defaulting debtors.⁵² Growing numbers of unemployed were turning to the board for assistance. Cases which would usually require only temporary or supplementary assistance were having to be taken up by hospital boards due to the inadequacy of relief payments. In late 1930, the WHB applied to the Unemployment Board for assistance in coping with unemployment.⁵³ The reply that the Unemployment Board did not have money available for direct grants to hospital boards was accompanied by an exposition on the responsibility for the unemployed;

It should be noted that the unemployment fund cannot be used to relieve hospital boards of charitable aid in cases of distress of persons unable on account of sickness or physical disability to work. The Unemployment Board's responsibility is only in regard to those unemployed able and willing to work and the funds can only be used to assist those.⁵⁴

The clear distinction between the responsibilities of the two boards did not persist, however, eventually resulting in disagreement as to the responsibility for these relief workers classified B2 during the following winter.

⁴⁸ RCC Miscellaneous Correspondence 1928-30.

⁴⁹ RCC Minutes 28 January, 1928; 28 November, 1929.

⁵⁰ RCC Minutes 9 August, 1930.

⁵¹ WHB Minutes 17 June, 1931.

⁵² The levy for 1930-31 was £9538, a figure that dropped to £7169 by the following year, WHB Minutes, 17 June, 1931.

⁵³ 29 December, 1930 WHB Outward Correspondence.

⁵⁴ 21 January, 1931 WHB Minutes.

Other attempts were made by the Hospital Board to restrict expenditure. An appeal was made for the Unemployment Board to give sustenance payments to unemployed so as to assist the financial burden facing hospital boards.⁵⁵ No such commitment was reached for almost three years. After February 1931 it was decided that the Hospital Board would have to curb its own expenditure. Subsequently house rents were removed from the list of provisions of charitable aid.⁵⁶ When the suspension of the no. 5 scheme was mooted in April the WHB decided that 'without assistance from the Unemployment Board, the Wanganui Hospital Board cannot provide charitable aid for those affected by their suspension.'⁵⁷ The following week it was resolved that outdoor relief would be reduced from £9000 to £6000 and that charitable aid would be entirely limited to 'sick and suffering, widows and their children and in no cases must charitable aid be given where unemployed able-bodied men or their dependents are concerned.....'⁵⁸ This was accompanied by a 10 percent reduction in wages and salaries of board employees, the closing of a ward, cutting of provisions and the dismissal of 26 staff members including nurses, porters, ground staff, firemen, maids and a masseuse.⁵⁹

Expenditure by local bodies administering relief in Rangitikei was reduced in line with the board's directives. The financial year 1930-31 had seen the largest deficit recorded by the county between receipts and payments on hospital and charitable aid. Between April and September only £33.2s.0d. was expended by the RCC on charitable aid relief.⁶⁰ In Taihape the board's dire financial problems were brought home with the threatened closure of the Taihape Hospital.⁶¹ Some casual relief work was undertaken by relief workers on the hospital grounds following the reduction in permanent staff, but there was little increase in the amounts of charitable

⁵⁵ WHB Minutes, 21 January, 1931.

⁵⁶ WHB Minutes, 18 March, 1931.

⁵⁷ WHB Minutes, 15 April, 1931.

⁵⁸ WHB Minutes, 22 April, 1931.

⁵⁹ *ibid.*

⁶⁰ RCC Minutes, 29 October, 1931.

⁶¹ TT, 22 May, 1931.

aid dispensed.⁶² The threatened suspension of the no. 5 scheme in June brought the same reception from the WHB as the earlier suspension in refusing to accept responsibility for local unemployed.⁶³ As had occurred with local bodies, the relief workers were the pawns in the disputes between hospital boards and the Unemployment Board. Abuse of the unemployment schemes was not uncommon; an assistant gardener in Taihape whose services had been dispensed with by the WHB a month earlier was re-engaged in June as a relief labourer at 12s. a day.⁶⁴

The success of the board's efforts at curtailing charitable aid is evidenced by the expenditure of the board. During 1930-31 expenditure on outdoor relief had totalled £9869, compared with the year's estimate of £7000.⁶⁵ In the following year expenditure was only £6071, in line with the year's estimate of £6000.⁶⁶ Expenditure on indoor relief (the Jubilee home) had also continued to drop to £1612, the lowest figure since 1927-28.⁶⁷

In terms of total expenditure on charitable aid the hospital board did not suffer to the extent that might have been expected. The crisis subsided almost as quickly as it had arisen. Expenditure on charitable aid resulting from unemployment was responsible for assistance totalling £3389 being given in 1931-32;⁶⁸ yet by 1933-34 this special category of charitable aid had completely disappeared.⁶⁹

Requests by the board for further grants from the Minister of Health towards the end of 1931 met with a negative response.⁷⁰ Further economies and safeguards were attempted by the board. The police were asked to help administer the allocation of charitable aid within the

⁶² TT, 23 February, 1931.

⁶³ WHB Minutes, 17 June, 1931.

⁶⁴ *ibid.*

⁶⁵ *ibid.*

⁶⁶ WHB Minutes, 15 June, 1932.

⁶⁷ *ibid.*

⁶⁸ *ibid.*

⁶⁹ Receipts and Payments 1934-35, WHB Minutes, April 1934.

⁷⁰ WHB Minutes, 16 September, 1931.

county, a responsibility they politely refused;⁷¹ casualties were no longer provided with tea, bed and breakfast after November but only a hamper before being set on the road again.⁷² Even so, the board's allocation on charitable aid was expended by the end of November.⁷³

In order to further reduce expenditure the WHB attempted to establish a uniform system of purchasing provisions by drawing up a price list for the essential commodities to be distributed to local shopkeepers.⁷⁴ In its negotiations, the WHB used its position to beat down local shopkeepers with the ultimatum that 'if they are not prepared to supply at the prices stated then the board will make other arrangements about supplying charitable aid cases with the necessary provisions.'⁷⁵

After some deliberation regarding the prices of individual items, the price lists were eventually agreed to. The result was a minor yet significant financial saving on the part of the board.

The absence of any extra allocation in early 1932 continued to sour the relationship between the Hospital Board and the Government. The board's stance on the allocation of outdoor relief to able-bodied unemployed men was reiterated in February;⁷⁶ in March further restrictions were imposed when it was resolved that the practice of giving charitable aid to unemployed men on their week off also be discontinued.⁷⁷ Meanwhile, attempts were being made to lower expenditure on existing charitable aid cases, either by reducing the amount of aid offered or by lending rather than giving assistance.

Often the economies exercised bordered on meanness. In one instance

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- 71 WHB Minutes, 21 October, 1931.
 72 WHB Minutes, 18 November, 1931.
 73 *ibid.*
 74 WHB Minutes, 20 January, 1932.
 75 *ibid.*
 76 WHB Minutes, 17 February, 1932.
 77 WHB Minutes, 16 March, 1932.

charitable aid of 10s. a week was granted to a 79-year old man whose wife was in hospital on condition of repayment;⁷⁸ a 52-year old widower with ten children and no means or property was granted rations to the value of \$1.13s.0d. a week on the condition that 10s. be repaid when the man was able to secure work.⁷⁹ More than spendthrift the board's policy as exercised through its officers became demeaning as local bodies vied with each other to curb expenditure. In Rangitikei the county was administering relief to only three cases by mid-April.⁸⁰ When it was disclosed that the WHB had spent £3500 above estimates on unemployment relief, Taihape was singled out and congratulated in that only £82 of this total was expended in Taihape compared to £489 in the county.⁸¹ Inevitably there was controversy. In November, a dispute arose regarding the misadministration of the Jubilee Home, which had been forced to suffer unduly from the restricted expenditure of the board. In the inquiry, the WHB acknowledged that some of the cuts were unwarranted. For instance the supply of tobacco to the men which had been cut to one stick per week was restored to the previous level of two sticks per week.⁸² Those who normally would expect charitable aid for reasons other than unemployment were caught up by the board's determination to live within their means.

With the dispute over the role of hospital boards in providing relief for men fit for light work only, the WHB again found itself in dispute with the Government. The resolution that no relief would be granted to able-bodied men after 30 June, 1932⁸³ drew a strong reaction from the Government and relief workers.⁸⁴ The county gave voice to opposition to the board's decision:

It may not be practicable to carry out this provision in its entirety in country districts where there is no other organisation to deal with cases of this kind and where some form of temporary assistance is essential.⁸⁵

78 RCC Minutes, 28 October, 1932.

79 Application for relief, 8 July, 1932. RCC Miscellaneous Correspondence.

80 RCC Minutes, 14 April, 1933.

81 TT, 23 May, 1932.

82 WHB Minutes, 2 November, 1932.

83 WHB Minutes, 20 July, 1932.

84 Including a protest sent to the board by the Raetihi relief workers organisation. WHB Minutes, 20 July, 1932

The board, however, saw little alternative to its actions. With increased demands being placed upon its services it was inevitable, within the financial structure with which the board operated, that the quality and amount of assistance available would suffer. This trend was accentuated by the lower receipts received by the board. Levies on the Rangitikei County alone which totalled £9538 in 1930-31 had declined to £6928 by 1932-33 as a result of the decreased rateable value of the county.⁸⁶ The trend was complemented by other counties, boroughs and town districts within the board's district.

By 1933, with the dispute between the Unemployment Board and hospital boards resolved, the administration of the WHB underwent a period of restructuring and reorganisation. The charitable aid system locally was overhauled and centralised. From March the RCC was requested to initial all accounts for charitable aid before sending them directly to hospital boards;⁸⁷ previously these had been handled by the local bodies. Further restrictions were placed on local bodies in April when a letter from the Controller and Auditor-General prohibited the county from advancing moneys out of the county account for charitable relief; in future all such payments had to come from the hospital board direct.⁸⁸ With the removal of the extraordinary pressures that had been placed on charitable aid through unemployment, the WHB was able to concentrate its attentions on those cases resulting from other causes including sickness, old age and desertion.

Expenditure on charitable aid within the board district had dropped significantly during 1933-34. In comparison with the two years previous when £11,018 had been expended,⁸⁹ the total had dropped to £9808 notwithstanding a significant increase in the administrative costs of the

⁸⁵ WHB Minutes, 20 July, 1932.

⁸⁶ WHB Minutes, June 1931-32.

⁸⁷ RCC Minutes, 20 March, 1933.

⁸⁸ Controller and Auditor-General to Richardson, 6 April, 1933. RCC Outward Correspondence.

⁸⁹ WHB Minutes, 1932-34.

Jubilee Home.⁹⁰ Even so the WHB remained involved in assisting some unemployed relief workers. When three married men each with families were given assistance during their stand-down week at Taihape by the local committee, its decision was endorsed by the board, despite the earlier ruling regarding such assistance being given.⁹¹ As a result of this and similar actions necessary in the board's view to supplement inadequate relief payments, the amount expended under outdoor relief remained high in comparison with other hospital boards. When the 'out-door relief' estimate for 1934-35 was set at £7500, the board was lambasted by the Minister of Health who wrote to the board:

The expenditure under this heading is considered altogether too high and I would point out that it is more than twice as much as is expended in this connection in the Palmerston North Hospital District which has a larger population. The question of materially reducing the expenditure on outdoor charitable aid should receive the urgent attention of your board.⁹²

The estimate was subsequently reduced to £7000 for the year while actual expenditure on outdoor relief, no doubt assisted by the improved economic conditions, totalled only £6849.⁹³

The board was in an unenviable position. While no longer obliged to cater for unemployed relief workers, the hospital boards felt in certain cases morally bound to do so at least during stand-down weeks. The "B" classmen who had been supposedly removed from their sphere of responsibility in 1932 remained a concern of the board. In July 1934 it was resolved that 'this board considers the amount allowed by the unemployment board to "B" class men by way of sustenance to be totally inadequate with the result that the hospital boards are being called upon to augment the insufficient allowances and calls upon the unemployment board through the hospital association to make sufficient allowance by way of sustenance to B class men.....'⁹⁴

⁹⁰ From £1612 to £2309. WHB Minutes 1932-34.

⁹¹ WHB Minutes, 21 February, 1934.

⁹² WHB Minutes, 16 May, 1934.

⁹³ Receipts and Payments 1934-35, WHB Minutes.

⁹⁴ WHB Minutes, 18 July, 1934.

Ultimately it was the improved provisions of relief payments and the increasing amount of available employment that was to allow the board to remove itself from its forced role of supplementary unemployment relief. It was a position into which the board had been press-ganged by government and pressured into by local unemployed. In spite of the board's obvious reluctance to be used as a source of supplementary relief there were numerous instances in which relief was given so as to ensure the continued welfare of its recipients.

In the period until 1932, the financial position of the board was under considerable strain, necessitating close cooperation between the board and its agencies. In Rangitikei the requests for charitable aid were closely scrutinised by local bodies, often too carefully. The end result was that while the hospital board provided a substantial amount of supplementary relief and charitable aid to those distressed in the county, it was not abused by local bodies. Both the WHB and local bodies saw their roles as complementary, a factor brought out by the empathy between the two bodies⁹⁵ and a mutual distrust of government efforts at providing even subsistence levels of relief.

The People's Response

In the absence of an inclusive government policy for dealing with unemployment, much of the onus for providing relief fell on the local authorities. Even allowing for the operations of the Unemployment Board, hospital boards and local authorities, there were throughout the early thirties numerous people in need of relief. Often the relief sought, usually in the form of provisions or finance was to complement the inadequacy of relief payments;⁹⁶ much, however, was for those not other-

⁹⁵ Aided by joint membership of the board and local bodies as held by A.S. Coleman and A.J.B. Sicely.

⁹⁶ RA, 17 May, 1933. 'A relief worker and three children receives £4.10s. a month and relief worker with two children £3.15s. a month. Yet on the basis of British Medical Association figures for minimum food requirements and Wellington Hospital Board minimum figures for rent, it was calculated that a married couple would require at least 37s.6d. per week and a couple with three children under 10, 55s. weekly. A.J.S. Reid, Church and State, p.23.

wise catered for, as was the case with unemployed youth or women.⁹⁷

The unemployed and distressed in Rangitikei were fortunate in the generosity of the local people. As in the larger cities where unemployment was much more severe,⁹⁸ the plight of unemployed and relief workers initially met with a warm response. Donations of money, food, clothing and reading matter were readily passed into relief depots; local organisations and associations organised fund raising schemes to subsidise the wages of relief workers; balls, card evenings, galas and dances all served to boost the coffers of unemployment relief committees.⁹⁹ It was a remarkable effort, particularly in the early months of the depression and one responsible for easing the distress of many local unemployed.

By 1932, however, as the economic situation continued to deteriorate, less voluntary relief assistance was forthcoming. Not only had the generosity of the people been severely taxed during the winter of 1931, but fewer people were willing to allow themselves to 'subsidise' the obligations of central government by placing their own contributions in a trough that showed no signs of filling. There was also less assistance to be offered. Many people who were not affected by depression in 1931 were, by the following year, themselves feeling the effect of the Government's policy of economic retrenchment. Unemployment had, in fact, become too large and too prolonged for the efforts of the local people. Yet while applying pressure on the Government to increase the extent of unemployment relief, the efforts of individuals and groups within the community continued to go some way towards easing the distress of local families. Though often faltering, their efforts were among the few comforts arising from the abysmal gloom into which the country had slipped since 1930.¹⁰⁰

⁹⁷ C.G. Scrimgeour, The Scrim-Lee Papers: C.G. Scrimgeour and John A. Lee Remember the Crisis Years 1930-40, C.G. Scrimgeour, John A. Lee, T. Simpson. Wellington, 1976, p.45. Eventually the UB decided that some concrete expression of sympathy be made for unemployed women; accordingly £500 was granted to assist women's associations assist unemployed women. AJHR, H.35, 1931.

⁹⁸ P.J. Oakley, Chapter V, 'The Generosity of the People.'

⁹⁹ RA, 1931-1934; TT, 1931-1934.

¹⁰⁰ Not all, however, was abysmal gloom. One of the lasting fruits of depression was a national literature represented by the works of Sargeson, Glover, Mason, Mulgan, Fairburn and Curnow among others.

Prior to 1930 the number of unemployed in Rangitikei had not been sufficient to arouse local churches and service organisations into any concerted action. As 1930 progressed and the number of unemployed grew, however, the problem attracted the attention of various local groups. Discussions were initiated to look at unemployment by the county and branches of the Farmers' Union.¹⁰¹ Most remedies put forward such as the subdivision of unimproved land, were impracticable for dealing with large numbers of unemployed.¹⁰² Also, pervading early discussions was the feeling that the unemployed were somehow responsible for their own situation, that many in fact were 'loafers with no sense of moral obligation.'¹⁰³

By late 1930 it was becoming apparent from correspondence in the Advocate that there were families in Rangitikei whose welfare was directly affected by unemployment.¹⁰⁴ Early attempts at providing relief were piecemeal as Rangitikei, along with the rest of the country, awaited the Government plan to cater for unemployment. The manifestation of Government action in the county, the setting up of unemployment committees, coincided with the initial attempts of some local organisations at providing relief. In Marton the unemployment committee at its inaugural meeting received a donation of £35 from the Young Reform League for providing relief work while in February, a Progress League set up in Bulls allocated £45 to help provide unemployment relief in that town.¹⁰⁵

Early efforts at assistance were sporadic as the community waited to see the provisions and effects of the various Government schemes. Overshadowing the plight of local unemployed in early 1931 was the call for relief from that area devastated by the Napier earthquake.¹⁰⁶ With

Its emergence had been predicted in an editorial entitled 'The urge to write' which remarked 'It has been said that the foundation of all good fiction is fact and that men only write for bread and praise - of necessity for bread first. If this is true these "stranger than fiction" years of economic stress should bear fruit in a great improvement in the popular novel.' RA, 13 April, 1934.

101 RA, 16 July, 1930; 5 September, 1930.

102 RA, 16 July, 1930.

103 RA, 5 September, 1930.

104 RA, 21 November, 1930.

105 MUC Minutes, 5 January, 1931; RA, 2 February, 1931.

106 RA, 21 March, 1931. Local Earthquake Fund totalled £1319.

the onset of winter, the inability of the Unemployment Board to cope with unemployment (as demonstrated by the suspension of relief schemes) placed increasing onus upon local resources. Several organisations came to the assistance of local bodies, particularly in the north of the county where unemployment was especially severe.

In Taihape, the Returned Servicemen's Association (RSA) was one of the largest providers of supplementary relief. In the year up to September 1931, the association contributed a total of £180 towards the relief of returned servicemen in the town.¹⁰⁷ The money was raised from a variety of sources including profits from canteen funds, the sale of poppies and local subscriptions.¹⁰⁸ Dances and street appeals organised by the association enabled it to maintain its assistance throughout the year.

In league with the Patriotic Society, the association set up a scheme during the winter months to provide work for relief workers at 12s.6d. a day, with employers meeting half the cost, the remainder being equally divided between the two organisations.¹⁰⁹ The scheme continued to operate throughout the depression years and was the recipient of much of the association's attention and finance.

By August 1931 the seriousness of unemployment in Taihape had prompted a meeting of unemployed in the town. This gave rise to weekly meetings for the organisation of drives for meat, vegetables and clothing.¹¹⁰ Meetings for the relief of distress and the establishment of a citizens' relief committee followed in September.¹¹¹ The initial response was encouraging; by the end of its first month of operation the citizens' relief committee was having no difficulty in providing for requests for relief.¹¹² Between 40 and 50 people were coming to the relief depot each day.¹¹³ In the period until the depot closed on 18 December, donations of

¹⁰⁷ TT, 18 September, 1931.

¹⁰⁸ TT, 15 April, 1931.

¹⁰⁹ TT, 18 September, 1931.

¹¹⁰ TT, 31 August, 1931.

¹¹¹ TT, 14 September, 1931.

¹¹² TT, 28 September, 1931.

¹¹³ TT, 21 October, 1931.

sacks of potatoes and carcasses of meat were frequently received by the depot enabling it to cater for all immediate needs.¹¹⁴

Indications from other relief drives emphasised the solvency of the community. The Citizens' Relief Committee raised over £30 from a charity ball and a church bazaar in October realised the considerable sum of £320 for relief purposes.¹¹⁵ Not all of the unemployed accepted the situation into which they had been thrust. For some, the relief depot smacked too much of charity to be acceptable. Attempts were made to ease the distribution of relief so that all that was necessary was an order of requirements from the town clerk which was presented to the depot.¹¹⁶ However, even this was not sufficient to overcome the reluctance of many relief workers to admit their independence upon charitable relief.¹¹⁷

In the south of the county, the problem of unemployment was less significant during 1931. As a result there was little call for local efforts towards providing supplementary relief. When such relief was offered, however, it too revealed a considerable amount of 'hidden' distress. This was evidenced in Marton by the fact that in the first nine months of 1931, the Marton clothing committee assisted 63 families, somewhat surprising in view of the small number of unemployed within the town.¹¹⁸

With the increased amount of seasonal work offering during the summer of 1931-32, little demand was placed on most relief schemes. By autumn, however, the increasing numbers of unemployed encouraged a renewed effort by local organisations. In Hunterville a committee was set up to arrange a relief depot in the town.¹¹⁹ This was supported by an appeal for 'clothing, meat, vegetables, boots, produce and cash.'¹²⁰ Free meat also occupied a prominent place during the winter months.¹²¹ The

¹¹⁴ TT, 21 September, 1931; 11 November, 1931.

¹¹⁵ TT, 28 September, 1931; 9 October, 1931.

¹¹⁶ TT, 18 September, 1931.

¹¹⁷ *ibid.*

¹¹⁸ RA, 2 October, 1931.

¹¹⁹ RA, 17 June, 1932.

¹²⁰ *ibid.*

¹²¹ RA, 22 June, 1932; 25 June, 1932.

distribution of the meat offered by the WHB and the gift of thirty sheep by Ormond Wilson of the Toc H Society at least ensured that in one commodity, Marton was not in short supply.¹²²

By late 1932, efforts at providing assistance for relief workers still relied on specific requests for aid rather than on any 'relief programme.' When such requests were made, such as, for the securing of reading matter for relief camps, the response was invariably good.¹²³ The fact that specific requests for relief were made through local newspapers, however, merely emphasises the disorganisation resulting from the absence of a controlling authority through which relief efforts could be directed.

It was with a view to remedying this situation that scheme 5/2 was introduced in late 1932.¹²⁴ The scheme provided for the setting up of a separate relief fund within boroughs and town districts and for the coordination of local relief efforts.¹²⁵ Although Taihape had a citizens' relief committee fulfilling a similar purpose, both Marton and Taihape agreed to inaugurate the scheme under the name of the Mayor's relief fund.¹²⁶ Most fund raising undertaken hereafter was usually directed towards improving the level of the fund for the provision of local relief works.

In Taihape a number of fundraising activities had already been undertaken during the winter months. Variety concerts, euchre parties and dances organised by either the citizens' relief committee or individual groups ensured that the Mayor's relief fund started with a credit

¹²² Toc H ('To conquer Hate'). Talbot House was a movement founded in 1915 at Poperinghe to bring together into Christian fellowship people undertaking social service. Apart from providing firewood the Toc H Society also ran a boys' camp annually at the homestead of O. Wilson to which local farmers contributed. Interview with O. Wilson, 9 September, 1977.

¹²³ RA, 8 October, 1932.

¹²⁴ Town Clerk to Commissioner of Unemployment, 11 October, 1932. MBC Correspondence Files.

¹²⁵ Town Clerk to certifying officer, Marton, 31 December, 1932. MBC Correspondence Files.

¹²⁶ Town Clerk to Commissioner of Unemployment, 11 October, 1932. MBC Correspondence Files.

balance.¹²⁷ Some groups chose to disregard the new fund. Usually, as was the case with the RSA, this was to ensure that funds were used for the purpose for which they were raised, i.e., the relief of unemployed returned servicemen.

By late October, the Marton RSA had followed their northern counterparts in providing a scheme of relief work within the borough. By its provisions, subsidised work was provided for returned servicemen in cooperation with the Borough Council and was implemented during stand-down weeks so as to supplement the relief wages already paid by the Unemployment Board.¹²⁸

During 1933, the RSA maintained a role in providing relief almost equal to that of local relief committees. In Taihape, apart from the contribution of their own funds towards relief work (subsidised pound for pound by the Patriotic Society), the association was actively involved in organising dances and public appeals in the borough.¹²⁹ The contribution of the Patriotic Society was at least as significant. At the AGM of its Taihape branch in July 1933, the society revealed that in the previous year the branch had expended £410.1s.4d. on various forms of relief for returned servicemen and their dependents.¹³⁰ Both organisations played a role totally out of proportion for their membership, a fact no doubt appreciated by the families of returned soldiers.

During 1933, the efforts of local committees and associations were themselves being curtailed by the worsening economic position in which the county found itself. In May, relief workers in Marton decided to establish a self-help club by which all present contributing goods to the value of 10s. were entitled to receive one day's work free.¹³¹ In spite of the

¹²⁷ TT, 26 September, 1932; 19 October, 1932.

¹²⁸ RA, 28 October, 1932.

¹²⁹ TT, 17 July, 1933.

¹³⁰ TT, 25 July, 1933.

¹³¹ RA, 17 May, 1933.

commendable intent of the relief workers behind its formation to 'show we do not want charity but prefer to earn our daily needs which are food, clothing and firewood,' the club had little impact.¹³² This 'failure' was no doubt influenced by the refusal of the MBC to allow itself to be identified with the club, a decision which effectively placed it apart from other efforts at providing supplementary relief.¹³³

By May, stocks of clothing held at the depots in Marton and Taihape had become so depleted as to necessitate further drives for needy families.¹³⁴ In Marton alone, over 100 families had been assisted by the efforts of the clothing committee.¹³⁵ Concerts, charity balls and community sing-ins continued to feature as fundraising ventures undertaken by relief committees.¹³⁶ Distress through unemployment was particularly prevalent in the north of the county; in the six weeks up until 30 September, 1933, the Taihape Patriotic Society alone dealt with 73 cases of relief.¹³⁷ Of these, only 36 were the direct responsibility of the Taihape branch while only six actually lived in Taihape.¹³⁸

As well as providing additional relief for those unemployed residing within the county there was also a call for assistance for the increasing number of men on the road. Throughout the early thirties large numbers of swaggers traversed the county from north to south.¹³⁹ By 1933 the numbers so doing had increased considerably. In a period of only six weeks during mid-1933, the Taihape Patriotic Society assisted 34 men passing through the borough, 24 of whom were found to be returned servicemen.¹⁴⁰ In Bulls the situation was similar where unemployed were aided and accommodated by the local RSA.¹⁴¹ By early 1934 the situation was

¹³² RA, 17 May, 1933.

¹³³ MBC Minutes, 8 May, 1933.

¹³⁴ TT, 12 April, 1933; RA, 23 May, 1933.

¹³⁵ RA, 10 June, 1933.

¹³⁶ RA, 3 July, 1933; TT, 13 September, 1933.

¹³⁷ TT, 22 November, 1933.

¹³⁸ *ibid.*

¹³⁹ Interview with F. Troon, Taihape.

¹⁴⁰ TT, 22 November, 1933.

¹⁴¹ RA, 12 April, 1934.

placing a considerable strain on those settlements situated on the main highways. The Presbyterian minister at Bulls wrote to the council in February stating that he alone was having to constantly feed and accommodate up to three unemployed each day and requesting that the council provide some 'common shelter for the accommodation of wayfarers.'¹⁴² The county's sympathies, however, rested firmly with their own unemployed and predictably no assistance was forthcoming. As the largest group of floating unemployed in the country, the men on the road had to depend entirely on the generosity of assistance of the churches, the RSA and other similarly charitable organisations.

By 1934 many associations and committees had evolved their own peculiar systems for the accumulation and distribution of relief. In many instances the numerical strength of groups had increased dramatically since 1930; further, localised branches of such groups as the Farmers' Union and the RSA were established so as to cater for their own dependents, while at the same time catering for the 'need to become involved' that had been fostered by the depression.¹⁴³ In Marton, membership of the RSA increased from 121 to 253 between 1933 and 1934.¹⁴⁴ The Marton Junction branch of the RSA established in May 1933 had, by April 1934, provided 20 days of subsidised work for its members.¹⁴⁵ In total over £400 was expended by the Marton RSA and branches in the year 1933-34 under their various schemes.¹⁴⁶ Each branch in turn implemented its own schemes usually in cooperation with a local body (Marton) or other associations or societies (Taihape).

Several other organisations joined in with the provision of relief during 1934. Prominent among these were local branches of the WDFU which helped by knitting quilts for necessitous cases and assisting distressed

¹⁴² The Manse, Bulls to Richardson, 26 February, 1934. RCC Miscellaneous Correspondence.

¹⁴³ RA, 18 April, 1934.

¹⁴⁴ RA, 28 April, 1934.

¹⁴⁵ RA, 18 April, 1934.

¹⁴⁶ RA, 28 April, 1934.

families.¹⁴⁷ In April the Taihape branch of the Farmers' Union raised £135 with a stock drive although this was not entirely for distribution among unemployed, but was to be the start of a fund for 'all distressed persons.'¹⁴⁸ Gifts of magazines were still being received during the year for relief camps,¹⁴⁹ as were donations from art union coffers for the mayor's relief funds.¹⁵⁰

The number of unemployed by mid-1934 was estimated to have declined by more than 50 percent from the previous year.¹⁵¹ Consequently the demand for extraneous forms of relief was also reduced. The Taihape Patriotic Society assisted only 61 cases of casual relief up to June 1934 in comparison with 107 in the previous year.¹⁵² Helping this situation was the fact that as unemployment fell away, the provisions of the Unemployment Board's relief schemes were improved to the position where subsidiary relief was not so necessary as it previously had been.

The improved fortunes were reflected in the attitude of those bodies providing extra relief and the ease with which any specific requests were met. In Bulls, the RSA adopted the policy of spending while the need was greatest rather than trying to build up funds.¹⁵³ It was a sentiment, though alien to central and local government, that was readily adopted by other associations. A request for socks from an ex-servicemen's camp at Paraparaumu resulted in the collection of 200 pairs in less than two weeks.¹⁵⁴ Relief which had been previously held back became more readily available as the associations focussed their attention on the remnants of distress within the county.

By the end of 1935 the effects of the depression could be seen in

¹⁴⁷ RA, 18 April, 1934.

¹⁴⁸ TT, 25 May, 1934.

¹⁴⁹ TT, 9 April, 1934.

¹⁵⁰ TBC Minutes, 18 May, 1933; 28 August, 1933.

¹⁵¹ RA, 19 May, 1934.

¹⁵² TT, 8 June, 1934.

¹⁵³ RA, 16 April, 1935.

¹⁵⁴ RA, 14 August, 1935.

the membership of local clubs, societies and associations. As the threat of unemployment had increased in the early 1930s, so had the desire for protective associations manifested itself. Even relatively small settlements were able to boast large unified organisations. For instance, by May 1935 the Women's Institute at Marton Junction and the RSA at Bulls had memberships of 119 and 65 respectively.¹⁵⁵

During the worst of the depression many people were befriended by their own churches or church groups. Assistance usually took the form of hand-outs and was undertaken in response to the individual needs of parishioners. The position of friendly societies was less supportive. Between 1927 and 1934 the membership of the ten registered friendly societies in Rangitikei County dropped from 857 to 749 yet total assets of the societies as well as the amounts in the sick and funeral fund increased, in both instances by over £2000.¹⁵⁶ This trend though conflicting with other local organisations, complemented the policy of Government bodies, emphasising just how ingrained the move towards retrenchment was at all levels of the community.

The caution and conservatism that pervaded the local and central Government response to unemployment also influenced the actions of smaller bodies and associations working towards providing unemployment relief. Though some groups and churches preached the importance of living for the day, it was the morrow that was invariably being provided for. Only when relief was reduced to the level of 'here and now' charity was assistance given freely and without qualms.

Many organisations and clubs reserved their main efforts until as late as 1935. Others believed the problem was neither theirs, nor the country's but was in fact a world problem, a belief that they used to absolve themselves from all local responsibility for providing relief.¹⁵⁷

¹⁵⁵ RA, 12 March, 1935; 16 April, 1935.

¹⁵⁶ AJHR, H.1, 1928-1935.

¹⁵⁷ J.A. Lee, NZPD, Vol.231, 1932, p.200.

The result was that responsibility for incidental relief was continually being delegated from one body to the next until ultimately it appeared the majority favoured a doctrine that every man's duty was to look after himself.¹⁵⁸ The numerous subsidiary relief schemes organised by charitable groups, friendly societies and associations only served to stagger this process, not reverse it. Rangitikei seemed a long way removed from riots and the threat of starvation facing unemployed in the main cities;¹⁵⁹ yet it was not quite far enough away to escape the ramifications of inadequate Government provisions for relief. The subsequent contribution of the local people towards providing supplementary relief within the county was a mixture of a number of forces: generosity, protectiveness, benevolence and altruism. As assistance was provided voluntarily and with the vision, however restricted, of helping others, their efforts were commendable. Occasionally they managed to escape the cautious stranglehold that so afflicted other bodies administering relief. Even so, in the absence of a Government initiative, their role as precursors of an overall Government acceptance of responsibility for social welfare as later embodied in the legislation of the first Labour Government, was to be of more lasting significance than their role in providing supplementary relief.

¹⁵⁸ J. Mulgan, Report on Experience, Oxford University Press, 1947, p.11.

¹⁵⁹ There was, in fact, one instance of starvation recorded in Rangitikei during the depression although this was attributed to the person's distressed state of mind at the time. RA, 12 September, 1934.

CHAPTER FIVE

The Local Body Response to the Depression

'More Kicks than Halfpence'¹

Local government, loosely labelled as that public organisation authorised to decide and administer a limited range of public policies within a relatively small territory was one of Britain's first, and most durable exports to her colonies.² In its earlier forms as represented by the Councils of Colonists and the Councils of New Munster and New Ulster it drew heavily on the example of the Mother Country. Its early growth was as scattered as it was sporadic. Even the establishment of Provincial Legislative Councils and the subsequent emergence of road boards and municipal districts did little to establish a logical pattern for its later development.³

Following the 1876 Counties Act, there was a proliferation of local government bodies in New Zealand.⁴ Yet while the number of boroughs and councils increased, their responsibilities diminished. In many instances old and new functions were passed over to an increasing number of ad hoc bodies; sometimes, local bodies abdicated their responsibilities altogether. Invariably the result was that the line between central and local government grew increasingly blurred.

By 1930 the 'identity crisis' of local bodies had become acute. The earlier distinction that 'Local government has its origin logically in the fact that certain problems are of a peculiarly local interest and importance.

¹ J.G. Coates, Address to the New Zealand Counties Association. Proceedings of the 16th Conference of Delegates, Wellington, 26-27 July, 1933, p.40.

² International Encyclopedia of the Social Sciences, Vol. 9.

³ W.B. Sutch, 'Local Government in New Zealand - A History of Defeat' in R.J. Polaschek (ed.), Local Government in New Zealand, Wellington, 1959, pp.12-22.

⁴ NZS, 1876, pp.153-198.

Other problems are of a national character and hence must be administered by Central Government,⁵ no longer strictly applied. Many functions had become marginal such as the provision and maintenance of roads. Others such as the responsibility for unemployment relief, relied more on co-operation between central and local government than on any explicit apportionment of responsibility.

To effectively minister to the needs of a community, the policies and actions of central and local government should ideally complement each other.⁶ In order to achieve this and to establish an effective working relationship, a balance between the powers and authorities of local bodies and central government is necessary. Hence the responsibilities of local bodies should act as a counterweight to central government.⁷

What had been initially envisaged as a balanced relationship between local and central government did not eventuate in the period following 1876. Instead of encouraging a unanimity of purpose the depression highlighted the weaknesses in the working relationships between central and local government in New Zealand. Despite encouragement from central government for local bodies to widen their functional role⁸ the self-interest of the large ratepayers had had the opposite effect.⁹ Almost immediately following the abolition of the provincial governments, local affairs began passing into the hands of ad hoc bodies or were taken back under the wing of central government. In the period leading up until the depression, the number of counties more than doubled;¹⁰ smaller and smaller 'interest' groups were set up in the guise of local government bodies. Administration and local body policy, often labelled as shortsighted and insular¹¹ became increasingly dominated by financial considerations as overheads and administrative costs became proportionately greater than in the larger, more economically viable local bodies.

⁵ F.B. Stephens, 'Constitutional Structure of Local Government' in F.B. Stephens (ed.), Local Government in New Zealand, Wellington, 1949, p.15.

⁶ T.W.M. Ashby, 'The Relationship of the Local and Central Governments' in F.B. Stephens (ed.), p.25.

⁷ R. Sidebotham, Local Government at the Crossroads, Wellington, 1970, p.5.

⁸ R.J. Polaschek, (ed.), p.3.

⁹ W.B. Sutch, 'Local Government in New Zealand - A History of Defeat', p.29.

¹⁰ From 63 to 129. NZOYB, 1936, p.491.

¹¹ Sutch, pp.22-23.

During the first three decades of the twentieth century local government had drifted from the role into which it had been initially cast.¹² No concerted effort had been made, indeed none had been called for, for local bodies to side with central government in defending the 'national interest.' When that time came in the mid-1920s both sides were found to be unprepared and unsure as to their respective roles and responsibilities; the mutual suspicion that was subsequently engendered not only survived the depression, but pervaded what was a most important working relationship in coping with the throes and woes of depression.

Rangitikei was one of the few counties that increased in area after its inception in 1876.¹³ By the mid-1920s it occupied 1684 square miles, making it one of the largest and most prosperous counties in the Dominion. In common with smaller rural local bodies the county council was elected by a system of differential voting. Prior to the passing of the Local Elections and Polls Amendment Act of 1944¹⁴ there was no residential qualification written into the franchise of counties or road districts.¹⁵ Plural voting, as accommodated by the 1876 act (and modifications in 1886 and 1891) was accepted as a just and rational basis for the distribution of votes in rural areas.¹⁶ By this process ratepayers within the county received between one and three votes, dependent upon the value of their rateable property. This ensured that the large and prosperous landowner to whom the community looked for leadership was able to have a disproportionate say in electing local government members as well as dominating the composition of local councils.

The upshot was that large ratepayers in particular identified themselves with, and had a vested interest in, the policies of county councils. In so doing they managed to bring a good deal of expertise in

¹² J.C.D. Mackley, 'Local Government in Counties,' F.B. Stephens (ed.), pp.54-59.

¹³ The original county comprised of an area of some 900 square miles, an area which had grown to 1684 square miles by 1930. Jubilee of the Rangitikei County Council - Historical Sketch, Marton, pp.2-3. For further details on territorial changes, refer to Chapter One, Rangitikei County, 1840-1928.

¹⁴ NZS, 1944, pp.40-47.

¹⁵ A.G. Harper, 'Basis of Local Body Elections' in F.B. Stephens (ed.), p.278.

¹⁶ Harper, pp.275-278.

rural matters to the county councils. They also brought a bias which was not easy to keep down. One Rangitikei County Councillor protested on behalf of unemployed in the county, not against the hardship of living on a relief worker's wages, but against the payment of 14s. a day to men on the roads when 'there are others and good men at that willing to work for 10s.'¹⁷

The aftermath of the depression in New Zealand saw the country in a financially sound position.¹⁸ This was accentuated by the solvency of local bodies. In Rangitikei, the county and boroughs were never financially threatened by the depression though not unnaturally some areas of expenditure were curtailed. As the receipts from rates fell away, so did, in proportion, the amounts expended on roading.¹⁹ The RCC especially in the early years of the depression was able to annually accommodate reduced receipts and yet still increase the amounts held in the county fund account. Just as nationally the depression extracted, in fact still extracts its psychological dues, the legacy of local body administration was largely couched in economic terms; work that should have been done was not done; amenities that could have been provided at little cost to the ratepayer during the depression were passed on to succeeding councils to do with as best they could. Instead of consolidating the amenities of the dependent areas, local bodies in Rangitikei adopted a defensive stance, resolving to ride out the storm while placating ratepayers with offerings of low and reduced rates. Their efforts were often not appreciated by succeeding local bodies. Aided by hindsight, most were intensely critical of the legacy bestowed upon them by local bodies during the depression.

¹⁷ Wanganui Chronicle, 15 January, 1931. This followed a Council resolution 19 October, 1930 that 'this Council is of the opinion that the minimum of 14s. a day is too high considering the present state of the Dominion's finances.' RCC Minutes, 19 October, 1930.

¹⁸ W.B. Sutch, The Quest for Security in New Zealand 1840 to 1966, Wellington, 1966, p.136.

¹⁹ The receipts from rates levied in 1929-30 totalled £53,763 and in 1933-34 £38,583, a drop of £15,180. The expenditure on public works under the General and Riding accounts dropped from £41,973 (1929-30) to £25,177 (1933-34) and under the Main Highways Construction Account from £11,107 (1929-30) to £4299 (1933-34), a total cost in expenditure of £23,604. RCC Chairman's Annual Reports 1929-30 - 1933-34.

Two main themes are apparent in looking at the local bodies' response to the depression: first, local government was at least as conservative as central government especially in terms of the stringent economies exercised;²⁰ and secondly, the dislocation between central and local government affected in varying degrees the efforts of both towards providing unemployment relief.

Clearly these are generalisations. They are also, in the main, self-evident. The county councils had been traditionally encouraged to see their role as protecting the interests of the ratepayers regardless of whether these interests conflicted with those of Government. Although not apolitical, most counties were at least outwardly so. Subsequently if Government money could be utilised in place of county revenue for the provision of relief work or to subsidise administrative costs, there were few qualms in so doing. Like Government, the RCC had a guaranteed (if variable) source of income; however, rather than borrow on this security the county opted to cut back the amount of work done, in line with falling revenue. Instead of leaving their successors a financial millstone in the form of loaned monies it was felt preferable to let them struggle with the equally deadly task of catching up on a roading programme which had been effectively allowed to lapse from as early as 1930.

Hindsight exposes the apparent folly of the move towards retrenchment that dogged local and central government during the early 1930s. In the instance of central government much of the criticism was well founded - the opportunity was there, as demonstrated by Coates, to legislate the country out of the worst of the depression without going outside the mainstream of New Zealand politics.²¹ In local government it was less so. Local body responsibilities and policies had long been localised and introspective despite national conferences of the N.Z. Counties' Association and Municipal Corporations. Their authority was concentrated on the administration of their areas and special functions such as the maintenance

²⁰ The record of the Coalition Government during the depression especially in the area of extending state and public control, is at variance with the ultra conservative label often given to the party. Refer W.H. Oliver, Problems and Prospects of Conservatism in New Zealand, Wellington, 1965, p.27.

²¹ *ibid.*, pp.6-7.

and construction of roads, the eradication of noxious weeds as well as the fulfilment of numerous other minor obligations.²²

Their first consideration was maintaining their own role as economically viable and independent governing bodies, not as appendages to the administration of central government. This is not to say that in regards to the unemployed, their policies were inconsiderate or unreasoned; on the contrary, within the respective local regions, considerable effort was made towards 'looking after their own.' It is questionable, however, as to whether this was done in such a way as to complement national interests represented by the Government or Unemployment Board.

By 1931, concern at the weak structure of local bodies resulted in the setting up of a departmental committee to study the reorganisation and financing of local government.²³ An order of reference was subsequently proposed for a commission, but was passed over in view of the more pressing business of unemployment relief. Any attempt to strengthen local bodies at such a late stage would, of course, have been too late to ease the burden of Government in providing unemployment relief. Both parties were forced to make do with the relationships that had arisen during the previous thirty years particularly those between local bodies and individual government departments, such as the Public Works and MHB.

During the depression, Rangitikei County, apart from being one of the largest counties in New Zealand, was one of the most stable in terms of staff and councillors. Of the ten councillors elected (all unopposed) in 1929, seven were successively re-elected in 1932 and 1935.²⁴ In two of the other ridings, changes were occasioned only by the death of one sitting councillor and the resignation of another.²⁵ Throughout the three successive local body elections between 1929 and 1935 only three members

²² J.C.D. Mackley, p.58.

²³ W.B. Sutch, 'Local Government in New Zealand - A History of Defeat,' pp.33-34.

²⁴ The seven were Dalrymple, Stuart Coleman, Brice, Dalziell, Belk and Doole.

²⁵ A.G. Simpson was succeeded on his death by J.L.L. Hammond; J.M. Hardy replaced P. Pedersen on his resignation in December 1932.

PLATE II Rangitikei County Council, 1932-1937.

Back Row L. to R. A.S. Coleman, J.R.L. Hammond,
J.D. Lilburn, J. Brice.

Front Row L. to R. R.G. Dalziell, W. Doole,
K.W. Dalrymple (Chairman), H.A. Belk, M. McHardy.
Inset: A. Stuart

(Rangitikei County Council)



were not elected unopposed to serve on the council,²⁶ emphasising the considerable degree of satisfaction with council's performance during this period.

The two most important figures on the administrative staff, particularly in the provision of unemployment relief, were the County Clerk and County Engineer. In both offices Rangitikei was served by men of experience and long standing. The County Clerk throughout the depression, Harold Richardson, first took office in 1893, eventually becoming the longest serving County Clerk in New Zealand.²⁷ He had served over fifty years in office at the time of his death in 1944.²⁸ Sydney Mair, the County Engineer, took up his office in 1900.²⁹ Although offering his resignation to council in 1928 he was persuaded to stay in office 'as long as possible after 31 March, 1929.'³⁰ This extension eventually lasted a further sixteen years during which time he was the innovator and administrator of many of the major relief works throughout the county.

By 1928 there had built up a sound working relationship and personal rapport between the two men. Both had been involved in local government in the Rangitikei long enough to know the workings and policies of the council and to regard the sudden intrusion of Government into their affairs with mixed feelings. The cautious stance taken towards the county's role in providing unemployment relief subsequently involved both men in work and administration outside of their earlier office. Both accepted their role dutifully though always ensuring that the interests of the council were their first consideration.

The most notable effect of the depression on the RCC as with all local bodies was in the diminution of finances as brought about by a fall

²⁶ J. Brice, R.G. Dalziell (1932) and R.G. Dalziell (1935).

²⁷ S. Bloomfield, Nelson County Council to Richardson, 17 September, 1937. RCC Miscellaneous Correspondence.

²⁸ Wanganui Chronicle, 21 September, 1944.

²⁹ Jubilee Sketch, p.5.

³⁰ RCC Minutes, 28 November, 1928.

in receipts. This was largely a result of two factors; the inability of farmers to meet the payments of their rates, and the reduction in amount of rates levied.

The fortunes of the residents of Rangitikei are reflected in the percentage of rates collected. In the three years prior to 1930 over 98 percent of all European rates levied were collected annually.³¹ By 1931, this figure had begun to fall. Only 94 percent of those rates levied in 1931-32 were collected.³² By 1932-33 this figure had again fallen to 82 percent.³³ This was to be the low point, however, and aided by reductions in the amount of rates, the figure for the following year rose to 94.5 percent.³⁴ From here on the proportion of rates collected continued to increase, albeit gradually with over 98 percent of rates levied being collected again in 1938-39.³⁵

Predictably there was considerable sympathy on the part of the council for those farmers who were unable to pay their rates. The circumstances in which many farmers found themselves were not considered a reflection on their ability or integrity but on movements in costs and prices outside of their control.³⁶ Consequently some latitude was allowed in the payment of rates and rate arrears so as to enable farmers to carry on in anticipation of improved conditions.

The policy of the County Council in not forcing the collection of rates was common sense. Even had the county not sympathised with the plight of farmers, little could have been gained by herding them into the bankruptcy courts. Recognising this, the council increasingly attempted to improve the conditions under which rates were levied. The assistance to farmers unable to pay their rates usually took the form of a remittance of the ten percent penalty imposed on unpaid rates. Following the Finance

31 RCC Chairman's Annual Reports 1928-30.

32 *ibid.*, 1932.

33 *ibid.*, 1933.

34 *ibid.*, 1934.

35 *ibid.*, 1939.

36 Result of a questionnaire for Rural Local Authorities for special Parliamentary Economic Committee, 10 September, 1931. RCC Miscellaneous Correspondence.

Act of 1932-33 (No.2) the date for the imposition of the ten percent penalty on rates was able to be delayed.³⁷ Accordingly an extension of some two and a half months was granted in 1933, allowing the ratepayer breathing space in which to meet his obligations to the county.³⁸ The subsidy received by local bodies on rates also helped alleviate the council's position and indirectly that of the ratepayer. The subsidy paid by the treasury on general rates only was £2500 per annum, a figure that remained constant throughout the depression.³⁹ Occasionally the council did allow for a remission of outstanding rates. Firstly, however, the petitioner had to sign a declaration in accordance with section 74(1) of the Rating Act of 1925 declaring his inability to meet rate arrears on grounds of 'extreme poverty and hardship arising from causes beyond his control.'⁴⁰ Consequently in very few instances were outstanding rates completely written off with most being held over until the debtor was able to pay.

Most of the rate arrears accumulated during 1931-33 were in the northern ridings of the county, due largely to the dependence of settlers in those ridings on the export price of wool.⁴¹ Of unpaid rates amounting to some £9000 by April 1931, £2900 or almost one-third were in the Ruanui riding alone.⁴²

As wool and meat prices improved so too did the amount of rates collected. By 1934 the council felt that it had been vindicated in its decision not to resort to hasty court action.⁴³ Apart from an increase in percentage of rates collected of over 12½ percent from the previous year, £8255.15s.5d. had been collected in rate arrears, demonstrating a willingness on the part of ratepayers to meet their debts.⁴⁴ Although there were

37 NZS, 1932-33, p.463.

38 RCC Minutes, 5 May, 1933.

39 Receipts and Payments, RCC Miscellaneous Correspondence.

40 Declaration of Petitioner, 29 September, 1936. RCC Miscellaneous Correspondence.

41 Result of a questionnaire for Rural Authorities for special Parliamentary Economic Committee, 10 September, 1931. RCC Miscellaneous Correspondence.

42 TT, 10 April, 1931.

43 RCC Chairman's Annual Report, 1934.

44 *ibid.*

still a number of requests to council to either write off rates or extend the time allowed for the payment during both 1934 and 1935, the worst had passed.⁴⁵ For both farmer and county, the period of financial uncertainty that had begun following the drop in export prices in 1929 was effectively over by the spring of 1934.

The main form of assistance to farmers came in the form of rate reductions during the three years after 1931. The amount of rates levied by the RCC was reduced substantially (Fig. iii). Reductions were mainly from general rates although the hospital rate was also reduced slightly.⁴⁶ No relief was afforded in respect of special rates because of the council having to meet, in full, its obligations for interest and sinking fund charges on the loans raised for special works.⁴⁷ The decision of the RCC to 'ride out' the worst of the depression by cutting expenditure on major construction works meant that the general rate was used almost entirely for administration and maintenance works.⁴⁸ Direct relief to the ratepayer was seen as the first call on council, resulting in the general rate being kept down to what was 'perhaps the lowest rate levied by any county council in New Zealand.'⁴⁹ This policy undoubtedly had the effect of tiding many settlers over difficult times. Although reducing the amount of money available to the county for public works it was popular with both press and ratepayers.⁵⁰ The low rates continued until 1935 when it was felt that the worst of the depression had passed. Rates were then increased substantially, a decision that was vindicated by the fact that the percentage of rates collected continued to increase.⁵¹

Other forms of revenue were not so affected. Receipts from licences increased by over £600 between 1929-30 and 1935-36.⁵² The sale of

⁴⁵ RCC Minutes, 2 March, 1934; 5 September, 1935.

⁴⁶ The Hospital levy pound sterling was as follows: 1928 2/9d; 1929 21/100d; 1930 23/100d; 1931 1/5d; 1932 2/11d; 1933 2/11d; 1934 21/100d; 1935 11/50d.

⁴⁷ RCC Chairman's Annual Report, 1931.

⁴⁸ Richardson to Dalrymple, 29 June, 1934. RCC Miscellaneous Correspondence.

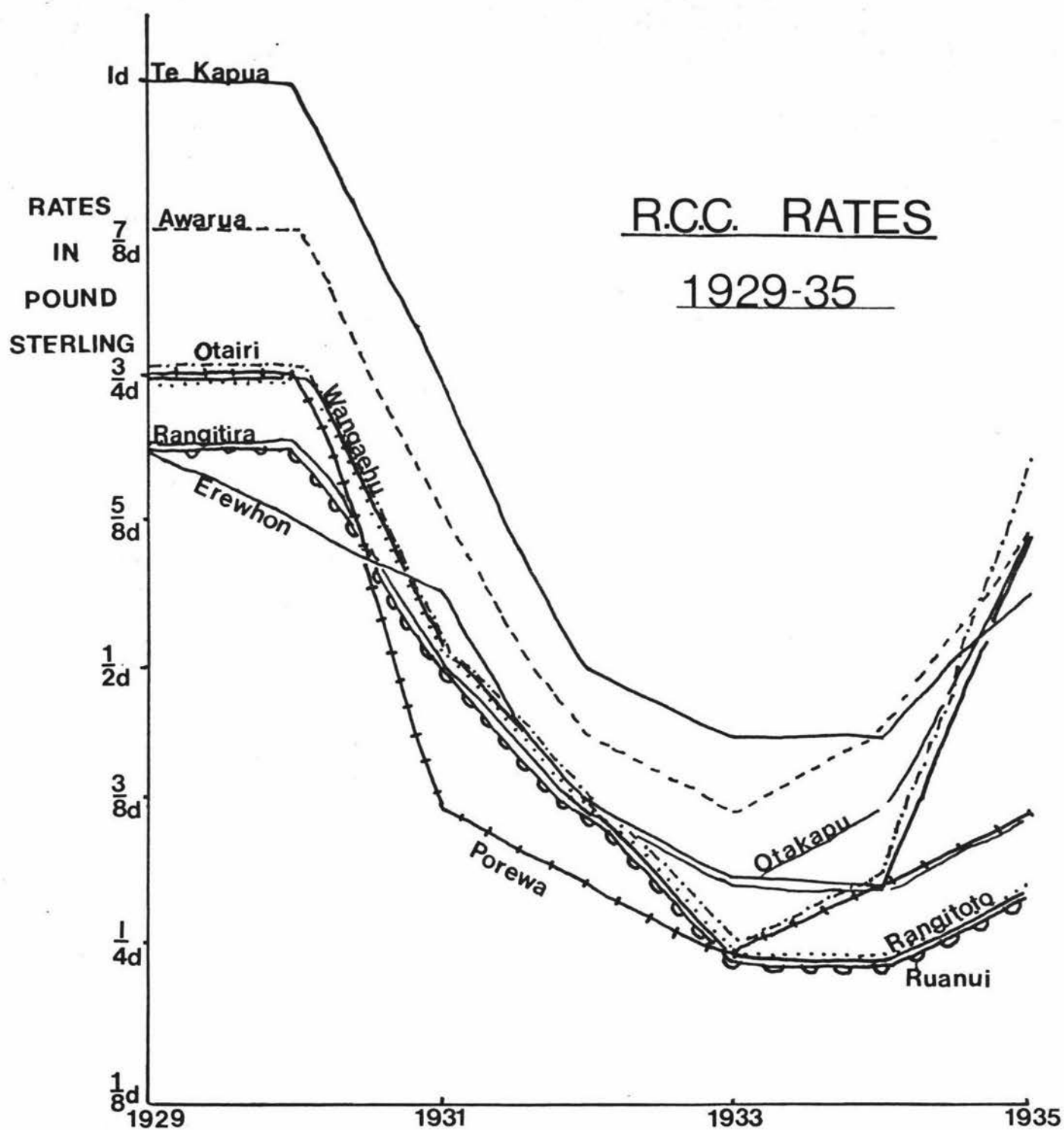
⁴⁹ *ibid.*

⁵⁰ RA, 15 April, 1932.

⁵¹ RCC Chairman's Annual Report, 1936.

⁵² Receipts and Payments 1929-30, 1935-36.

FIG. 3.



Source - RCC RATE BOOKS

Kakariki and Utiku gravel continued to exceed expectations, becoming important contributors to county revenue. Over £33,000 was derived from sales of metal and gravel between 1929-30 and 1935-36.⁵³ By the mid-1930s one of its more important customers was the Manawatu County Council who brought most of their metal deposits from the county's crushing plant at Kakariki.⁵⁴ Receipts from the licensing pool (for the licensing of motor lorries) steadily increased after a lull between 1931 and 1933; by 1935-36 their sale was earning the council almost £2500 annually.⁵⁵ Other forms of revenue were fixed, for instance the subsidy on general rates. Grants from the Unemployment Board were not, however, and fluctuated considerably from year to year. Despite this £38,645.2s.9d. was received from the Unemployment Board in the period 1931-35 for the implementation and administration of relief works within Rangitikei.⁵⁶ Of these 'other' sources of revenue most were relatively constant. As such, they provided a sound basis for the operations and administration of council in the face of economic uncertainty.

One of the main yardsticks available for evaluating the county's financial position during the early 1930s was the amount of money held in the County Fund Account. Such a yardstick does not, however, always provide an accurate measure of the economic position of the county in terms of its total assets. The fact that the amount held in the account throughout the period 1930-35 was continually in excess of the 'substantial balance' held at the end of the 1929-30 financial year,⁵⁷ was largely the result of council policy whereby general rates were restricted for administration and maintenance purposes only.⁵⁸ The credit balance held by the council, although outwardly healthy, was substantially boosted by subsidies from both the Unemployment Board and the Government. Most significant, however, was the fact that for almost five years the council

53 Receipts and Payments 1929-30, 1935-36.

54 Manawatu County Council Chairman's Annual Report, 13 May, 1933. RCC Miscellaneous Correspondence.

55 Receipts and Payments 1929-30, 1935-36.

56 *ibid.*

57 RCC Chairman's Annual Report, 1930.

58 Richardson to Dalrymple 29 June, 1934. RCC Miscellaneous Correspondence.

largely ignored its principal business, the construction and maintenance of roads and bridges within the county.

By the end of the financial year 1930-31, the RCC had been forced to acknowledge the changed economic climate present within the county. This was most clearly illustrated in Rangitikei by the decline in receipts from the previous year of over £8000 largely in the form of outstanding rates.⁵⁹ The amount held in the county fund account was also down slightly from £19,916.12s.10d. in 1929-30 to £17,733.12s.3d. in 1930-31.⁶⁰ Despite apparent setbacks the county chairman felt confident enough to state in his 1931 annual report that the county accounts were in a healthy position due to 'early steps taken towards curtailing expenditure.' Already, however, it was evident that the council had decided that in order to overcome the drop in receipts it was necessary to curb expenditure on public works. Accordingly the amount expended under the three main works accounts within Rangitikei decreased from £57,571 in 1929-30 to £45,892 in 1930-31.⁶¹

By the end of the 1931-32 financial year the position of the county had if anything improved slightly. The amount held in credit by the RCC had jumped to £23,347.8s.11d. while receipts had also increased from £83,103.0s.7d. in 1930-31 to £91,337.5s.7d. in 1931-32.⁶² These figures were rather misleading, however. Included were contributions from the Government in the form of rate rebates, refunds from the UB and increased MHB construction subsidies. Nevertheless outwardly at least the financial position of the county remained firm.

By 1932, the county's earlier policy of caution which had raised an outcry from ratepayers demanding tarsealed roads in the period immediately prior to the depression was being warmly praised in the Advocate.⁶³ The

⁵⁹ From £98,933 in 1929-30 to £80,607 in 1930-31, Receipts and Payments.

⁶⁰ RCC Chairman's Annual Reports 1929-30, 1930-31.

⁶¹ Receipts and Payments 1929-30, 1930-31.

⁶² *ibid.*

⁶³ RA, 15 April, 1932.

1932-33 financial year saw little change to the amounts held in the county fund account.⁶⁴ Receipts, however, were down on the previous year largely as a result of the increased percentage of outstanding rates.⁶⁵ Arrears which in the previous year had accounted for six percent of rates levied increased to 18 percent during 1932-33 with outstanding rates totalling some £7116.16s.8d.⁶⁶ Significant, however, was the fact that while receipts dropped, they were still £19,000 in excess of the year's estimates.⁶⁷ The response of the county was clearly ultra-cautious. The fact that in the previous year receipts had exceeded estimates by as much as £26,500 indicates that in spite of the fluctuations in the economy, a more realistic appraisal could have been made.⁶⁸ Low estimates invariably resulted in a token commitment on productive and construction works, thereby increasing the costs that were inevitably passed on to future county councils.

The financial year 1933-34 marked the start of an improvement in both the country's and the county's fortunes. Greatly enhanced prices received for some primary products, particularly wool and meat, resulted in a good collection of previous and current rates. Receipts again exceeded estimates this time by some £17,000; moreover, the amount held in the county fund account had increased yet again on that of the previous year.⁶⁹ Apart from improved receipts and the general economy exercised by the county, two other factors contributed to its healthy position. First, the winter had been comparatively mild and free from the flood damage which had recently dogged the county; secondly, there was a marked reduction in expenditure on main highway construction work which had been reduced owing to the restricted amount of MHB subsidies available.⁷⁰

The council viewed the rapid upturn in the economy philosophically.

⁶⁴ RCC Chairman's Annual Report, 1932-33.

⁶⁵ RCC Chairman's Annual Reports 1929-30, 1932-33.

⁶⁶ *ibid.*

⁶⁷ County Estimates 1932-33. RCC Miscellaneous Correspondence.

⁶⁸ County Estimates 1931-32. RCC Miscellaneous Correspondence.

⁶⁹ RCC Chairman's Annual Reports, 1933-34.

⁷⁰ *ibid.*

In a letter to Dalrymple in June 1934 Richardson remarked that:

Owing to the splendid recovery at the end of the last financial year in the financial position, and the economy exercised throughout the year the accounts came out with a balance of £20,000 which of course no one ever dreamed of when the estimates framed at the beginning of the year.⁷¹

As if to temper any enthusiasm, however, he warned against increasing expenditure on capital works:

General rates levied this year have been generally for administrative and maintenance purposes only. This follows the policy of the council for over forty years, and it would not, in my opinion, have been wise for the council to have changed in its last year of office.⁷²

The improvement was not seen in the light of improved export prices and the fall in unemployment. In acknowledging the large credit balance held by the council at the year's end, Richardson confidently defended the county's estimates in view of the sudden upturn. Moreover, he again urged caution on the part of council. Conceding that the county council should be more ambitious in its programme of public works if the following year could guarantee a similar return from receipts, he assured Dalrymple that there was '.....no possible chance of this occurring.'⁷³

Despite this prediction, the 1934-35 financial year resulted in a further credit balance to the county of over £20,000.^{74 75} As in preceding years, the healthy position was attributed to the fact that there had been no extraordinary outlay by the county and that receipts had been 'better than expected.'⁷⁶

The county, no doubt encouraged by the fact that nine of the ten sitting were returned in the 1935 local body elections and by the improving

71 Richardson to Dalrymple, 29 June, 1934. RCC Miscellaneous Correspondence.

72 *ibid.*

73 *ibid.*

74 RCC Chairman's Annual Report, 1934-35.

75 Receipts and Payments Estimates 1933-35. RCC Miscellaneous Correspondence.

76 RA, 22, May, 1935.

economic outlook, made an increase of over £2000 for public works in the estimates for 1935-36.⁷⁷ Most of the money was allocated towards increasing the amount of construction work carried out on county roads. Adverse weather during 1936 prevented the programmes being carried out; consequently the council yet again ended the year with a substantial credit balance, although this was dampened somewhat by storm and flood damage in February 1936 that necessitated a 'very considerable outlay' on repair work.⁷⁸

During 1935-36, 96.8 percent of European rates levied were collected.⁷⁹ County receipts again exceeded estimates though by less than £10,000, a significant drop from previous years.⁸⁰ Damage caused by recent storms plus the realisation that a number of roads were in urgent need of repair was viewed with alarm by the council. In the chairman's report, the financial position of the county was regarded as satisfactory '.....but only from the point of view that to come out on the right side of the ledger is better than not doing so.'⁸¹

The years after 1936 saw a continuing increase in the percentage of rates collected and in the revenue received by the county. By 1938 receipts had risen to a level far in excess of those recorded a decade earlier.⁸² Beginning with the 1937-38 financial year the old riding system of finance was abandoned in favour of uniform general rating.⁸³ Work which had been allowed to lapse during the depression was gradually resumed, weather permitting. Many old functions of the county, notably the handling of applications for charitable aid (the responsibility for which was absorbed by Government in the Social Security Act of 1938) were overshadowed, in particular by the importance placed on construction and maintenance of roads. Between 1925 and 1935 the number of motor vehicles

77 Estimates, 1935-36. RCC Miscellaneous Correspondence.

78 RCC Chairman's Annual Report 1935-36.

79 *ibid.*

80 Receipts and Payments 1935-36. RCC Miscellaneous Correspondence.

81 RCC Chairman's Annual Report, 1935-36.

82 Receipts and Payments, Local Authorities Handbooks 1929-1940. £121,355, LAH 1938-39, p.37; cf. £66,866, LAH 1929, p.170.

83 In accordance with the provision of the Counties Amendment Act of 1931, RCC Chairman's Annual Report.

registered in New Zealand increased from 106,449 to 228,247.⁸⁴ With the growing numbers increased pressure was placed on county councils to cater for the motor vehicle, especially in the provision of tar and bituminous sealed roads. What had been the principal business of the county, particularly since the dissolution of the Rangitikei Highways Board in 1883, entered a new phase as counties endeavoured to bring their roads up to a sufficient standard to accommodate motor vehicles.

The conditions and extent of roading had long represented a measure of the wealth of local bodies. In Rangitikei the construction and maintenance of roads and bridges had long been acknowledged as the main business of the county; yet during the depression while carrying out relatively minor functions such as registering dogs and licensing vehicles the county allowed many roads to seriously deteriorate. Also curtailed was the construction of new roads. Admittedly weather and the considerable costs of road construction within the county were important considerations. However, it is doubtful whether these factors can be used to explain away the council's apparent reluctance to commit large sums of ratepayers' money on maintaining county roads.

By 1929 there was an estimated 1181½ miles of roads in Rangitikei, the most of any North Island county. Of this figure 800 miles were surfaced with metal or gravel; no roads were surfaced with bitumen or tar.⁸⁵ By 1937 the total mileage of roads in the county had declined slightly in line with other larger counties, such as Whangarei and Hawke's Bay.⁸⁶ During the same period the mileage of roads surfaced with gravel or metal increased slightly to 858 miles while 28 miles were sealed with bitumen or tar.⁸⁷ During these eight years the RCC placed considerable emphasis on the efficient working of, in particular, the Kakariki crushing plant for the upkeep of roads and highways. This was particularly important in view of the absence of sealed roads within the county prior to 1932.⁸⁸ Efforts were made to have certain county roads, particularly

⁸⁴ NZOYB, 1930, p.410; 1937, p.271.

⁸⁵ LAH, 1930, p.206.

⁸⁶ LAH, 1937-38, p.52.

⁸⁷ *ibid.*

⁸⁸ RCC Chairman's Annual Report, 1931.

between Napier and Taihape declared main highways as to alleviate the cost to the county.⁸⁹ Most small road improvement works continued to be undertaken through the raising of special loans by the council on behalf of ridings or special rating areas.⁹⁰

Despite piecemeal measures aimed at maintaining existing roading, the county roads were unable to bear up under the combination of adverse weather and shrinking finances. By early 1932 the county was receiving a number of letters from settlers complaining of the conditions of roads especially in the vicinity of Mangaohane. The council reply that it was 'extremely doubtful if anything could be done' though predictable in view of the caution being exercised by the county over expenditure,⁹¹ was little comfort to those settlers so affected.

By 1934, complaints as to the state of county roads were extended to include the stretch of main highway between Taihape and Hunterville.⁹² Most letters were acknowledged, yet rarely was any action taken in view of the pressing economic situation. When questioned by the AA on the state of the roads in August, the RCC resolved that 'The Wanganui Automobile Association be informed that this council is not aware of any deterioration of any roads in this county,'⁹³ a statement that unfortunately found its way into the local press.⁹⁴

Although after 1935 efforts were made to increase the amounts spent on road construction, the depression years had extracted a harsh toll on existing roading in the county. A letter from a Mangiwaea ratepayer in early 1937 highlighted the situation: 'I suggest there is something seriously wrong when any motorist who has been on a tour of the North Island when asked which were the worst surfaced roads

89 Joint efforts between the RCC and the HBCC culminated in the formal request to F.L. Cullen, M.P., to look into making the road a main highway. 29 July, 1936, RCC Outward Correspondence.

90 Loans were usually taken out in the name of the local area, i.e. the Makohine Valley Road North Special Rating Area Loan 1930. 31 July, 1930, RCC Minutes.

91 RCC Minutes, 2 March, 1933.

92 RA, 3 August, 1934.

93 RCC Minutes, 5 July, 1934.

94 RA, 31 August, 1934.

travelled unhesitatingly replies those in Rangitikei.⁹⁵

Much of the criticism from both ratepayers and organisations such as the Farmers' Union unfavourably compared roading in Rangitikei with that in neighbouring counties.⁹⁶ Some laid the blame on the shoulders of the County Engineer, suggesting that 'the county seriously consider employing an engineer who can produce good roads.'⁹⁷

Much of the criticism was unjustified. Admittedly in terms of its principal assets - roads and bridges - the county had emerged from the depression in a less healthy position than it had entered it. Yet there were some mitigating factors. The weather, especially during 1931, 1934 and 1935 hampered construction works and necessitated the transfer of capital expenditure to purely maintenance works. The size of the county and the difficult terrain served to make road construction more difficult and expensive than in neighbouring counties. The extent of backblock roading, the unaccessibility of the northern ridings, the distance from north to south all increased costs and hampered productive works. Important as they were, these factors do not exonerate the county council. Their policy of cautious expenditure, as demonstrated by withholding the necessary funds for road maintenance and construction meant that their successors had to shoulder the backlog of roading works. Less obvious than a legacy of financial debt, it was nevertheless equally potent.

The depression affected the administration of local government in other ways, usually restrictive. In Rangitikei, the county, by virtue of its role as a large employing body was able to play a disproportionate role in the local economy. Though curbing expenditure on major works, the county was placed in a position of choice in regards employment and

⁹⁵ L.A.P. Sherriff to RCC, 16 March, 1937. RCC Miscellaneous Correspondence.

⁹⁶ Particularly with the roads in Oroua county over the Rewa and Waituna Rivers.

⁹⁷ Farmers' Union, Marton to RCC, 20 May, 1937. RCC Miscellaneous Correspondence.

purchases. With a guaranteed, if reduced, source of income local bodies were able to offer a stable market for both employees and suppliers. They were subsequently besieged by both.

In the field of wages, the most obvious manifestation of this position was in the control the county was able to exercise over its staff. The shortage of jobs invariably increased the degree of choice open to the RCC in selecting employees.⁹⁸ Also the pressure on existing staff to retain their jobs in the face of competition ensured continued efficiency in spite of reductions in salaries and the increasing burden of administering relief works.

In line with other local bodies, the RCC made two across-the-board reductions in wages and salaries. Both were of 10 percent, the first taking place from 1 April, 1931 and the second from 1 September, 1932.⁹⁹ Despite some comment as to the amount of money held in hand by the RCC at the time, the reductions were defended by council on the rationale that:

Whether the council is hard up or not, the men who pay the rates which are practically the sole source of income of the council certainly are, and have a right to expect that the wages paid to council employees are in keeping with what the farming community can afford to pay.¹⁰⁰

By late 1934, conditions had improved to the extent that salary levels were able to be partly restored. Restoration to the levels of the second ten percent reduction in salaries dating from 1 September, 1932 were finally made in November, 1935.¹⁰¹

During the depression the number of administrative and clerical staff remained relatively stable. Prior to the reduction in wages in April 1931, staff had numbered fourteen with wages averaging £279.¹⁰²

⁹⁸ Advertising for a noxious weeds inspector for the northern end of the county, the RCC received 90 applicants. RCC Minutes, 31 October, 1935.

⁹⁹ RCC Minutes, 2 April, 1933, p.863; 2 September, 1932, p.969.

¹⁰⁰ TT, 10 April, 1931.

¹⁰¹ RCC Minutes, 31 October, 1935.

¹⁰² LAH, 1932, p.147.

By 1936 the number of staff had dropped by one to thirteen, while the average wage had dropped slightly down to £256.¹⁰³ At no stage did the average wage drop below the £252 recorded in 1932.¹⁰⁴ The position as regards its casual and temporary employees was predictably more fluid. The number of employees ranged from 134 in 1930 prior to the establishment of the Unemployment Act to 398 in 1936, when the RCC was the sole administrator of the no. 5 relief work within the county.¹⁰⁵ The average wage likewise fluctuated greatly from £204 in 1930 to £73 in 1936.¹⁰⁶

While not strictly demonstrated by these figures, it is almost certain that the reason for the low average wage of casual employees was that many county employees were arbitrarily transferred on to subsidised employment from the council's employ. Although not always occurring with the directness implied by The Standard there were instances cited where workmen on being transferred from one stretch of road to another had their wages arbitrarily reduced from 12 shillings a day to 10 shillings.¹⁰⁷ This was usually done without any explanation on the part of the council.¹⁰⁸ Such treatment might have been expected to arouse some comment in the local press; however, the fact that it did not should not surprise. Most casual workers employed by council were not paid much above the amounts allocated to relief workers; reductions such as that cited were not uncommon. Consequently further reductions would not necessarily arouse suspicion, particularly when the recipients were mostly working on back-block roads in the northern ridings. As the administering authority for unemployment relief and subsidy schemes under the PWD, there would have been no difficulty for the council in placing large numbers of casual employees and labourers on to subsidised works. Neither from the council's

¹⁰³ LAH, 1937, p. 85.

¹⁰⁴ LAH, 1933, p. 75.

¹⁰⁵ LAH, 1931, p.199; LAH, 1936, p.85.

¹⁰⁶ (a) LAH, 1930, p.196; LAH, 1936, p.85. (b) The Standard, 12 August, 1936.

¹⁰⁷ Letter to Richardson from P.M. Butler, Secretary, Wellington Builders and General Labourers Union, 10 September, 1936. RCC Miscellaneous Correspondence.

¹⁰⁸ *ibid.*

view was there any question as to whether the county should utilise UB and PW subsidies. What was questionable was that in some instances employees were transferred to subsidised relief work with a subsequent drop in take home pay; and that the RCC by using its position as an employing body to manipulate the terms of labour for its own financial ends was often insensitive to the hardships it imposed upon its own employees.

The inconsistency of local bodies could also be related to general expenditure. In spite of economies exercised in regards roading, there was little evidence of a similar curtailment of expenditure on machinery or office equipment. Cameras, adding machines, cars, trucks, horses, drays, radios, typewriters, graders and dog collars were among the 'minor' items purchased by the county during 1933-34.¹⁰⁹ When tenders were involved the county was selective, ensuring that the most suitable product was purchased, irrespective of price.¹¹⁰ The county engineer was allowed a choice of new car so as to ensure he obtained the one which best suited his purpose.¹¹¹

One such area in which competition was especially fierce was in the supply of petrol. Numerous letters were received by the county requesting that their petrol be given trials.¹¹² Local firms offered to supply petrol to county depots, particularly in the northern ridings.¹¹³ By delaying its decision, the council was able to extract a series of profitable offers, some of which it accepted.

One of the most valuable was that received from the Shell Company of NZ Limited offering to install a Shell commercial pump and underground equipment at the council's yard at Marton. The cost of the petrol remained the same as the council had been paying when it had been

¹⁰⁹ RCC Minutes, 1933-34.

¹¹⁰ For instance, the tender accepted for the supply of dog collars to the county. RCC Minutes, 26 October, 1933.

¹¹¹ RCC Minutes, 6 June, 1935. The choice offered was between a Morris and a Vauxhall.

¹¹² RCC Minutes, 6 July, 1933.

¹¹³ RCC Minutes, 1 June, 1933.

delivered.¹¹⁴

By early 1935, plans had been completed for the construction of the new county offices which included a council chamber, offices, private rooms and central heating at a total estimated cost of £4914.¹¹⁵ The effect of the depression years on county expenditure was not uniform. Whereas roading programmes were allowed to lapse, the administration and amenities of the county offices highlighted the confidence with which the RCC greeted the improvements and conditions of 1935. It was unfortunate that the same confidence was not translated into road construction within the county.

As the largest potential customer within the county, the RCC was continually assailed by firms proffering quotations for their products. Often savings resulting from the 'buyer's market' were not very large in terms of total receipts, yet the fact that the RCC was placed in such a position was significant in terms of its role within the county. With most relief schemes also administered by the RCC, its policies and administration became important for the ratepayers and relief workers. Alone among local bodies it retained the capacity by virtue of its income and expenditure to break the back of the depression within the county.

Local bodies during the depression were placed in the invidious position of acting on one hand as the mouthpiece and conscience of their constituents and on the other as the agent of central government. The increased intrusion of central government through the Unemployment Board heightened this situation and aroused, not unexpectedly, considerable antagonism on the part of local bodies.

In Rangitikei, the effects of the 'dual responsibility' were most keenly expressed in relation to specific relief schemes, particularly the no. 5 scheme. Though acknowledging the role bestowed upon them by the

¹¹⁴ RCC Minutes, 23 November, 1934.

¹¹⁵ RCC Minutes, 22 May, 1935.

Government and Unemployment Board, most local government decisions were influenced by the degree to which they taxed or assisted local interests. Then, as now, expediency and parochialism were loosely accepted by both parties as major guiding forces behind local body administration.

The Government had long recognised the dangers of such separatism and parochialism as caused by the multiplicity of local bodies. The large number of local bodies, 677, in existence by April 1932 obviously meant considerable duplication of staff and plant as well as excessive administration costs, factors which could not be tolerated in view of the economic state of the country.¹¹⁶ In an open letter in early-1933, the NZ Counties Association urged county councils to 'carefully survey the whole of the local authorities operating in their own and the contiguous localities' with the view of ascertaining as to whether some reduction could not well be made.¹¹⁷

This was not to be readily accomplished. Since 1876 it had been found easier to create new local bodies than to do away with existing ones.¹¹⁸ In Rangitikei the county was in a position, because of its size, to implement discussion on the scheme without fear of having to make any concessions. This was not so for, in particular, the independent town districts whose existence highlighted the 'confused tangle of town and county powers.'¹¹⁹ In Hunterville the suggestion of amalgamation with the county was greeted with hostility. The Town Board, which had been forced to raise rates to a record level in 1933 quickly shifted the question from a financial to an emotional basis. The Hunterville Press in its editorial wrote:

We fail to see where Hunterville would benefit, even financially, while the residents would give away those rights so precious to every Britisher of controlling their own affairs.¹²⁰

¹¹⁶ Letter from A.E. Jull, President, NZ Counties Association to all county councils, 20 February, 1933. RCC Miscellaneous Correspondence.

¹¹⁷ *ibid.*

¹¹⁸ W.B. Sutch, 'Local Government in New Zealand' p.29.

¹¹⁹ *ibid.*

¹²⁰ Hunterville Express, 5 May, 1933.

By the end of the depression no progress had been made in restricting the number of local bodies. Each borough and town district in Rangitikei utilised its own relief labour where possible, levied its own rates, maintained its own roads and organised its own subsidiary relief fund. Just as there was a duplicity of purpose between central and local government so too was there a fierce independence exhibited amongst the smaller local bodies. Survival was immensely preferable to subordination, even if the latter choice did make economic sense.

In the years 1928-30 the RCC had endeavoured to make itself heard on a number of issues. Most were those in which the county had a vested interest such as the suggested inclusion of Rangitikei into the Wanganui Harbour Board or the regulations governing the no. 5 scheme. Some were far more nebulous, for instance, the council's request to the Minister of Justice in 1928 that 'the law be so framed or administered that in no case where a motorist is convicted for drunkenness whilst in charge of a car shall his name be suppressed.'¹²¹

A defensive stance was taken by the RCC towards most issues. In 1930 the county took umbrage at the suggestion that Rangitikei be included in the Wanganui Harbour Board, 'an obviously sinking concern.'¹²² The Advocate gave voice to the concern arguing that:

It is not exaggeration to say that the closing of the harbour altogether would be no severe blow to Rangitikei, after all, we are within easy reach of Wellington.¹²³

The parochialism of the county was further shown later in the year when, in making submissions to the Town Planning Board, the county disagreed that it should come within the Wanganui regional area - a 'purely negative decision' that earned the ire of the director of town planning.¹²⁴

¹²¹ F.J. Rolleston, Minister of Justice, to Richardson, 14 March, 1928 (Describing the decision of council as 'very harsh'). RCC Miscellaneous Correspondence.

¹²² RA (editorial), 9 August, 1930.

¹²³ *ibid.*

¹²⁴ Director of Town Planning to Richardson, 14 October, 1930. RCC Miscellaneous Correspondence.

In its relations with the government, the RCC was both cautious and reserved. Generally, it was accepted that the Coalition Government was leaning over backwards to alleviate the lot of the farmer, a policy that aroused anger and opposition within the towns but was unlikely to do so from rural local bodies.

Even so, there were several instances in which the RCC disagreed with Government. Usually such disagreement was expressed in support of resolutions from other local bodies and organisations. Occasionally, though, resolutions disapproving of Government action were initiated by the county such as the correspondence entered into over the penalty clause in the Unemployment Act and the excessive payments to relief workers.¹²⁵

During 1930-31, several 'outside' resolutions were supported by the RCC. These covered a variety of topics including opposition to the increased petrol tax,¹²⁶ concern over the possibility of a raid being made by Government on the main highways fund¹²⁷ and the protest lodged against the proposed repeal of section 155 of the Industrial Conciliation and Arbitration Act.¹²⁸

Following the elections in late 1931 the county was less receptive to the resolutions of other local bodies partly owing to the presence of an M.P. on the council and partly to the extreme wording of many of the resolutions. Motions advocating the complete derating of farm lands¹²⁹ and urging the Government to pay all farmers' rates for the current year and waive its claims to the land tax were acknowledged, but not supported by the county.¹³⁰ More moderate resolutions were also passed over. For instance the protest of the Westport Borough Council over the extended term of Parliament drew no response from council despite considerable opposition in the local press.¹³¹ Increasingly antagonism towards the Government was channelled in the direction of the Unemployment Board.

¹²⁵ REC Outward Correspondence, 2 August, 1930; 20 December, 1930.

¹²⁶ RCC Minutes, 24 April, 1930.

¹²⁷ RCC Minutes, 2 July, 1931.

¹²⁸ RCC Minutes, 3 September, 1931.

¹²⁹ From the Bay of Islands County Council. RCC Minutes, 1 June, 1933.

¹³⁰ From the Stratford County Council. RCC Minutes, 26 January, 1933.

¹³¹ RCC Minutes, 2 August, 1934; RA, 25 May, 1932.

The provisions of relief schemes and the uneasy relationship between local bodies and the Unemployment Board provided a more relevant and direct source of fuel for the council's antagonism at being becoming burdened with the provision of unemployment relief within Rangitikei.

In the boroughs, reaction towards Government policy was more forthcoming, particularly in Taihape. Not all was directed against the Government, however. For instance, in 1932, the TBC supported a resolution of the Nelson County Council protesting to Government about the detrimental press reports being allowed to be sent out of the county.¹³² Apart from an instance in which the Government's attention was drawn to the hardships inflicted upon youths under twenty years of age by the Unemployment Act, the borough was content to support the resolutions of others.¹³³ In most instances these were non-political, being concerned with financial matters such as the reduction of interest charges and increased subsidies for rates.¹³⁴ When in 1933 the borough did accede to the request of the Taihape branch of the Labour Party in opposing the policy of the Unemployment Board in varying the basis of allocation to relief workers in different towns, it did so reluctantly and only when assured that it was in the interests of unemployed relief workers within the borough.¹³⁵

In Marton, there was considerably less opposition voiced towards Government. Following the dispute between himself and the Unemployment Board in 1933, Purnell decided that Marton would no longer implement Government relief schemes. All borough unemployed were subsequently unloaded onto the county in whose care they remained until the introduction of sustenance in early 1935. Thereafter the MBC declined to comment on Government measures to ease unemployment.¹³⁶ The policy of reticence, while politic in view of the relationship between Purnell and the

¹³² TBC Minutes, 16 September, 1932.

¹³³ *ibid.*, 20 February, 1931.

¹³⁴ *ibid.*, 15 April, 1932.

¹³⁵ *ibid.*, 15 December, 1933.

¹³⁶ RA, 12 February, 1935.

Unemployment Board effectively isolated Marton from the mainstream of Government efforts to curb unemployment.

Increased regional cooperation amongst local bodies was always a potential means of alleviating the extent and intensity of unemployment. First efforts at strengthening this cooperation from outside the immediate region were ineffectual. The suggestion in 1928, of a conference of local bodies from the Manawatu-Wanganui area to initiate community efforts to provide work for unemployed came to nothing.¹³⁷ Hereafter efforts were confined to the larger counties and their immediate boroughs and town districts.

Within Rangitikei the County Council was the local body which was most to the fore during the depression. Its role especially in administering unemployment relief schemes made it a natural focal point for other local bodies in the Rangitikei. Not all agreed with the county's business methods. In 1928 the county had clashed with the Kiwitea County Council over the construction of a bridge at Vinegar Hill. The dispute centred on the acceptance of a tender by the RCC without consultation with the Kiwitea county although construction costs were to be shared between the two bodies.¹³⁸ The response of the Kiwitea County Council to the supposed 'King pin County of the Dominion' was warm.¹³⁹ The chairman of the RCC asserted that 'we have had unsatisfactory relations with Rangitikei for some time,'¹⁴⁰ a sentiment that conflicted with that of Richardson who wrote to the KCC that: 'I am sure the storm in a teacup will soon subside and the friendly relations which have existed between the two councils for so many years will continue.'¹⁴¹

This was not an isolated instance; a similar discourtesy was shown towards the Taihape Borough Council in 1931 when the RCC accepted a tender for the construction of the Hautapu River bridge on the borough boundary.

¹³⁷ Manawatu Daily Times, 28 January, 1928.

¹³⁸ RA, 5 March, 1928.

¹³⁹ Councillor Hair, Kiwitea, *ibid.*

¹⁴⁰ RA, 17 February, 1928.

¹⁴¹ Richardson to Hesselstine, RCC Outward Correspondence, 28 February, 1928.

The agreement that costs would be shared with the borough did not encourage the RCC into delegating any of the responsibility for selecting a tender.¹⁴² Though the TBC felt slighted by the action of the county, the matter was soon allowed to lapse.¹⁴³ Through its relationships with other local bodies the RCC demonstrated a willingness to take the initiative in common works and schemes. As one of the largest local bodies in the Dominion, the county invariably adopted a dominant role in any regional works or negotiations. Often its actions were high-handed, earning the ire of neighbouring local bodies. Such criticism, however, was usually dismissed, as had been that of the KCC as 'the case of the small boy jealous of the older brother'.¹⁴⁴

Most of the county's assistance was welcomed, however, by local bodies less able to pay their own way. Often the assistance was indirect, such as the provision of relief work for borough unemployed; often it took the form of services rendered by council employees. Such a service was that rendered the Hunterville Town Board when the county empowered its engineer to prepare plans and specifications for the Porema Bridge in High Street, Hunterville at no cost to the board.¹⁴⁵

Relations between the Taihape Borough Council and the RCC were generally good. Both acknowledged each other's efforts in providing unemployment relief within their respective local bodies. Not so amiable, however, was the relationship between the Marton Borough Council and the RCC. Even before the decision to withdraw from the provision of unemployment relief there existed a fund of ill feeling. In 1932, an acrimonious dispute had arisen involving Purnell and County Councillor Coleman. The initial disagreement was over the action of Coleman in requesting Marton's share of the free meat being supplied by the Government without first obtaining the necessary (it seemed) permission of Purnell.¹⁴⁶ In attacking Coleman's action Purnell initiated a personal vendetta against the councillor, drawing public attention to Coleman's use of relief labour on

¹⁴² TBC Minutes, 23 May, 1930.

¹⁴³ TT, 6 March, 1931.

¹⁴⁴ Councillor Doole (RCC). RA, 5 March, 1928.

¹⁴⁵ RCC Minutes, 6 May, 1935.

¹⁴⁶ RA, 22 June, 1932.

his property.¹⁴⁷ Coleman in turn replied that he did not need to justify his action in helping local unemployed querying: 'Why should I seek Mr Purnell's permission even if he be Marton's Mussolini and Dictator?'¹⁴⁸

Although Coleman and other wealthy farmers were subsequently criticised for their use of relief labour as brought to light by Purnell, most correspondence supported Coleman accusing the mayor of having a bad attack of 'swelled head.'¹⁴⁹

Other attempts to help Marton drew a similar response. A water supply scheme proposed by Mair at an estimated cost of £35,000 and offered to the borough was turned down, in spite of the fact that the work could have been done with unemployed labour, and assurances that a loan could have been raised at 3½ percent.¹⁵⁰ Stuart was especially critical of Purnell's decision urging that the mayor should look at the scheme more carefully 'for Marton's sake';¹⁵¹ however, an impasse had been reached and no further action was taken. Disagreement between the local unemployment committee at Marton (of which Purnell was chairman) and the RCC also occurred particularly over the county's reluctance to accept a higher percentage of risk in relation to the allocations of the Unemployment Board. Disagreement between what were the two largest bodies handling unemployment relief in the district was perhaps inevitable. Though such disputes were shortlived they did highlight the problems arising from the absence of a single administering agency for the provision of unemployment relief within the county.

After the disbandment of the local unemployment committee in late 1933, further responsibility for the provision of unemployment relief was passed on to the RCC. The county in turn became more reluctant and defensive in its administration of the schemes. When the verdict of the Pipiriki case was published in November 1933 containing the rider that the

147 RA, 22 June, 1932.

148 *ibid.*

149 *ibid.*

150 RA, 27 June, 1935. (The work was later undertaken after World War Two at a cost of £165,000).

151 *ibid.*

laxity of the Waimarino County Council was possibly in some way to blame,¹⁵² Richardson wrote to his counterpart in Waimarino sympathising that 'it is easy for those who do not understand the difficulties to criticise, but let them take a hand and see if they can do the job any better.'¹⁵³

Fewer local bodies were, however, prepared to lend a hand. After 1933, most unemployment committees and local bodies in Rangitikei washed their hands of unemployment relief within the county. Almost as one they had decided at the last that they were prepared to let 'big brother' take charge.

The response of local bodies and to the administration of unemployment relief had altered greatly during the early thirties. Initial enthusiasm for the early relief schemes coupled with optimism in a rapid economic recovery gradually gave way to a more subdued appraisal of the role local bodies were expected to play in the relief of the unemployed. Not all liked what they saw. Apart from increasing the workload of local bodies, many relief schemes involved the expenditure of ratepayers' money in excess of the subsidies received from the Unemployment Board. As the economic situation deteriorated cooperation between local bodies also declined.¹⁵⁴ Each became more cautious and more spendthrift. Like the unemployment fund, their financial position steadily improved, assisted by Government grants and subsidies. Marton, in spite of its low rates, was able to boast a credit balance of £1132.14s.10d. by June 1934, a position it described as 'very satisfactory.'¹⁵⁵ In Taihape the borough became even more affluent. Between March 1929 and March 1933 the credit cash balance of the borough had increased by £4260.12s.6d. while indebtedness had decreased by £13,159.7s.0d.¹⁵⁶ The funds of local bodies were

¹⁵² The case involved the forging of relief pay sheets by a relief worker employed by the Waimarino county council. Wanganui Chronicle, 7 November, 1933.

¹⁵³ Richardson to Mabbott, 9 November, 1933. RCC Outward Correspondence.

¹⁵⁴ In contrast with the Rangitikei, Oakley found that as the depression became worse, local bodies in and around Christchurch worked more closely together. P.J. Oakley, p.88.

¹⁵⁵ RA, 19 June, 1934.

¹⁵⁶ TBC Minutes, 17 November, 1933.

attributed to good management and were spoken of with a good deal of local pride. While an editorial criticising the large credit balance held in the unemployment fund (in May 1934) could argue that 'It is just as bad to err on the side of caution as on that of overspending,'¹⁵⁷ the same paper defended, even exalted, the financial position of local bodies within the Rangitikei.¹⁵⁸ The interests of ratepayers were after all what the councils had been elected to serve. The provision of unemployment relief was merely a favour undertaken on behalf of Government and one that local bodies could, if necessary, withhold.¹⁵⁹

The dislocation between central government and local bodies was largely responsible for this position. In the report on unemployment in New Zealand laid before Parliament in January 1930, the expense and non-productive nature of relief work undertaken in the preceding four-year period was criticised on the basis that:

.....there does not appear to have been any proper correlation of effort between the state and the several local bodies; between local bodies themselves; between the state, local bodies and private employers; and the lack of some central controlling authority has probably been one of the principal reasons of the uneconomic result.¹⁶⁰

By 1935 the same criticism still stood. Though the Unemployment Board had become the 'central controlling authority' earlier envisaged, its committees were often shortlived and overshadowed by the role played by local bodies. Not until 1935 when the county took charge of the administration of relief schemes within the county was there any unanimity of purpose in the use of unemployed labour.

Most of the work that had been done by relief labour, particularly under the boards, domain boards and boroughs was non-productive. Few

¹⁵⁷ RA, 25 May, 1934.

¹⁵⁸ RA, 15 April, 1932.

¹⁵⁹ This feeling was certainly evident from the letter from Richardson to the Commissioner of Unemployment on 12 January, 1935 regarding the new regulations for the no. 5 scheme, in which Richardson states 'unless you permit continuance of the organisation we have evolved I see no alternative but to decline responsibility for the town unemployed, a burden we accepted to help your department when a crisis arose.' RCC Miscellaneous Outward Correspondence.

¹⁶⁰ AJHR, H.11B, p.2, 1930.

local amenities were provided although in Taihape the building of a reservoir and rest rooms for the town were belatedly suggested in 1934.¹⁶¹ In Marton, productive work consisted of the planting of trees within the borough.¹⁶² If not quite work for work's sake, the use of the unemployed labour was almost entirely for maintenance works within the county. Overheads were kept to a minimum while grants from the Unemployment Board subsidised local administration. Outwardly giving the appearance of helping to ease unemployment locally by utilising unemployed relief labour, many local bodies were, in fact, doing little more than the wealthy farmer accused of abusing the 'over the fence' scheme. Drawing on the unemployment fund to subsidise the wages of employees they were apparently quite prepared to utilise Government funds for their own purposes. Just as New Zealand had come through the depression with a lower national debt than it entered with and with an unemployment fund continually in credit,¹⁶³ so too were local bodies similarly ingrained with the concept of orthodox finance, able to profit from the slump. For the ratepayer, the relief workers and the unemployed, their panacea was usually received in the form of low and reduced rates, which was a long way removed from the relief originally offered by the Unemployment Board.

¹⁶¹ TT, 16 May, 1934; 18 June, 1934.

¹⁶² Secretary, MUC to Commissioner of Unemployment regarding programme of tree planting in the borough, 29 May, 1932. MUC Outward Correspondence.

¹⁶³ W.B. Sutch, Recent Economic Changes in New Zealand, Wellington, 1936, p.136.

CHAPTER 6

THE FARMERS' RESPONSE TO THE DEPRESSION

These are the days when we must cut out our coats according to our cloth. Farmers of the Dominion have been faced with an almost despairing position, but in the midst of all their troubles they have shown wonderful pluck. They have battled on when all they have had in their favour was commonsense.

J.G. Coates' Address to the NZ Counties Association. Proceedings of the 16th Conference of Delegates, Wellington, 26, 27 July, 1933, p.40.

Here we have the Honorable member for Rangitikei saying that the farmer even now cannot pay his own way after the government has upset the whole domestic economy with drastic interference and taxation ostensibly to enable him to do it.

A.J. Stallworthy, NZPD, Vol.235, p.1055, 6 March, 1933.

The depression in New Zealand focussed the country's attention directly upon the fortunes of the farmer. During the 1930s the Coalition Government as had earlier Reform governments propounded the belief that a prosperous farmer made for a prosperous country. It was a philosophy that was evident throughout the years of the depression, yet ironically failed to retain the overwhelming support of farmers. The ineptitude of the Government in solving the problems facing farmers was partly responsible; more important, though, was the collapse in the market for primary produce which necessitated desperate measures on the part of the farmer. The Democrat or Labour parties provided a refuge for the disenchanted landowner endeavouring to record his dissatisfaction at the failure of the 'farmers' government.'¹ It was a time of considerable hardship, especially for the

¹ Wanganui Herald, 26 April, 1933.

small farmer. Not all of the blame, however, could be laid at the door of fallen prices. Much of the difficulty facing the farmer during the depression was a result of the speculation and high interest rates of the previous decade.² Consequently the Coalition Government elected in 1931 was not only faced with improving the profitability of farming, but with protecting the farmer from his legal liege, the mortgagee.

An Era of Prosperity 1922-29!³

Farming in New Zealand following the brief but severe economic depression of 1921-22 was dominated by increased production, high returns for primary produce, and growing mechanisation in all aspects of the industry. During the 1920s the number of sheep in the country increased by over five million.⁴ In Rangitikei alone the increase between 1921-22 and 1929-30 was 326,195.⁵ Dairy cows increased by 400,000 during the same period - an even more significant jump in terms of the economy.⁶ Cereal crops continued to decline in importance and were replaced in part by increased production of root and fodder crops for fattening and winter feed.⁷ The number of land holdings by 1924 had stabilised at around 86,000 after the breakup of many larger holdings following World War One.⁸ This was not sufficient, however, to allay fears of excessive land aggregation in the later 1920s.⁹ Although many of the holdings were small and heavily mortgaged, much of the land was concentrated in large estates. Landowners with estates worth over £10,000 (representing 1/167 of adults between 20 and 75 years) owned 1/7 of the total wealth.¹⁰ Inevitably it was the small farmer who disappeared under the burden of mortgages when incomes dropped. For the freehold farmer and wealthy landowner the depression was a time of retrenchment yet at the same time offering a

² B.C. Evans, A History of Agricultural Production and Marketing in New Zealand, Palmerston North, 1969, p.41.

³ *ibid.*, p.14.

⁴ *ibid.*, p.13.

⁵ New Zealand Census and Statistics Department. Statistical Report on the Agricultural and Pastoral Production, 1920/21-1940/41 (2 volumes).

⁶ B.C. Evans, p.13.

⁷ Statistical Report on the Agricultural and Pastoral Production, 1930-31, p.1.

⁸ B.C. Evans, p.16.

⁹ RA, 2 April, 1929.

¹⁰ A. Ashton-Peach, pp.1-3.

number of possibilities, especially the purchase of adjoining property and the use of Government and Unemployment Board subsidies.

A number of factors contributed to the growth of farming during the twenties. Improved irrigation and drainage methods for instance allowed better use to be made of previously poor land. The increased use of fertilizers, particularly superphosphate, brought about significant increases in farm production. The importance of fertilizer was soon realised by farmers and the general community. When the prices for primary produce were at their lowest in 1932-33 local farmers were strongly urged not to resort to 'false economy' by reducing the amounts spent on fertilizer.¹¹ Mechanisation either in the form of farm machinery or in internal combustion and electric motors went unchecked. The number of tractors increased more than tenfold between 1920 and 1930.¹² With the growth of the dairy industry the number of electric motors snowballed from 456 to 16,456 during the same period.¹³ By 1929 the feeling that the farmers' reliance on machinery was directly responsible for the decline in rural employment aroused the feelings of several would-be 'luddites'.¹⁴ The Member for Rangitikei, J.P. Hogan, commented in the House on the tremendous cost of machinery being imported which was enabling the employers 'to switch on the electric power and switch off the manpower that was employed on the farms.'¹⁵ However, by 1929 mechanisation made economic sense to the farmer; even the depression did not seriously curtail its growing role in the farming industry.

Marketing techniques were greatly improved during the twenties. In 1922, the Meat Producers' Board had been established by the Meat Export Control Act¹⁶ to act as agents of the producers for the storage, shipment and disposal of meat.¹⁷ This was followed by the Dairy Produce Export

¹¹ RA, 30 October, 1933.

¹² NZOYB, 1921, p.324; 1931, pp.424-425.

¹³ *ibid.*

¹⁴ The criticism, however shortsighted, was of course valid; 13,581 people came off the land in the five years up until 1929. NZPD, 18 July, 1929, p.470.

¹⁵ *ibid.*

¹⁶ NZS, 1921-22, pp.648-654.

¹⁷ P.W. Smallfield, The Grasslands Revolution in New Zealand, Auckland, 1970, p.99.

Control Act of 1923 which set up a Dairy Control Board for improving the manufacture and marketing of dairy produce.¹⁸ Agricultural and scientific research was increasingly accepted as playing an important role in farming. This acceptance found its outlet through the Department of Scientific and Industrial Research (DSIR) established in 1926¹⁹ and the two agricultural colleges at Lincoln and (following some controversy over its siting) at Palmerston North.²⁰

The twenties saw tremendous growth in farm production in New Zealand as well as widespread changes in the nature of farming. Between 1923-24 and 1927-28 alone farm production per acre increased by 24 percent while the number of people employed per thousand acres of farm land decreased significantly.²¹ Altogether it was a minor revolution that had the dual effect of increasing the efficiency of farming and of making redundant a significant proportion of the work force. Unhappily its latter success coincided with the depression and the bogey of unemployment.²²

Farming in Rangitikei complemented the national situation during the 1920s. Following a short recession of 1921-22 that threatened a number of smaller holdings and soldiers' settlements, in the north of the county, the number of holdings in Rangitikei declined and continued to do so annually until 1933-34.²³ At the same time the average size of the holdings increased by over forty acres between 1923-24 and 1932-33.²⁴ Land aggregation was not the only symptom of improved technology. As was occurring nationally the number of persons employed on farms also declined. In Rangitikei the drop in farm labour is best related to the farming trends

¹⁸ NZS, 1923, pp.168-175.

¹⁹ The Scientific and Industrial Research Act 1926 - NZS, 1926, pp.463-465.

²⁰ T.W.H. Brooking, Massey - Its Early Years. A History of the Development of Massey Agricultural College to 1943, Palmerston North, 1977, pp.13-52.

²¹ W.B. Sutch, Colony or Nation? Economic Crisis in New Zealand from the 1860s to the 1960s. Addresses and papers selected and edited by Michael Turnbull, Sydney University Press, 1966, p.41.

²² It is not the purpose of this chapter to detail the history of farming in New Zealand during the twenties and thirties. For more detailed (though still comparatively brief) surveys refer to either B.C Evans or P.W. Smallfield.

²³ Statistical Report on the Agricultural and Pastoral Production 1921/22 - 1940/41.

²⁴ *ibid*.

of the district; for instance, although the total number employed on farms between 1923-24 and 1929-30 dropped from 3050 to 2532, the number employed on dairy farms increased markedly.²⁵ On holdings used for pastoral purposes the decline in number employed was the result of a marked drop in the number of women.²⁶ Only those holdings categorised for agricultural purposes (including crop farming) was there a substantial decline, the result not so much of increased mechanisation but of decreased production.²⁷

Mechanisation was largely responsible for the drop in the number of farm workers. In Rangitikei, farming underwent its own technological revolution in line with the rest of the country. Between January 1922 and January 1930, the number of tractors in the county increased from eight to sixty, the number of milking machines from 177 to 299 and the number of internal combustion engines from 451 to 504.²⁸ Even more significant was the increase in the number of electric motors from 11 in 1925 to 327 in 1930 enabling the farmer to utilise electricity as a major source of farm 'labour.'²⁹

Sheep Farming

The number of sheep within Rangitikei increased markedly during the twenties passing the million mark in 1923-24 and totalling 1,239,979 by 1929-30.³⁰ In comparison with dairying, the sheep farmer was less affected by the technological boom of the twenties and accordingly, the number employed in pastoral farming remained relatively stable. Fat lamb farming became an important supplementary industry for farmers especially around Marton, in part replacing that area's traditional dependence on crops.³¹ A good deal of satisfaction was expressed locally at the success of

²⁵ From 759 to 997. Statistical Report on the Agricultural and Pastoral Production 1921/22.

²⁶ Male employment increased from 1148 to 1345 whereas female employment decreased from 400 to 195., *ibid.*

²⁷ *ibid.*, 1921/22 - 1930/31.

²⁸ *ibid.*

²⁹ *ibid.*

³⁰ *ibid.*

³¹ Marton Jubilee Booklet.

Rangitikei sheep breeders at stud sales and the fact that the county was 'one of the best farmed districts in the Dominion.'³² However, though 1928 was seen as one of the most prosperous years in the history of New Zealand, the warning signs were becoming evident.³³ Lower wool prices in early 1929, dismissed initially as no cause for apprehension, soon became so.³⁴ From 1930 the number of sheep in the county began to fall and continued to do so until 1934.³⁵ Not all farmers were affected. In mid-1930 ten local farmers were still sufficiently in pocket to offer £500 for information regarding sheep stealing in the county.³⁶ Once again it was the small farmer rather than the large landowner who was to bear the brunt of falling prices.

Dairy Farming

Dairy farming experienced many growing pains in Rangitikei during the twenties. The boom resulting from the Government extension of the commandeering of butter saw the price of butterfat soaring to 33d. per lb. in 1921 before slumping almost overnight to less than 17d. per lb.³⁷ Recovery was slow. By 1929 the price had stabilised at 1s.6d. per lb. only in turn for the bottom to again fall out of the export market.³⁸

The number of dairy cows in milk within the county grew steadily during the twenties' increasing from 15,437 in 1920-21 to 21,668 by 1929-30.³⁹ Increases in the number of dairy cows were accompanied by the growing number of individual herds and farm labour involved with dairying as well as a proliferation of milking machines, plants and cream separators.⁴⁰ The production at local dairy factories also increased significantly. At the Rangitikei dairy factory, butter production alone

³² RA, 18 January, 1929.

³³ RA, 31 December, 1928.

³⁴ RA, 1 February, 1929.

³⁵ AJHR, H.23, 1930-34.

³⁶ RA, 2 April, 1930.

³⁷ The Rangitikei Cooperative Dairy Company Ltd. Golden Jubilee Souvenir 1901-1951, comp. K.M. Little, Feilding, 1951, p.37.

³⁸ *ibid.*

³⁹ Statistical Report on the Agricultural and Pastoral Production 1920-21, 1940-41.

⁴⁰ *ibid.*

increased more than sixfold between 1920 and 1930.⁴¹

By 1928 much of the local economy had become orientated around 'her majesty the cow' and the provision of the necessary winter sustenance.⁴² However, the early optimism in the dairy industry was short-lived. Although the seven months up to February 1929 showed record exports for cheese and butter,⁴³ a year later prices for butterfat had dropped to the lowest levels since before the war and were still dropping.⁴⁴ It was a time of doubt and decision. Most dairy farmers in Rangitikei saw the falling prices as a temporary lapse. Rather than diversifying or bolting down the hatches, their solution was almost unanimous - to increase supply and 'produce their way' out of the slump.⁴⁵

Crop Farming

Although Rangitikei clung to her title as the largest area for the growing of grain and pulse crops in the North Island during the twenties, production dropped markedly. The average acreage of wheat between 1921-22 and 1929-30 fell from 3418 to 1476; the average acreage of oats from 8007 to 1417 and barley from 863 to 261.⁴⁶ In total, the area in grain and pulse crops declined from 12,355 acres to 3182 acres over a period of nine years.⁴⁷ The decline in the acreage of grasses and clovers, root and green crops was less marked dropping from 19,718 in 1921-22 to 16,070 in 1929-30, although the acreage of grasses and clover cut for hay or ensilage actually increased.⁴⁸ The changing trends in crop farming within the county were dependent upon several factors: the fall-off in demand for chaff and oat grain for horses, the need to provide winter feed for the increasing number of dairy cows and the fact that more farmers chose to switch to the more profitable rearing of fat lambs.

The twenties were a time of diversification. New markets and new

⁴¹ Golden Jubilee Souvenir, p.20.

⁴² RA, 5 January, 1928.

⁴³ RA, 18 March, 1929.

⁴⁴ RA, 19 April, 1930.

⁴⁵ P.W. Smallfield, p.106.

⁴⁶ Statistical Report on the Agricultural and Pastoral Production 1920-21, 1940-41.

PLATE III Harvesting in the Rangitikei.

Farming in the thirties was a mixture of
manpower and mechanisation.

- harvesting on the property of Alex Stuart
about the time of the great depression.

(John Stuart)



technology meant that the farmer was able to expand into the areas of production which he saw as offering the best future. It was a time of unguarded optimism, a mood which was reflected in the press and the community at large.⁴⁹

In all spheres of farming Rangitikei was able to successfully compete with the rest of the country. Sheep breeders regularly did well at stud sales throughout the Dominion.⁵⁰ Rangitikei grain obtained the highest mark in New Zealand for 1930-31 and was invariably highly graded⁵¹ while the Rangitikei Dairy Company in 1929 and 1930 secured the prize for the highest grading factory in the Dominion.⁵² Rangitikei's place as one of the best farmed areas in the country was enhanced by the diversification and mechanisation of farming methods during the twenties which served to illustrate the county's wealth and latent prosperity on the eve of depression.

Even so, the warning signs were becoming apparent by 1929 with the sudden drop in the export prices for wool. In Rangitikei this particularly affected those farmers in the northern ridings due to their almost total dependence on the wool market. In March 1931 it was stated that many farmers in the northern ridings had, in fact, been living on capital for the previous two years.⁵³ For them the depression had long been an economic reality.

Depression

The farmers had been facing ruin for well nigh a year before the workers of the towns and cities felt the full force of the blizzard. We country people had thought of it as our slump, our special ruin.⁵⁴

The problems that beset the farmer, indeed the country during the

47 Statistical Report on the Agricultural and Pastoral Production, 1920-21, 1940-41.

48 *ibid.*

49 RA, 11 July, 1928.

50 RA, 18 January, 1929.

51 RA, 21 March, 1931.

52 RA, 16 August, 1930.

53 TT, 10 April, 1931.

54 H.M. Wilson, My First Eighty Years, Hamilton, 1959, p.204.

1930s can be evidenced by the fall off in export receipts and farm expenditure (Fig. iv). Between 1930 and 1932 alone, the number of land holdings in the country decreased by over 2,500, as did the total area of occupation and the land in cultivation.⁵⁵ Sheep numbers fell by over three million largely as a result of the shift to dairying.⁵⁶ Many farmers were forced to walk off their farms in the face of low receipts and high mortgages. Although the purchasing power of wages remained static between 1929 and 1933 retail and wholesale prices declined by 16 percent and 13 percent respectively.⁵⁷ The extent of the problem that had developed by 1932 was summarised in the House by the Government Member for Waitaki, J. Bitchener, who stated that:

the retail prices of our goods today are 42 percent above the 1914 level. The wages in New Zealand todayare 47 percent above the 1914 level. At the present time the export prices - and this affects not only the farming community but the whole population of the country - are 23 percent below the 1914 figure.⁵⁸

Yet not all was gloom for the farmer. After 1931 the country was represented by a Government pledged to remove the disparity between the farmer's costs and his receipts by legislation aimed at reducing costs while increasing farm efficiency and by direct subsidy to the farmers. Although its achievements were minimal in the first years of its extended term largely because of its over-riding concern with 'balancing the books,' it was invariably sympathetic to the situation in which farmers found themselves, at all times the attentive ear.

In Rangitikei the direction farming took closely complemented the national trend. Initially the number and area of holdings dropped only to increase again dramatically after 1932.⁵⁹ The average area of holdings also rose from 604 acres in 1929-30 to 722 acres in 1935-36 as did the

⁵⁵ B.C. Evans, p.16.

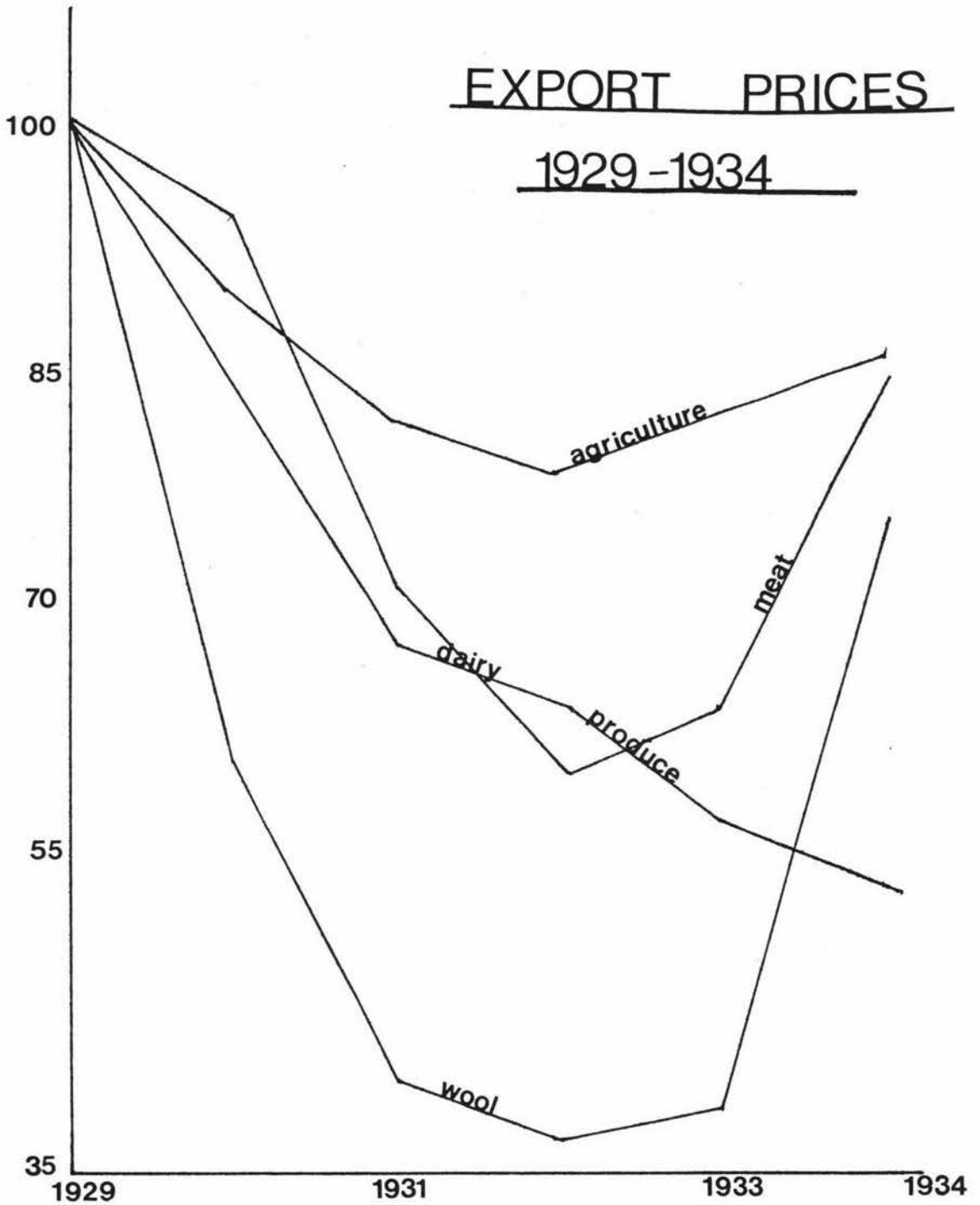
⁵⁶ *ibid.*

⁵⁷ M.C. Pugh, p. 47.

⁵⁸ NZPD, Vol. 23, 1932, p.25.

⁵⁹ Statistical Report on the Agricultural and Pastoral Production, 1920-21, 1940-41.

FIG. 4.



Base = 100 (average prices for 1929)

From tables compiled by the Economics Department
Auckland University

cited in Wigglesworth, S

p.54

total area of holdings. Likewise the total area cultivated and total area occupied increased significantly.⁶⁰ As occurred nationally the number of sheep dropped during 1930-32 by over 100,000, though by 1934-35 the numbers had increased so rapidly as to exceed the previous highest total recorded in the county.⁶¹ Dairy cows also increased significantly in number between 1929 and 1934, partly as a result of increased herds and the number of house cows, and partly as a result of human miscalculation.⁶³ As was occurring in other areas many sheep farmers were turning to dairying in the hope of better returns, a procedure that involved considerable expenditure.⁶⁴ The improvement in prices for wool and meat during 1934 and the continued slump in dairy prices showed the folly of their decision. The number of suppliers, and the tons forwarded for export from Rangitikei dairy companies grew rapidly after 1930 (Fig. v). The fact that the average output of individual suppliers also increased shows that the output of each supplier, and not just the number of suppliers was being increased to compensate for falling prices.⁶⁵

It was the dairy farmer who was the worst affected of any member of the farming community, especially in view of the prolonged slump in dairy prices and the reluctance of Government to come to their assistance prior to 1934. In the House Stuart often stressed the hardships faced by the dairy farmer in the early years of the depression, labelling the dairyman as the 'hardest worked member of the community.'⁶⁶ By 1934 as dairy prices continued to tumble he had become more hardhearted, stating

⁶⁰ Statistical Report on the Agricultural and Pastoral Production, 1920-21, 1940-41.

⁶¹ *ibid.*

⁶² AJHR, H.23, 1930-35.

⁶³ Statistical Report on the Agricultural and Pastoral Production, 1920-21, 1940-41.

⁶⁴ RA, 29 June, 1932. The same 'human miscalculation' was evident on the East Coast during the depression. W.H. Oliver and J.M. Thompson, Challenge and Response. A Study of the Development of the Gisborne East Coast Region, (Gisborne), East Coast Development Research Association, 1971, p.216.

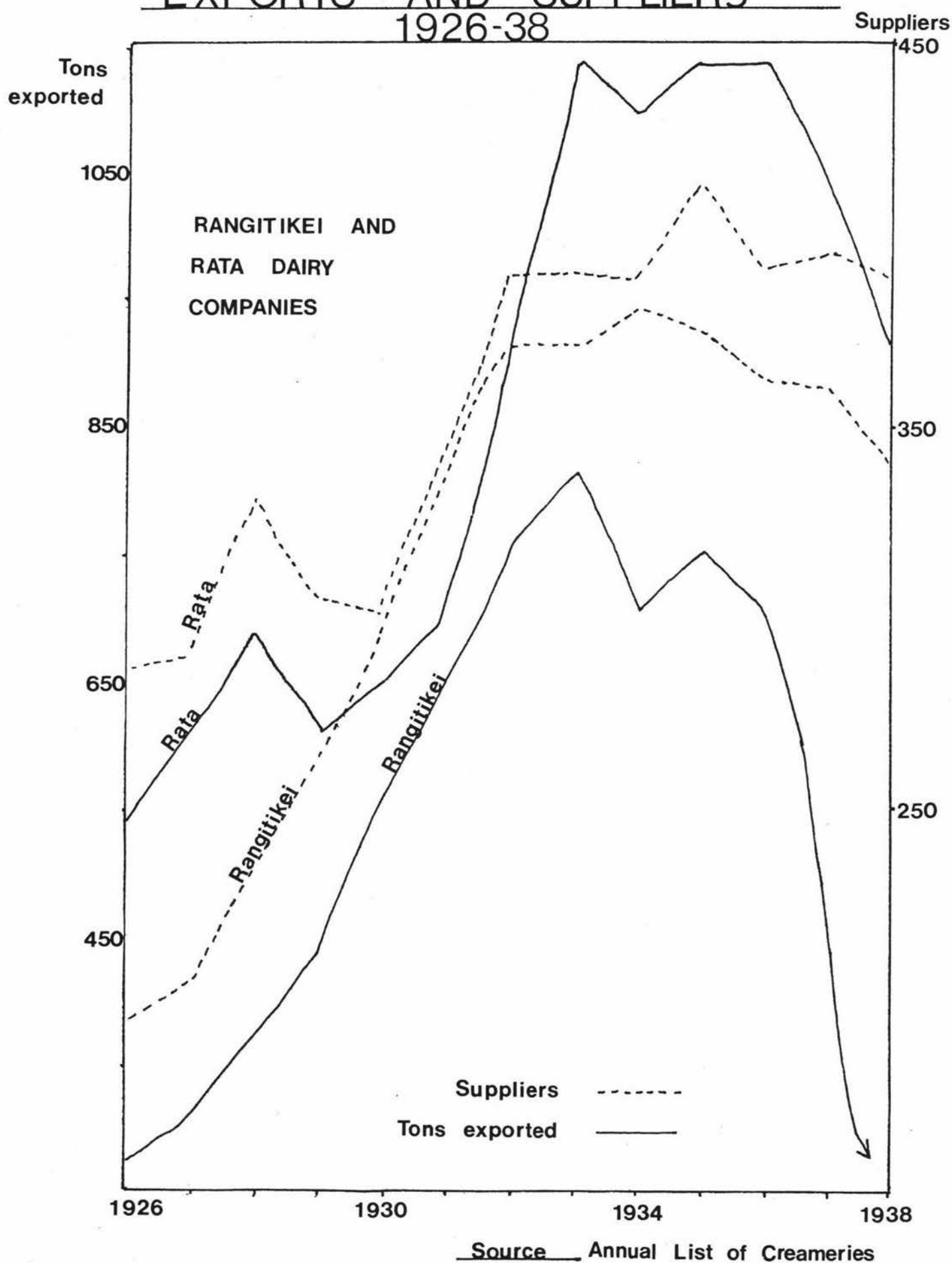
⁶⁵ The average 'tons for export per supplier' forwarded from the Rangitikei creamery rose from 1,634 in 1930 to 2,915 in 1934. From the Rata creamery the increase was from 2.00 to 2.915 tons. Annual List of the Creameries 1929-35, New Zealand Department of Agriculture. Annual List of Creameries, Factories, Private Dairies and Packing Houses.

⁶⁶ NZPD, 3 March, 1932, p.274.

FIG. 5.

EXPORTS AND SUPPLIERS

1926-38



that 'I sympathise with the dairy farmer but there are some farmers who would be better off the land.'⁶⁷ It was increasingly difficult for the dairy farmer to sustain any sympathy for his continuing financial distress in spite of the fall in export prices being effectively outside his control. Most sided with the view of Downie Stewart who felt farmers who got themselves hopelessly in debt should 'be allowed to sink out of sight' and that the economic aspect of the problem should not be 'crowded out by sentiment.'⁶⁸ Sympathy, like charity, was a victim of the depression's duration.

Farm expenditure in Rangitikei was not curtailed to the extent that might have been expected. The number of horses in the county which declined from 6996 in 1922-23 to 5434 in 1932-33 was partly compensated for by the continued increase in the number of tractors.⁶⁹ Allied to the renewed interest in dairying the numbers of milking plants and cream separators grew steadily.⁷⁰ Even more surprising in view of the amount of relief labour available was the growing number of electric motors employed on farms. Between 1929-30 and 1935-36 the number of such motors within Rangitikei increased from 327 to 835.⁷¹

The acreage of grain and pulse crops (particularly wheat and barley) not surprisingly increased during the depression as a result of low wheat prices and duties on imported wheat.⁷² Many farmers reverted to cereal crops. In December 1932 the Advocate noted that 'cropping has been in the ascendancy in Rangitikei for a number of recent years, but seldom has it been so general as this season. Wheat, oats and barley are everywhere.'⁷³ Despite a gradual fall off after 1932, production remained in excess of that recorded in the latter 1920s. The output of wheat from Rangitikei in 1935 was estimated at 20,000-25,000 sacks, significantly higher than that recorded during the mid and late twenties.⁷⁴ The local

⁶⁷ NZPD, Vol. 235, 1933, p.66.

⁶⁸ *ibid.*

⁶⁹ Statistical Report on the Agricultural and Pastoral Production, 1920-21, 1940-41.

⁷⁰ *ibid.*

⁷¹ *ibid.*

⁷² *ibid.*

⁷³ RA, 21 December, 1932.

⁷⁴ RA, 15 January, 1935.

grower was invariably suspicious of any attempt to upset his market. The idea of a wheat pool for stabilising prices advocated by the Wheat Board was rejected by local growers in 1934. Speaking against the motion, Councillor Coleman commented 'Rangitikei wheatgrowers are prepared to grow wheat and take the market price without the help of the Board..... we don't want outside control,' a sentiment popular with those local growers unwilling to subsidise a national pool.⁷⁵

The farmer was the recipient of much of the Government care and attention following the initial fall in export prices. Early legislation, however, did little to ease his position, serving only to allow farmers to pass on their costs to the country.⁷⁶ The Finance Act of 1931, which allowed farmers to cut wages, the Mortgages and Tenants Relief Act and the National Expenditure Adjustment Act all aroused considerable controversy, yet essentially skirted the main issues in that they failed either to significantly increase the farmer's receipts or lower his costs. Not until 1933 were any policies aimed specifically at economic reconstruction initiated - for instance, legislation strengthening the central and marketing powers over primary industries (especially dairying), reduction of interest on farm mortgages, the development of small farms and the organisation of a mortgage corporation.⁷⁷ These latter measures were not spared the earlier criticism, only now it was directed at the measures being too little, too late or ignoring the submissions of interested parties. Direct assistance in the form of subsidies was also offered either for the purchase of fertilisers or for the carriage of lime fertilisers and farm produce. Together with subsidies on rail freights, these were estimated as costing the Government £400,000 per annum by 1934.⁷⁸

⁷⁵ RA, 13 June, 1934.

⁷⁶ It is not the purpose of this chapter to examine the legislation that was brought down by the Coalition Government in order to assist the farmer. An adequate survey of such legislation is contained in S. Wigglesworth's M.A. Thesis, Auckland, 1954 (Chapter 4. 'Readjustments through Cost Reductions and Direct Aids to the Farming Industry.').

⁷⁷ W.B. Sutch, Recent Economic Changes in New Zealand, p.44.

⁷⁸ S. Wigglesworth, p.76.

Legislation designed specifically to help overcome the plight of the farmer re-emphasised the privileged position he held within the community. In no area was this position as evident as in taxation. Prior to 1929 income derived by the owner of land 'in respect of profits from the direct use or cultivation thereof,' was wholly exempt from income tax.⁷⁹ This was modified by the Land and Income Tax Amendment Bill of 1930, the provisions of which allowed that income tax be levied on the owners of farm lands in excess of £14,000 unimproved value.⁸⁰ From this, land tax including special taxes were able to be deducted with only the residue, if any, payable as income tax. As a result many farmers were not taxed at all.⁸¹ A farmer with land worth £30,000 unimproved value was estimated to be paying tax of only £581.17.6d. per annum despite the fact that the capital value of his property could be between 150 percent and 200 percent of the unimproved value.⁸² Farmers who had large tracts of undeveloped land and heavy mortgages were clearly more likely to be affected than those with first class land, although most were partially protected by the mortgage exemption of £10,000.⁸³ Still, in comparison with other members of the community, the farmer at the outset of depression held a privileged position.

From 1 April, 1932 following the abolition of the special land tax and the graduated scale of land tax, income tax was derived from all farm lands of unimproved value of over £3000.⁸⁴ Many farms had been revalued in the interim, making them exempt from the new provisions. In other instances farmers could not or did not admit to a taxable income, a state of affairs that aroused a certain hostility among non-farmers. Usually a strong supporter of the farmer, the Advocate noted in mid-1932:

It's said the farmer's income is nil and therefore he pays no tax. But is his income nil? For instance he has food and rent and can afford some luxuries. This is not equality of sacrifice. There is still a fair percentage of farmers with a taxable income and there is a growing agitation that they should be made to pay.⁸⁵

79 NZOYB, 1930, p.628.

80 NZS, 1930, pp.42-46.

81 NZPD, 28 August, 1929, Vol.222, p.581.

82 ibid.

83 ibid.

84 NZOYB, 1936, p.448.

85 RA, 16 July, 1932.

The farmer was not without his share of other troubles. Weather, as unpredictable as ever, was particularly severe during the depression years with heavy rain and flooding in 1931, and droughts in 1932 and 1935.⁸⁶ The flooding in the north of the county greatly affected the cartage of wool at a time when wool prices were reaching their lowest levels. The droughts of 1932 and 1935 were in turn particularly severe on the dairy and crop farmer ruining acres of root and green crops at a time when the dairy farmer was sorely affected by low, and still falling, prices.

The Ottawa Conference of 1932 did little to allay the farmers' fears for the future. The threat to quotas arising from the conference coincided with the lowest levels for meat prices and had a dampening effect on the meat industry in general.⁸⁷

As well as the legislative efforts of Government, farmers were assisted and supported in varying degrees by their own Member of Parliament and local bodies. Alex Stuart during his term as Member for Rangitikei, was frequently accused of thinking only of the farmer.⁸⁸ His stance in the House supported the contention, especially his reiteration of the theme of moving people back into the country.⁸⁹ During the depression he regularly drew attention to the need for retaining wheat duties, the shortage of farm labour, the plight of the backblocks farmer, the justification for hoarding wool and the continual need for further concessions and subsidies to be made available for the farmer. Whenever an issue was raised likely to affect the farmer, however slightly, such as the proposal for daylight saving to be introduced, the interests of the farmer were paramount.⁹⁰ In what was a farmers' government, Stuart managed to excel as an advocate and defender of farming interests particularly as they affected farmers in his own constituency.

The County Council was likewise sympathetic to farmers. Many of

⁸⁶ TT, 2 October, 1931; RA, 20 February, 1932; NZPD, 20 February, 1935.

⁸⁷ P.W. Smallfield, p.107.

⁸⁸ NZPD, Vol.233, 12 October, 1932, p.504.

⁸⁹ NZPD, Vol.237, 21 November, 1933, p.452.

⁹⁰ NZPD, Vol.236, 18 October, 1933, p.521.

its actions, such as the postponement of the collection of rates and the administration of farm subsidy schemes were of direct assistance to the farmer. As a rural local body representing the interests of farmers, its bias was also evident in its stance towards Government over matters which directly affected local farmers.

Aided by the assistance and goodwill of local and central government, many farmers were still embittered by the treatment they received. The targets for their resentment were numerous. Banks, mortgagees, stock and station agents and especially the Court of Arbitration were amongst the favourite scapegoats in the early years.⁹¹ Legislation amending the provisions of the Industrial Conciliation and Arbitration Act passed in 1932, together with such quasi-despotic measures as the Finance Act and the Public Safety Conservation Act, allayed some of the farmers' fears concerning the potential threat from unemployment in the towns. Their resentment in turn shifted more directly against the Government, in the case of the small landowner or dairy farmer, or against the unemployed themselves. The rift between town and country, a historical fact in New Zealand before the depression, was considerably widened by the mutual suspicion engendered during the depression years. Likewise there emerged an increasing division between the landowner and the farm worker. The accusation that 'the government was creating a peasant class to serve the needs of the landowning farmer'⁹² had in the eyes of relief workers considerable substance, especially when most relief workers were aware of the abuse of unemployment subsidy schemes. Town and country were mutually suspicious of the other's actions. With the subsidy schemes (4a, 4b and 5 'over the fence'), the onus for responsible action was placed on individual farmers. Often they failed to acknowledge their responsibility. In an editorial entitled 'The farmer's obligation' in early 1931 the Advocate argued that:

there is a general move to assist farmers who are in need as a result of prevailing economic conditions, but there are many farmers not in such need who could do a little by falling in with the schemes, to assist direly afflicted men in other walks of life. Their duty is too plain to be ignored.⁹³

⁹¹ R. Noonan, p.10.

⁹² *ibid.*

⁹³ RA, 4 March, 1931.

However, it often was ignored. Yet the blame rested not so much with the farmer as with the government and the Unemployment Board who placed the subsidy schemes and the means for dismissing farm labour and rehiring the same as relief labour in the hands of farmers without sufficient restraint or restrictions. In retrospect the crime was not so much that they, the farmers, yielded to temptation, but that they were tempted at all.

Subsidy Schemes

One of the areas in which the farmers' response to the depression was most evident was in the use and misuse of Government subsidy schemes. Schemes 4a and 4b, the provisions of which were outlined in Chapter 3 were frequently criticised as assisting the farmer at the community's expense.⁹⁴ Criticism was especially pointed where it was felt that farmers were able to afford the costs of improvements without the assistance of the Unemployment Board.⁹⁵

In other instances, the schemes were utilised in ways in which they were not intended. One large landowner in Rangitikei secured 110 men under subsidy for scrubcutting and drainage work on an adjoining property, a move which, though commendable in that the landowner himself derived no direct personal benefit from the labour, was at variance with the provisions of the scheme.⁹⁶

The Government was conscious of the abuse of schemes. As early as April 1931, Farmers' Union branches in Rangitikei had received advice from the Unemployment Board that farmers were taking advantage of the scheme by putting off and then rehiring labour under the schemes.⁹⁷ Many larger landowners, depending upon the policies of local bodies administering the scheme were able to obtain farm labour for nothing but the provision of

⁹⁴ R. Noonan, p.10.

⁹⁵ RA, 13 April, 1932.

⁹⁶ NZPD, 20 July, 1934, p.706.

⁹⁷ RA, 29 April, 1931.

board. Throughout the country farm workers were reduced to a par with relief workers.⁹⁸ In many districts unemployment tax was soon paying the wages of the majority of farm workers regardless of the farmers' financial position. W.B. Sutch noted that 'In Otorohanga this was true of 57 out of 60 farmers; in Te Puke 100 subsidy contracts were withdrawn and only two of the men concerned were put off and re-registered as unemployed.'⁹⁹

In Rangitikei applications for labour under schemes 4a and 4b were administered by local unemployment committees. Consisting of representatives of town and country, they were initially strict in their interpretation of the Unemployment Board's policy.¹⁰⁰ Applications for men under both schemes were subsequently referred to the committee's executive to inquire into the applicant's financial position.¹⁰¹ Of the farmers listed who availed themselves of the scheme, most were small landowners. During 1932 the average holding of such applicants was little over 292 acres.¹⁰² Although it is difficult to evaluate the applicants' actual financial position it would seem that the unemployment committees were scrupulous in their determination to administer the schemes according to their provisions.

As a number of loopholes were exposed in the no. 5 'over the fence' scheme, a concerted effort was made by Government in late-1931 to divert relief labour into schemes 4a and 4b. Local unemployment committees were notified in November that 'no restriction is placed on the class of work which has to be done under the scheme provided that the labour is additional and is not replacing any regular employee.'¹⁰³ In April 1932, the position was further eased with a request from the Unemployment Board asking 'secretaries and local committees to use every effort to induce

⁹⁸ RA, 16 July, 1932.

⁹⁹ W.B. Sutch, The Quest, Wellington, 1966, p.10.

¹⁰⁰ For instance, the Marton unemployment committee consisted of the members of the MBC, RCC, Farmers' Union, Employers Association, RSA, Junior Reform League, Labour Department, religious bodies, manufacturers and the A. and P. Association.

¹⁰¹ MUC Minutes, 14 April, 1931.

Information obtained from MUC Minutes, MUC Correspondence Files and RCC Rate Books 1931-34.

¹⁰³ Commission of Unemployment to Secretary, MUC, 29 February, 1932, MUC Minutes.

farmers to take additional labour,' stating that the men could start work prior to the County Council sending the appropriate forms to the Unemployment Board.¹⁰⁴

Not surprisingly in view of the new regulations and the feeling of local unemployment committees that scheme 4 was infinitely preferable to scheme 5, the regulations governing the administration of the scheme were relaxed somewhat. Inevitably the way was open for some abuse of the new provisions especially when some of the administrative responsibility for the scheme passed to local bodies. In Rangitikei this abuse was minimal because of the small numbers of relief workers employed under the scheme and the close scrutiny of the unemployment committees. Farmers generally used the schemes to the extent that was permitted by the administering authorities without often being aware of the actual regulations. In this the Unemployment Board was largely to blame in that for reasons unbeknown to local committees Board circulars were classified as confidential. Hence the implementation of the schemes depended largely upon the interpretation and bias of local committees.

No. 5 'Over-the-Fence' Scheme

With the passing of the Finance Act 1931 (no. 4) scheme was opened up to local authorities for the benefit of private property. The provisions of the new measure, labelled 'over-the-fence,' were similar to those of the original scheme: work was to be rationed according to the status of the relief worker and was to be restricted to reproductive and developmental work. The over-riding consideration in administering the scheme was to be that 'no regular employee should be displaced by a relief worker.'¹⁰⁵ Farmers were expected to make some nominal contribution to cover overhead expenses. These depended entirely upon the decision of the local administering body - in Rangitikei the County Council. Farmers wishing to avail themselves of the scheme were informed that:

¹⁰⁴ MUC Minutes, 14 April, 1932.

¹⁰⁵ AJHR 1932-33, H.35, p.13.

Before the men are engaged by the council you will require to pay the council 1s. per day per man on the estimated number of days to be worked to cover overhead expenses other than transport which you will require to arrange for. The council does not supply any tools except picks and shovel if available. The men can only be employed for the limited number of days each week as allotted by the unemployment committee and work can be given only in three weeks out of four. There is of course nothing to prevent the farmer himself engaging the men and paying them for any period they are not permitted to work under scheme five.....¹⁰⁶

Between November 1931 when the scheme was introduced and November 1934, by which time the county had discontinued employing labour under the over-the-fence scheme,¹⁰⁷ the Unemployment Board made numerous efforts at making the scheme foolproof. Initially, the Board's stress was on providing work. A UB circular in November 1931 emphasised the desire of the Board that 'Farmers should be pressed to take additional labour wherever possible.' The relationship between local bodies and farmers in turn was to be flexible in terms of farmers' contributions with 'much left to the good sense and understanding of the problem.'¹⁰⁸

In Rangitikei the decision of the county to impose a levy on farmers using 'over-the-fence' labour considerably restricted the use of the scheme. The effect, however, was often contrary to the scheme's intentions. Rather than being used to subsidise farmers with no cash reserves for essential developmental work on their property, it was popularly seen, especially during 1932, as a means by which larger landowners could profit from using relief labour. In its passage between the Unemployment Board and the farmer, the provisions of the scheme were, in effect, turned upside down. Reminiscing of the period 1931-34, one local resident noted the paradox that had eventuated whereby:

Farmers were asked to employ as many men as possible with government subsidised wages, but the employing farmers met all expenses, fencing materials, tools

¹⁰⁶ Copy of letters sent to farmers, 20 November, 1931. - 8 April, 1936. RCC Minutes, 7 April, 1932.

¹⁰⁷ County Clerk to Commissioner, Unemployment Board. RCC Outward Correspondence, 14 November, 1934.

¹⁰⁸ UB Circular 77. RCC Miscellaneous Correspondence, 4 November, 1931.

and accommodation in tents or huts. Only the larger stations were able to do this.¹⁰⁹

Certainly a number of wealthy farmers took early advantage of the scheme. By March 1932, nine local farmers had paid £12.13s. to the RCC, representing advance payment for 253 days' work by relief labour.¹¹⁰ The scheme also benefited, though to a lesser extent, those farmers who were not in a position to pay for development work on their own properties. Early applications for relief labour were invariably detailed and long-winded, a format that soon disappeared with the increasing number of applicants. Usually included was some explanation of the work, a summary of the applicant's financial position and the availability of local unemployed for the work. By mid-1932 such details were neither expected nor necessary.

After June 1932 total responsibility for administering the 'over-the-fence' scheme was left in the hands of the RCC.¹¹¹ A committee of four was set up by the county to deal with applications, consisting of the chairman of the Marton Farmers' Union and three county councillors.¹¹² The members of the committee, themselves large landowners, had close empathy with their fellow farmers. Not only were they lenient in extending the scheme to other farmers who were in a position to pay full wages, but, in at least one instance, utilised relief labour themselves on the ground that it was their duty as public men to show confidence in the scheme.¹¹³ This was in direct contravention to an earlier Unemployment Board circular, which had stated:

It has been brought under the notice of the Unemployment Board that the placing of relief workers on farms under the modification of the rules of scheme no. 5 as set out in UB circular no. 85 of 27 November, 1931 is not always being carried out in the spirit of the instructions embodied in that circular.

I refer more particularly to cases where unemployed labour is supplied to farmers having sufficient means to enable them to contribute a portion, if not all, of the wages paid to the men who are drafted to work on their properties.¹¹⁴

¹⁰⁹ Rose Johnson (Pohenui). Notes on years before 1938.

¹¹⁰ RA, 4 March, 1932.

¹¹¹ MUC Minutes, 29 February, 1932.

¹¹² RCC Minutes, 2 June, 1932. The 3 councillors on the committee were Coleman, Brice and Stuart.

¹¹³ RA, 22 June, 1932.

¹¹⁴ UB Circular 108, 7 May, 1932. RCC Miscellaneous Correspondence.

Public criticism of the abuse of relief schemes was prompted by a letter in the Advocate in April 1932 asking for the names of farmers using the 1s. a day over-the-fence scheme to be published as rumour had it that 'some of the wealthy farmers of the district have booked up relief labour at a cost to themselves of 1s. per day per man.'¹¹⁵ Although a member of the 'over-the-fence' committee argued that the use of relief labour was a 'purely personal matter,'¹¹⁶ it was not to remain so, thereafter being under much closer scrutiny.

Those farmers who didn't attempt to use the scheme were the exception. When in July 1932 a farmer offered six weeks' work at 1s. an hour for five unemployed without requiring the assistance of the unemployment funds, he was publicly commended by both the unemployment committee and the press. Predictably, the reaction of neighbouring farmers was more restrained.¹¹⁷

The commitment of many farmers to the county for overhead expenses was often considerable. Several farmers received substantial refunds for excess payments made for overhead expenses, often as high as £3 (representing sixty days work).¹¹⁸ The fact that so many farmers over-estimated, in fact, were able to over-estimate their requirements for relief labour, indicates the presence of a reasonable cash reserve on the part of many farmers using the scheme.

Without any recourse to the personal accounts of farmers who utilised relief labour during the depression it is difficult to fully evaluate the farmers' use of unemployment schemes. Some idea, however, of those who used the schemes can be obtained by looking at the size and type of farm according to their rateable values. By doing this it can be seen that while the size and total capital value of farmers were in most instances less than the average for the country, the capital value of the farms per acre was usually considerably higher, indicating that the farms

¹¹⁵ RA, 14 April, 1932.

¹¹⁶ RA, 22 June, 1932.

¹¹⁷ RA, 2 July, 1932.

¹¹⁸ RCC Minutes, 2 June, 1932.

were well developed and intensively farmed. As the use of relief labour was intended for developmental works on those farms where the farmer was unable to meet the total costs of the work,¹¹⁹ it is reasonable to surmise that the farmers were using the unemployment fund to subsidise the wages of farm labour. Certainly this was the position as viewed by the MUC. In a letter to the chairman of the Unemployment Board in June 1932, the committee voiced its concern at the no. 5 'over-the-fence' scheme. It was felt that the scheme would:

have the effect of causing more unemployment and still more unemployment. The bulk of the men employed 'over-the-fence' is without inquiring as hereinafter stated, as to the farmer's ability to pay for his requirements of farm labour.....The farmer who employs this relief worker at the expense of the special emergency taxation is not required to render a statement of his own and wife's position. For instance one of the largest employers in the Marton district of 'over-the-fence' scheme no. 5 relief workers is the owner of 686-odd acres of first class land valued at £21,979 (government valuation). If it is conceded that this class of farmer without due inquiry as is required in the case of the worker applicant, is justly entitled to employ this class of labour at 1s. per day to cover overhead charges then we cannot but think that the unemployment problem will very soon become for this Dominion an impossible burden.¹²⁰

By late 1933 the UB had realised that drastic measures would need to be taken in order to reduce the widespread abuse of the scheme. Accordingly in December 1932 a letter was sent to all local bodies administering 'over-the-fence' labour stating that labour would in future be placed on farms only under the conditions that:

- i) the farmer agrees to pay to the worker not less than one day's wages/week and his scheme five allocation,
- ii) the farmer agrees to refund the Unemployment Board 25 percent of the wages paid from the unemployment fund, and
- iii) labour to be withdrawn if arrears exceeded one week.¹²¹

¹¹⁹ AJHR, 1932-33, H.35, p.13.

¹²⁰ Chairman, MUC to Chairman, UB, 22 June, 1932. MUC Outward Correspondence.

¹²¹ Commissioner of Unemployment to Richardson, 1 December, 1933. RCC Miscellaneous Correspondence.

Anticipating the antagonism of farmers to the new provisions, the Board took a firm stand stating that 'if farmers don't like the conditions you [the County Clerk] should arrange work on your roads or other county roads to absorb excess labour.'¹²² The Board further insisted that no further commitments were to be permitted unless either specifically approved by the UB or unless the farmers met in cash at least 25 percent of the wages of relief workers employed.¹²³ Acknowledging the previous misuse of the scheme, the UB attempted to narrow the definition of work to be undertaken:

Although labour under this scheme should not, as a matter of course, be refused if the farmer is in a position to pay full wages, no relief labour should be given if the work would be proceeded within the normal course of events.¹²⁴

As a further measure to ensure that the scheme was not abused, local bodies were urged to arrange for surprise visits by its officers to check as to whether the men were working only on approved developmental works.¹²⁵

At first, the county endeavoured to implement the new regulations. The levy for relief labour was increased to 3s.6d. per man per day, and the Board's intention that the scheme should be used solely for developmental farming operations to 'improve the carrying capacity of the farm' was reiterated.¹²⁶ By late December, however, it was clear that to implement the new provisions would create considerable difficulty for the county. Consequently Richardson, writing to the county overseers in Taihape and Hunterville and the County Engineer, reasoned that:

The conditions appear to be such that no farmer is likely to want labour under the scheme and it would be impractical for the council to run it without engaging the services of a special supervisor.¹²⁷

Following discussions between county officers and the local certifying

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- ¹²² Commissioner of Unemployment to Richardson, 1 December, 1933. RCC Miscellaneous Correspondence.
- ¹²³ UB Circular 315, 19 December, 1933. RCC Miscellaneous Correspondence.
- ¹²⁴ *ibid.*
- ¹²⁵ *ibid.*
- ¹²⁶ Richardson to farmers utilising 'over-the-fence' labour. 4 December, 1933, RCC Outward Correspondence.
- ¹²⁷ Richardson to J.M. McDonald, R. Dukeson, S. Mair. 22 December, 1933, RCC Outward Correspondence.

officer it was agreed that:

... this scheme be suspended for the next five months
 It is considered that with the changed prospects,
 farmers should now be in a better position to employ
 labour without the assistance of the Unemployment Board.¹²⁸

When the scheme was suspended in January 1934, a total refund of £30.18s.2d. (representing 618 days work) was made by the council to forty-four farmers in the county.¹²⁹ In the year ending 31 March, 1934, £1028.16s.1d. had been expended by the county on relief schemes on private property as well as the contributions of farmers.¹³⁰ The five-month suspension and the new provisions had some effect in reducing the scheme's appeal to the farmer. Reintroduced in May 1934, the scheme was taken up by a smaller number of farmers including several large landowners. With increasing supervision required of the relief labour on farms and improving export prices, the number further dropped by the spring of 1934. In November it was decided by the Unemployment Board that the decision taken under scheme 4B that 'subsidies shall not be granted in those cases where the applicant's financial position is such that he could, and would, put the work in hand without assistance from the unemployment fund,' would be extended to schemes 4a and 5 'over-the-fence.'¹³¹ Subsequently it would be necessary for local unemployment committees to check up on the financial standing of all applicants for relief labour.¹³² The improved economic climate within the county and the increasingly vigilant eye of the UB had already had their effect within Rangitikei. On 14 November, Richardson was able to reply to the Board that 'the council is not now employing labour under scheme 5 'over-the-fence'.....'¹³³

The no. 5 'over-the-fence' scheme was by the Board's own criteria a monumental failure. Not until the worst of the depression had passed was

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- ¹²⁸ Certifying Officer to Richardson, 11 January, 1934. RCC Miscellaneous Correspondence.
¹²⁹ RCC Minutes, 26 January, 1934.
¹³⁰ RCC Chairman's Annual Report, 31 March, 1934. RCC Miscellaneous Correspondence.
¹³¹ UB Circulars O/4/2 and O/6/1, 6 November, 1934. RCC Miscellaneous Correspondence.
¹³² *ibid.*
¹³³ Richardson to UB, 14 November, 1934. RCC Outward Correspondence.

the UB able to effectively limit the scheme to those farmers who were unable to pay for development works on their properties. By late 1934, few farmers were still using the scheme. Administered according to its original precepts it had little attraction for the farmer and, as occurred in Rangitikei, was quickly phased out.

Although it is difficult to ascertain the extent to which the 'over-the-fence' scheme was abused in Rangitikei, it is probable, from the size and nature of farms listed by the RCC as using the scheme and criticism, from within and outside the county, that such abuse was widespread. By failing to take into consideration the farmers' financial position, the scheme did little to curb unemployment while in turn enabling the farmer to utilise the unemployment fund to subsidise or cover his own labour costs. As a result many farm labourers were dismissed and re-engaged as relief labour, a practice that severely strained employer/employee relationships.¹³⁴ The provisions of the scheme whereby farmers were expected to pay overhead costs for work done were also at fault. In one of his numerous speeches in defence of the farmer during 1932, Stuart highlighted the dilemma that the council's levy had brought about:

I agree that unfortunately some farmers who could afford to pay wages are taking advantage of the position, but, on the other hand, there are farmers who would like to have assistance, but who are not in the position to pay anything.¹³⁵

By 1934, condemnation of the scheme was almost unanimous. It was regularly accused not only of costing more and doing less than other schemes but also of prolonging rather than curing unemployment.¹³⁶ Even the local Farmers' Union labelled the scheme a 'disgrace,' arguing that it was the 'well-off man's duty to employ as many men as possible without subsidy.'¹³⁷

One of the lasting effects of the 'over-the-fence' scheme was that

¹³⁴ T. Simpson, The Sugarbag Years, Wellington, 1974, p.46.

¹³⁵ NZPD, Vol.233, 1932, p.201.

¹³⁶ A.J.S. Reid, 'Church and State,' p.60.

¹³⁷ RA, 18 April, 1934.

it served to polarise opinion against the farmer and the Coalition Government. Throughout the depression the scheme was closely linked with Government efforts at manipulating relief labour. Not only was it the most poorly conceived and executed of Government relief schemes in a field of strong competitors, but in effect became the symbol of the Government's determination to help the farmer at the expense of the unemployed. As such, its place in New Zealand's social history (and mythology) is assured.

One of the effects of the depression was that it served to arouse a degree of political consciousness previously not experienced. Groups of people with common interests gradually came to accept that in order to air their grievances, it was essential that they join together in order to make themselves heard. Between 1930 and 1935 the membership of social, service, religious and labour groups within New Zealand snowballed. Likewise the number of political groups and ideologies multiplied rapidly in the months leading up to the 1935 elections.¹³⁸ The people's faith in the power of corporate action through their elected committees, so evident during the early thirties, remains a hallmark of present day New Zealand society, a legacy that can be attributed in part to the depression years.¹³⁹

In Rangitikei the most important single mouthpiece of local farmers during the depression was the Farmers' Union. Many of the demands, as well as the attitudes of local farmers, were channelled and aired through the meetings of branches within the county. As a result the growing interest and participation in the Farmers' Union provides one of the few reliable sources from which the farmers' attitudes to the Government and to the economic predicament in which the country found itself, can be gauged.

In the years immediately prior to the depression the membership and interest in the Farmers' Union within Rangitikei was minimal. In Marton,

¹³⁸ In all, the three major political parties accounted for only 197 of the 265 candidates who stood in the 1935 general elections. S. Wigglesworth, p.139.

¹³⁹ The number of committees has often drawn comment from outside observers, notably Austin Mitchell, The Half-Gallon, Quarter Acre Pavlova Paradise, Christchurch, 1972.

the local branch was frequently chastised for its inactivity. Several smaller branches had ceased to exist through declining memberships.¹⁴⁰ The increasing number of unemployed during 1930 and rapidly falling export prices served to arouse local branches towards initiating some discussion of the problems facing local farmers. The initial response was unrewarding; although unemployment was discussed by several local branches, with one exception, the subdivision of unimproved lands, no specific measures were advocated to cater for the problem.¹⁴¹

By early 1931 the farmers' and the country's situation had seriously deteriorated. A meeting of the Wellington provincial executive of the Farmers' Union held at Marton in March served to indicate the direction in which farmers were moving. Rather than worrying about the general threat of unemployment, the meeting was concerned almost totally with resolutions which affected the lot of the farmer.¹⁴² Compulsory wage awards were opposed, drastic cuts in Government and local body expenditure were demanded and subsidies on fertilisers sought¹⁴³ in an effort to bring pressure to bear upon local and central government for direct assistance for the farming industry.

With the introduction of the farm subsidy schemes in 1931 the FU was used to disseminate material pertaining to the farmers' role and responsibility for unemployment relief. By this process, the intention of relief schemes and any area of possible abuse were brought to the notice of branches of the FU.¹⁴⁴ This avenue of communication was to prove invaluable in informing farmers of the specific provisions of the subsidy schemes, details which were otherwise not readily available.

As the winter of 1931 approached, membership of Farmers' Union

¹⁴⁰ RA, 26 February, 1929.

¹⁴¹ RA, 16 July, 1930.

¹⁴² RA, 5 March, 1931.

¹⁴³ As a result of such requests, the Government made £100,000 available to be lent to farmers on easy terms for the purchase of fertilisers. Only £11,816 was taken up. S. Wigglesworth, pp.75-76.

¹⁴⁴ Wanganui Chronicle, 29 April, 1931.

branches increased dramatically.¹⁴⁵ In Marton the local branch recorded 20 new members during May and the Mangaweka branch had gained 40 new members by the end of June.¹⁴⁶ Plans were initiated for opening a sub-branch at Ohingaiti for farmers in that district. Nor was the growth in membership restricted to farmers. The Ohingaiti women's division of the Farmers' Union had 32 financial members by April 1931.¹⁴⁷ Nationally, the growth in membership was so rapid that the Farmers' Union was able to boast of 10,000 members by mid-1931.¹⁴⁸

Most of the business of the Farmers' Union was concerned with local problems facing the farmer, such as the transport of stock, the use of relief labour and the payment of rates. Invariably any stance taken on national issues closely reflected the local concern of farmers. Support was given to a number of protests initiated by other branches of the Farmers' Union, for instance against the proposed lifting of the embargo on the importation of livestock from Great Britain.¹⁴⁹ Nor were the branches entirely apolitical. The defeat of J.C. Hogan, the independent member for Rangitikei, was warmly welcomed by the Marton branch of the Farmers' Union, partly because of his replacement by a Reform candidate and local farmer, but also because of the threat to the farmer's pocket inherent in the suggested harbour board rate for which Hogan was largely held responsible.¹⁵⁰

By early 1932 local branches of the Farmers' Union were regular and outspoken advocates of the farmers' cause. Resolutions concerning the farmer's position as a primary producer and local ratepayer were frequently raised through the press. Topics dealt with ranged from the reduction of the levy on meat exports to the reduction of telephone charges for the backblocks farmer.¹⁵¹ Any aspect of the industry which affected the farmer's position such as the shearers' award was invariably discussed at length by local members.¹⁵²

¹⁴⁵ RA, 5 May, 1931.

¹⁴⁶ TT, 12 June, 1931.

¹⁴⁷ RA, 18 April, 1931.

¹⁴⁸ TT, 26 June, 1931.

¹⁴⁹ RA, 29 April, 1931.

¹⁵⁰ RA, 23 December, 1931.

¹⁵¹ RA, 29 February, 1932.

Towards the end of 1933, there was a slight but discernible shift evident in the stance adopted by local branches of the Farmers' Union. Although the specific difficulties faced by local and backblocks farmers still formed the bulk of the Union's business, several branches succeeded in blending their local role with a more sympathetic and overtly political role in an effort to dissipate some of the ill feeling that had been engendered by the farmer. In Marton, A.E. Robinson, the provincial secretary of the Auckland Farmers' Union and editor of Farming First, expounded the advantages of Douglas Credit to a well-attended and responsive audience during September.¹⁵³ The Taihape branch of the Farmers' Union, turning its attentions to the problems of the unemployed, organised a stock drive in early 1934 raising £135 for distribution among the distressed.¹⁵⁴ The Marton and Tutaenpi branches of the WDFU spent much of their time in making quilts for necessitous cases and in organising clothes drives for distressed families.¹⁵⁵ Farmers who abused relief schemes were roundly condemned by the Hunterville branch of the Farmers' Union at their AGM in April 1934,¹⁵⁶ indicating the desire to take a more responsible stand on the unemployment relief schemes.

By mid-1934 the Farmers' Union provided the local farmer with a voice in the affairs of the county, as well as the means for sharing his own particular difficulties. The strength of the local branches was reflected in their increased membership. The Hunterville branch had grown during the depression from 37 to 110 members. In Putorino, a sub-branch of 14 had been established, representing a 100 percent membership for that area.¹⁵⁷ Most branches were well in credit¹⁵⁸ and had organised programmes of visits, dances and field days for the farmer and his family. Field days in particular were well attended; by 1934 these were held at regular

¹⁵² TT, 7 October, 1932.

¹⁵³ RA, 30 September, 1933.

¹⁵⁴ TT, 25 May, 1934.

¹⁵⁵ RA, 18 April, 1934; RA, 4 May, 1934.

¹⁵⁶ RA, 18 April, 1934.

¹⁵⁷ *ibid.*

¹⁵⁸ RA, 18 April, 1934; RA, 30 April, 1934.

intervals, dealing with aspects of dairying¹⁵⁹ and general farming techniques and attracting audiences of as many as 200.¹⁶⁰

Despite their wider role, the Farmers' Union was still concerned primarily with representing the viewpoint of local farmers. Although not so hostile to legislation that adversely affected the farmer, the Farmers' Union did endeavour to ensure that the representations of local farmers were heard. Accordingly numerous resolutions were passed dealing with a diverse range of farming topics including the classification of noxious weeds, the proposed wool levy, the representation of North Island wheat growers on the Wheat Board and the reduction in freight costs for live-stock.¹⁶¹

Any meeting called to deal with subjects of relevance to farmers invariably attracted large audiences. During the winter of 1934, meetings called to deal with the setting up of a wheat pool, to discuss the proposed wool levy or even to hear an address by the local Member of Parliament were all well attended.¹⁶² The momentum that had been built up over the preceding three years by the Farmers' Union was readily channelled to assist new farming ventures. When the suggestion of a Rangitikei potato growers' association was mooted in early 1935 the largely attended meeting and widespread local support ensured the association of considerable assistance in its efforts towards improving the grading and marketing potential of the local harvest.¹⁶³

Between 1930 and 1935, the Farmers' Union in Rangitikei was largely instrumental in providing local farmers with a mouthpiece through which they could air their opinions and grievances. Such grievances were in the main concerned with the farmers' own precarious financial position.

¹⁵⁹ RA, 19 March, 1934.

¹⁶⁰ RA, 30 April, 1934.

¹⁶¹ RA, 14 December, 1934.

¹⁶² RA, 13 June, 1934; 19 July, 1934; 7 August, 1934.

¹⁶³ RA, 13 February, 1935.

Increasingly, however, as the number and membership of branches grew and unemployment persisted, the local branches of the Union endeavoured to play a responsible role in the county by assisting those less fortunate than themselves. Whereas in 1931 most of the farmers supported the Coalition Government, by 1935 there was a wider spectrum of political interests represented among farmers. This was particularly so among the small landowners and the dairy farmers, many of whom had turned from the Government either into the fold of the Democrat Party, or via Douglas Credit, into the Labour Party.

Throughout the depression the farming community remained strong, even defiant, in spirit. In 1931, 1932, 1935 and 1936 the Marton Agricultural and Pastoral show, traditionally a gauge of the farming year, had record entries.¹⁶⁴ Attendance was invariably high. In Taihape the trend was the same, with record numbers attending the Rangitikei A. and P. show in 1934.¹⁶⁵ Rather than adversely affecting interest or attendance, the depression strengthened the efforts of the farming community to preserve their own particular showpiece in the county.

When in September 1934 the Advocate published an editorial tribute to the Rangitikei farmer,¹⁶⁶ it acknowledged the hardships which the farmers had had to bear during the previous five years. More important, it stressed that in the face of economic uncertainty, local farmers had succeeded in coming some way towards seeing the problems of the depression as a common threat to the livelihood and prosperity of the whole community.

The period 1929-1935 was dominated by an economic depression of unprecedented severity. Initially the result of the collapse of the market for the country's primary produce, it came to affect all levels of the community. The farmer inevitably bore the early brunt of the collapse, two years before its effects were acknowledged by the Government.¹⁶⁷ As a

¹⁶⁴ RA, 25 February, 1931; 24 February, 1932; 31 January, 1935; 30 January, 1936.

¹⁶⁵ TT, 2 March, 1934.

¹⁶⁶ RA, 1 September, 1934.

¹⁶⁷ TT, 10 April, 1931.

result, it is usually the farmer to whom we look in attempting to gauge the worst ravages of depression.

Although Wilson in her autobiography argued that 'the towns were never as badly hit by the slump as the country,' this was not strictly true in Rangitikei.¹⁶⁸ If only in terms of total number of registered bankrupts within the county, it would appear that the farmer was better able to sustain his family and retain his property than were non-farmers. Only in 1932 when six out of the eleven bankruptcies filed from the county were farmers was there any indication that farmers were being disproportionately affected by the depression.¹⁶⁹ Even then, help was at hand through the National Expenditure Adjustment Act (1932), the Mortgagors and Tenants Relief Act (1933) and finally in 1935 the Rural Mortgagors Final Adjustment Act. No similar protection was offered to many town bankrupts. In 1933-34, out of a total of 28 bankruptcies in the county, only three were farmers.¹⁷⁰

Most farmers, with the help of Government legislation, subsidies from the Unemployment Board and the assistance of rural local bodies were able to retrench sufficiently to await the recovery in prices. Those farmers who were forced to sell up or file for bankruptcy were usually labouring under the weight of an excessive mortgage (prior to the introduction of protective legislation) or were on properties that were scarcely economic. Others were just caught at a bad time through a combination of circumstances including adverse markets, ragwort, bush sickness and an inability to sell.¹⁷¹ The real victims, however, were the farm workers who had either been dismissed or transferred to relief works. It is perhaps significant that Rangitikei recorded the third highest percentage decrease in rural population of any New Zealand county between 1926 and 1936.¹⁷² Similarly, for many of the small service towns in the county the

¹⁶⁸ H. Wilson, My First Eighty Years, Hamilton, 1959, p.205.

¹⁶⁹ New Zealand Gazette, 1932.

¹⁷⁰ New Zealand Gazette, 1931-1934.

¹⁷¹ TT, 17 April, 1931.

¹⁷² Census, 1936. The decrease of rural population between 1926 and 1936 was -10.34 percent, exceeded only by Weber and Waimarino counties.

fall in rural population, the effects of improved mechanisation and improved road transport resulted in a diminution of their role within the farming community. Some farmers did contribute to their own hardships by attempting to change from sheep to dairy farming in the middle of the depression with the result that when wool returns improved, they were faced instead with a falling market. Although some use was made of relief labour for the purpose, many farmers were in need of extensive development work by 1935.

Following the improvement in the market for primary produce, farming in Rangitikei entered a new phase. Dairy and crop farming began to decline while renewed emphasis was placed on increasing the yield from pastoral farming by means of top dressing. The trend towards the increasing mechanisation of farms continued. Legislation enacted by the first Labour Government, such as presented in the Primary Products Marketing Act and the Agricultural Workers Act helped to improve conditions of farm workers and provide some protection for the farmer.¹⁷³ With the general rise in the value of exports following the 1935-36 season, the worst of the depression had passed for the farmer. It was left to the towns and cities, where 30,000 were still unemployed at the end of 1938, for the remnants of the depression to be finally laid to rest.¹⁷⁴

¹⁷³ NZS, 1936.

¹⁷⁴ NZOYB, 1940, p.854.

CHAPTER 7

THE POLITICAL RESPONSE TO THE DEPRESSION

Prior to the 1928 General Election, the Rangitikei seat was regarded as a stronghold of the Reform Party. Following the 1911 election when the Liberal Member, R.W. Smith, was defeated by the Reform candidate, E. Newman, the seat remained in the Reform fold through the successive terms of Newman (1911-22) and W.S. Glenn (1922-28).¹

Between the 1928 and 1938 general elections, the Member of Parliament for Rangitikei changed in each of four successive elections. At each election the change in representative was accompanied by a change in the party affiliations of the county, with Independent, Coalition Reform, Labour and National members being returned. The period of political instability that Rangitikei experienced during the decade was partly due to the changes in the boundaries of the electorate that occurred in July 1927 and September 1937;² more important, however, was the increasingly volatile nature of the electorate, the personalities of the candidates, the political manoeuvring of the parties and their occasional reluctance to contest elections, and the depression.

From the map of the electoral districts as laid down by the North Island representation commission of July 1927 (Fig. vi) it can be seen that the boundaries of the electorate of Rangitikei differed markedly from those of the county. The main discrepancies were the inclusion of the electorate of Wanganui East and a number of smaller settlements in the north-west of the county, while excluded were the townships of Mangaweka, Hunterville, Rata and Ohingaiti (in the Oroua electorate), Bulls (in the Manawatu

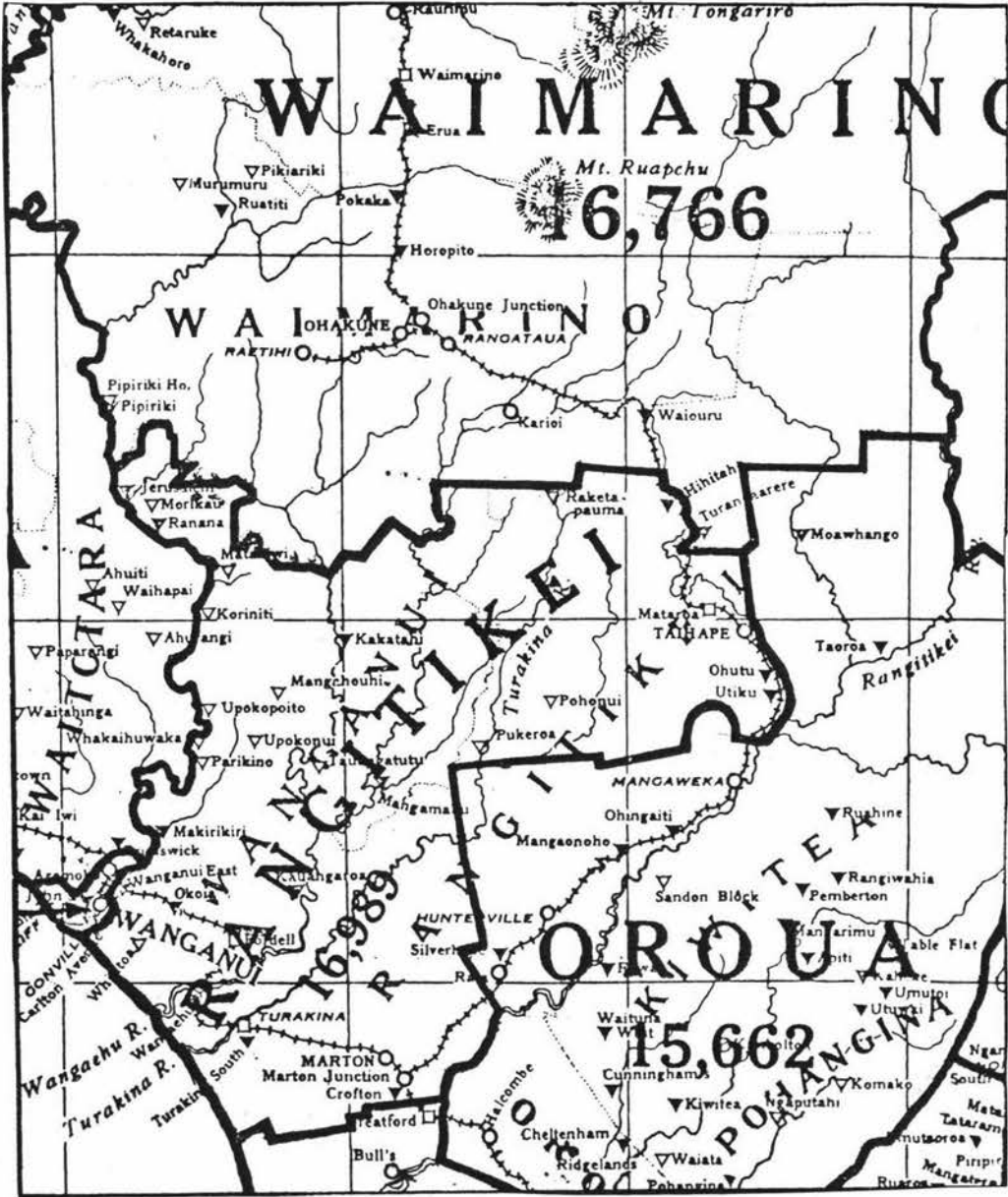
¹ Returns relative to the General Election; AJHR H.30c (1909), H.12 (1912), H.33 (1921-22, 1929).

² AJHR, H.45, 1927; 1937.

FIG. 6.

RANGITIKEI ELECTORATE

1927



BOUNDARIES OF ELECTORAL DISTRICTS AS
DEFINED BY THE NORTH ISLAND
REPRESENTATION COMMISSION,
JULY 1927.

electorate) and Waiouru (in the Waimarino electorate). In looking at the political response of Rangitikei county at the successive elections, it is necessary to allude to the political changes that were occurring in these neighbouring electorates. The vote of larger settlements such as Bulls and Hunterville, of course, can be analysed by separate booth returns, enabling some general summary to be made of the trends within the county. It is, however, intended that this chapter will concentrate primarily on the electoral district of Rangitikei, the reasons being twofold: first, the electorate corresponds geographically with the bulk of the county and includes the two boroughs of Taihape and Marton; and secondly, it is the electorate in which are situated the newspapers and local bodies on whose records much of the preceding chapters have been based.

Following the 1925 elections when the Reform candidate for Rangitikei, W.S. Glenn, was returned with a substantial majority there was little indication that the party would be in any danger of losing the seat in the foreseeable future.³ During the next three years, however, a number of factors arose which tipped the scales in favour of the United/Independent/Labour opposition. First, the boundary changes introduced in 1927 increased the actual and nominal population of the electorate while at the same time altering the rural/urban balance. The rural vote remained relatively constant, decreasing by only 70 while the urban vote increased by over 1150.⁴ This alone was not sufficient to account for Glenn's defeat in 1928. National factors were also significant. The acceptance of the United (Liberal) Party as an able and credible opposition allied with increasing dissatisfaction with the Reform Party helped to dissipate that party's support in the electorate. Glenn himself, though possessing the necessary credentials for a Member of Parliament, was not popular with the party hierarchy. Following an incident in the House in which Glenn was reported to have 'dared' his party leader, he was dubbed 'one of the malcontents of the Reform Party.'⁵ Apart from damaging the rapport between himself and the party hierarchy, his stance was viewed with suspicion in the electorate.

³ Glenn was returned by a total vote of 4613, whereas his opponents totalled 2650 and 1211 respectively. AJHR, H.33, 1926.

⁴ AJHR, H.45, 1927.

⁵ NZPD, Vol.215, 1927, pp.342-345; RA, 7 January, 1928.

In January 1928, the Advocate felt it necessary to reaffirm its support for Glenn in an editorial:

By taking a more independent line of action, Mr Glenn has lost no prestige in Rangitikei, and while dyed-in-the-wool reformers may have been perplexed by his attitude during the last session, it cannot be said he in any way sacrificed any of the party's principles.⁶

The campaign for the Rangitikei seat in 1928 was dominated by national issues, notably the uncertainty about the economy, and the strong line taken by the press. Local issues were generally over-shadowed. Rangitikei farmers had experienced a prosperous year in 1928⁷ and despite a number of bankruptcies in the county and growing unemployment, issues such as the dairy control muddle and the arbitration impasse attracted most attention.⁸ Three candidates offered themselves for the seat: W.S. Glenn, the sitting member; E.F. Andrews (Labour); and J.T. Hogan (Independent). From the outset it was clear that the real battle was between Glenn and Hogan, a Wanganui land and estate agent. Hogan had earlier represented Wanganui as a member of the Liberal Party between 1905 and 1911, but had been disenchanted by the transformation of the party under the United banner. During his campaign he asserted that 'I have always been a liberal and am a liberal still. I stand before you as an independent and as such I would vote with either party to turn the present government out of office.'⁹ By his stance he managed to secure the United vote while taking a sufficiently independent line to appeal to other voters disenchanted with Reform. He also attracted the flak of the Advocate who described him as 'either a political malcontent or a mixture of liberal and socialist.'¹⁰

As the campaign progressed, criticism of Hogan's 'independence,' and his increasing Labour support continued.¹¹ On the eve of the election Hogan was slated in the Advocate as 'Wanganui's political reject,' an independent who 'had side stepped the party question' and who was 'relying on support

⁶ RA, 7 January, 1928.

⁷ RA, 31 December, 1928.

⁸ R.M. Chapman, The Political Scene 1919-1931, Heineman, 1969, p.56.

⁹ RA, 20 October, 1928.

¹⁰ *ibid.*

¹¹ RA, 9 November, 1928.

from the Labour breakaway movement.¹² Rangitikei, it was stated, was:

one of the most loyal seats in the Dominion. The majority of its electors were men and women with a stake in the country who [had] never counselled extreme reason and [were] not likely to do so now.¹³

According to the Advocate, there was no real alternative facing the voters:

The electors have to choose between Reform with its good record, the malcontents called United with only a destructive policy and Labour, with a policy which contains extreme measures not suited to this country, or to any other part of the British Empire. In voting, it is well to remember that a vote for the Liberal-Nationalist-United group is a vote for Labour.¹⁴

Following the counting of votes on 14 November, it was found that the paper's advice had gone unheeded; Hogan was elected to the seat with a majority of over 1200. As had happened in 1925, the successful candidate totalled more votes than his two opponents.¹⁵ It was the town vote that ensured Hogan's majority, with Taihape and Wanganui East polling heavily in his favour. Of the other booths secured by Hogan, the urban booths of Durie Hill and Marton Junction were predictable. The number of rural booths secured by Hogan including Hihitahi, Utiku, Te Kapua, Pukeroa, Okoia and Mataroa was surprising, demonstrating that the Reform Party did not have the unquestioned allegiance of farmers within the county.¹⁶ Significantly most of the rural booths lost to Reform were in areas generally less prosperous and more dependent on extensive sheep farming. For many of the smaller farms, the effects of falling receipts for farm exports that had begun in 1926 were already being felt.

The election of Hogan to the Rangitikei seat was clearly a surprise to many of the rural voters in the electorate. In its post-election editorial, the Advocate noted 'It is many years since Rangitikei returned a member of a party in opposition to Reform; in fact the seat had been regarded as a strong hold of the Reform Party.'¹⁷

¹² RA, 13 November, 1928.

¹³ *ibid.*

¹⁴ *ibid.*

¹⁵ Hogan received a total of 4628 votes while his opponents, Glenn and Andrews, polled respectively 3394 and 884. AJHR, H.33a, 1929.

¹⁶ AJHR, H.33, 1929.

¹⁷ RA, 17 November, 1928.

In the neighbouring electorates there was a similar decline in support for the Reform Party. In Oroua, the previous Reform candidate, J.G. Elliot, was defeated by J.G. Cobbe, who became the Minister of Justice and Defence in the Ward Ministry. Cobbe secured a majority of 700 over his opponent, reversing the election result of 1925 in which he lost to Elliot by 470 votes. A significant shift in allegiance from Elliot to Cobbe was evident from the returns in Mangaweka, Utiku, Ohingaiti and Rata. As in Rangitikei, while Reform lost considerable support from the town districts, it was the loss of rural booths such as Moawhango, Taoroa and Wainui by Reform that occasioned most surprise.¹⁸

In the Manawatu electorate the Reform member, Linklater, was comfortably returned although with a reduced majority. In a strongly conservative seat, Linklater was assisted by the absence of a United opponent with only a Labour and Independent Reform candidate standing against him; nevertheless, his reduced vote was indicative of the country-wide swing away from Reform. In Bulls, Linklater's support dropped markedly. Whereas in 1925 he polled 376 votes to his opponents' 147, in 1928 his vote had dropped to 204 in contrast to his opponents' 331.¹⁹ To the north, in Waimarino after narrowly losing in 1925, the Labour candidate, F. Langstone, won the seat from the Independent Liberal candidate by over a thousand votes.²⁰

Accompanying surprise at the local result was concern at the national outcome which saw no one party with a workable majority. With United and Labour members voting together in a vote of no confidence, the Reform Government was defeated on 10 December, 1928. Replacing it was an uneasy alliance between Labour and United which eventually disintegrated leaving the way open for the formation of the Coalition between Reform and United in September 1931.

Despite an editorial urging optimism and support for the Government

¹⁸ AJHR, H.33, 1929.

¹⁹ *ibid.*

²⁰ *ibid.*

in early 1929,²¹ criticism of the United and Labour parties continued unabated. Editorials on 'the United spoilers' or attacking Labour Party policy were not infrequent; increasingly Reform's past record in the House was harked back to by the Government's opponents.²² Hogan did, however, strike a responsive chord with his criticisms of increasing land aggregation, and calls for closer settlement especially along the Main Trunk line, received considerable local support.²³

In his first two years in the House Hogan spoke on a number of national issues. Unemployment, immigration, railways and import restrictions all received his attention though not always in accordance with the views of the United Party;²⁴ more significant in terms of his support within the electorate was his attack on the tax exemptions for farmers, his advocacy of the abolition of flour duties and the remarkable confession that he was 'a land nationalizer.'²⁵ Local issues received much of his attention; for instance, the classification of the Taihape-Napier road as a main highway, the availability of rural finance for mortgaged farms, and the building of shelters at Marton Junction were among the topics he raised in the House during 1929.²⁶

Although criticism of the centralisation of the railways and land aggregation continued to dominate his activity during 1930, Hogan was increasingly conscious of the growing problem of unemployment in the county. He voiced his abhorrence in the House to conditions in some of the public works relief camps within his electorate.²⁷ He also strongly opposed the reduction in relief pay, the levying of special rates and assisted immigration, in his mind 'the cause of unemployment.'²⁸ In spite of the considerable number of wheat growers in the Rangitikei he maintained his opposition to the duty imposed on flour, stating:

²¹ RA, 31 March, 1929.

²² RA, 1 August, 1929; 29 September, 1929; 11 October, 1929.

²³ RA, 1 March, 1929; 2 April, 1929; 6 April, 1929.

²⁴ These were issues on which Hogan spoke in the House during the first session of the House. NZPD, Vol.221, 1929, p.476; Vol.222, 1929, pp.557, 578, 798.

²⁵ These issues were all raised by Hogan in the House during the first session of Parliament in 1929. NZPD, 1929, Vol.221, pp.474-476.

²⁶ NZPD, 1929, Vol.221, p.766; 1929, Vol.222, pp.356, 624.

²⁷ *ibid.*, 1930, Vol.224, p.241.

²⁸ *ibid.*, 1930, Vol.224, pp.241-242.

I consider the conduct of the flour milling industry in New Zealand is an absolute scandal, and that the people of New Zealand have been fleeced and robbed for far too long.....I am prepared to vote for almost anything that will bring about an improvement in the state of affairs that exists and has existed for a long time.²⁹

The opposition of the press to the United Party steadily increased after the Government's first year in office. By March 1930 the Advocate felt that there was no longer any confidence in the Government,³⁰ a statement it followed up in July with an editorial entitled 'Promise and Performance,' in effect, a scathing attack on the United Party.³¹ Although nominally an Independent and therefore supposedly immune from criticism, Hogan was experiencing his own problems. In mid-1930, a dispute had arisen over the suggestion that Rangitikei be included in the Wanganui Harbour Board. Local feeling was strongly against the proposal and the debate that subsequently took place considerably damaged Hogan's standing in and around Marton. The Advocate asked the question in August:

Why should Rangitikei be asked to take shares in an obviously sinking concern? It is no exaggeration to say that the closing of the harbour altogether would be no severe blow to Rangitikei; after all, we are within easy reach of Wellington. It is interesting to observe that the leader of the agitation is Rangitikei's former representative in parliament, [Mr W.S. Glenn], while another significant point is that the chairman of the harbour board is Rangitikei's present member (Mr J.T. Hogan). The county council has written to Mr Hogan on the matter and although over a week has passed we understand that no reply has been received from him. Is he going to desert the district which elected him to parliament? If not, why has he hesitated in replying to such an important and urgent question from the most important local body in his electorate? A Minister of the Crown in the person of Hon. J.G. Cobbe - obviously a more busy man than Mr Hogan - has found time to reply to a similar communication, but Rangitikei's Member is thus far silent. The agitation for a change is gathering force in Wanganui and Mr Hogan is failing in his duty if he does not at once take a definite stand on the side of 'this beautiful Rangitikei district' which he says he is 'so proud to represent.'³²

29 NZPD, 1930, Vol.225, p.209.

30 RA, 1 March, 1930.

31 RA, 29 July, 1930.

32 RA, 9 August, 1930.

Criticism of the United Party continued during the later months of 1930. In contrast a Young Reform League set up in Marton in November was warmly commended for its objects and ambitions.³³ By the end of 1930 an increasing number of personal attacks were being made on Hogan, especially about his continued residence in Wanganui.³⁴ After the death of Ward, Hogan became increasingly antagonistic towards the party. During the early months of 1931 he frequently clashed with Forbes. When in February 1931 Forbes asked for closure in the House, Hogan accused the Prime Minister of 'altering the rules in the middle of the game.'³⁵ Later in the session he described the Prime Minister's legislation as 'most contentious' while going as far to support the Labour Party in its motion of no confidence in the Government.³⁶ His stand did not go unnoticed in the electorate. The Advocate in an editorial in August commented that Hogan had 'placed himself on the side of extreme Labour.'³⁷ As the election campaign intensified, so too did criticism of Hogan. An editorial entitled 'Wanted; fair tactics' described recent political events in and out of the House stating that 'the Advocate will not be a party to such tactics. We have always been on the side of reform, but we approach political issues with an open mind and endeavour to be fair and constructive in our criticism.'³⁸ Unfortunately, it had little effect in sparing Hogan from the barbs of the editor, by whom he was again pilloried the following week for failing to participate in the budget debate.³⁹

The announcement on 18 September that a Coalition Government was to be formed marked the start of the campaign proper for the 1931 elections. The Advocate, which had expressed regret at Coates' turning down an earlier offer,⁴⁰ welcomed the move, remarking that 'both parties are to be congratulated on the step. From the noisy extreme Labour section there is nothing to fear.'⁴¹

³³ RA, 20 November, 1930.

³⁴ RA, 7 January, 1931.

³⁵ NZPD, Vol.228, 1931, p.559.

³⁶ NZPD, Vol.228, 1931, pp.705, 1306.

³⁷ RA, 10 August, 1931.

³⁸ RA, 15 August, 1931.

³⁹ RA, 21 August, 1931.

⁴⁰ RA, 8 May, 1931.

⁴¹ RA, 19 September, 1931.

In the House, Hogan was increasingly outspoken on the legislative failure of the Government. In October, he summed up the business of the preceding session as nothing but 'shillyshallying,' partly because he felt 'there had been no leadership whatever.'⁴² As regards the coalition of the Reform and the United Parties, Hogan was even more outspoken. In November he wryly commented that:

Reform is once more installed in office. Not only has the United Party been let down, but the very party that was turned down by the electors at the last election has been invited by the Prime Minister back into office.⁴³

The repercussions from Hogan's stance were soon apparent. In October he was relieved by Forbes of his position as Chairman of the Public Accounts Committee. In reply to criticism of his dismissal Forbes was quoted as saying:

Fancy anyone proposing that a member who had gone over to the communists should continue to act as chairman of a government committee.⁴⁴

Although Hogan was ostensibly standing as an Independent candidate in the 1931 election it was evident both from his speeches in the House and the absence of any Labour Party candidate to contest the seat that he would receive the support of most Labour voters. The Advocate tried to bring Hogan's backing into the open, stating it was 'almost certain that Mr Hogan will have Labour backing for the elections.'⁴⁵

In spite of disapproval over Stuart being named as the Coalition candidate without the consultation of United supporters, the Advocate continued

42 NZPD, Vol.230, 1931, p.586.

43 NZPD, Vol. 230,1931.

44 RA, 24 October, 1931. According to the debates, Forbes' comments were as follows: 'The Honorable Member for Rangitikei had been returned as a supporter of the United Party, he was a member of that Party when he held the position of chairman of the committee. Since then, however, he had gone over to the Labour Party with the Honorable Member for Egmont (C.A. Wilkinson) who knew perfectly well that a member who was not a supporter of the government could not hold the position as Chairman of the Public Accounts Committee.'

45 RA, 28 October, 1931.

during November to back his candidacy.⁴⁶ Even so, Hogan managed to attract considerable crowds throughout the county, in November addressing what was described as 'one of the largest meetings ever held in Rangitikei' in Marton.⁴⁷

The main issues of the election were again national issues, in particular unemployment and the Government policy of economic retrenchment. Neither candidate offered special remedies to curb the country's ills. Hogan pledged to continue to act in the best interests of the electorate and the county, while Stuart allied himself with the Coalition request for a 'blank cheque' to introduce whatever measures were deemed necessary in order to curb unemployment.

In Rangitikei the election was decided primarily on the personalities of the candidates and Hogan's past record in the House. Whereas in 1928, Hogan had been closely identified with the United Party, by 1931 his position had changed to the extent that he was seen as being more closely aligned with the Labour Party. Undoubtedly this shift served to dispel much of the support he had received from moderates seeking an alternative to Reform three years previous. In Rangitikei County, Hogan's standing had been severely affected by a number of local issues including the dispute over Rangitikei's inclusion in the WHB, his attacks on taxation exemptions to farmers and his support for the removal of wheat duties. Not surprisingly polling was to be against Hogan by over 2:1 in the booths situated in the crop growing area around Marton.⁴⁸

In contrast to Hogan, Alex Stuart was a farmer who resided within the county, chairman of the Farmers' Union and a County Councillor. Although he was assured of support from farmers in and around Marton, his greatest difficulty was clearly going to be in capturing the town vote especially in Wanganui East and Taihape.

⁴⁶ RA, 5 November, 1931.

⁴⁷ RA, 17 November, 1931.

⁴⁸ AJHR, H.33, 1932.

In the final two weeks before the election, both candidates addressed well-attended meetings throughout the electorate. In spite of considerable local support for Hogan the Advocate was unwilling to make any concessions to his cause, stating in one editorial that it was 'sorry for Mr Hogan, but the Coalition Government must have unstinted support.'⁴⁹ Hogan was clearly dismayed at the coverage he was receiving in the Advocate. His solution, however, of getting his solicitor to write to the newspaper objecting to the coverage he was receiving merely succeeded in increasing the volume of abuse.⁵⁰ Three editorials within the space of five days took Hogan severely to task. In Taihape the Times joined in attacking Hogan's 'sensitivity' over the matter of press treatment.⁵¹ As the campaign neared its conclusion, the Advocate showed no signs of reducing the intensity of its attacks. An editorial entitled 'The Independent' lambasted independents as 'whifflers' and 'people on whom you can place no dependence.'⁵² On the eve of the election the choice facing the electorate was, as in 1928, apparently self-evident, in that 'a vote against the Coalition is a vote for the only other alternative, extreme Labour.'⁵³ However, in a more reflective moment, realising perhaps the battle was not quite won, the paper warned against the dangers of apathy. Almost prophetically, in view of the closeness of the result, the voters of the district were urged to 'take no risks and record your vote.' Of the consequences of not doing so they were reminded by the maxim:

For want of a nail, the shoe was lost
 For want of a shoe, the horse was lost
 For want of a horse, the rider was lost
 For want of a rider, the battle was lost
 For want of a battle, the kingdom was lost
 And all for the want of a horseshoe nail.⁵⁴

Despite such advice and the situation in which the country found

⁴⁹ RA, 17 November, 1931.

⁵⁰ RA, 21 November, 1931.

⁵¹ RA, 24 November, 1931.

⁵² RA, 30 November, 1931.

⁵³ RA, 1 December, 1931.

⁵⁴ *ibid.*

itself in 1931, the turnout was substantially down on 1928. In all, 82.39 percent of those eligible to vote did so, a drop of over 6 percent from 1928. Significantly, the polls in Taihape and Wanganui East, areas from which Hogan drew much of his support were down by over 250 votes. In contrast, in areas in which Stuart had a strong following, such as Marton and small country booths, the total vote had increased or at least remained on a par with previous turnouts.⁵⁵

Following the counting of votes on election night, Stuart held a provisional lead of 114 votes leaving Hogan the only sitting Member in Wellington province to be ousted.⁵⁶ After the final counting was completed Stuart's majority had dropped to 13 votes out of a total vote of over 8000 with 119 informal or invalid, a result sufficiently close to encourage Hogan to request a magisterial recount.⁵⁷ In the interim, satisfaction was expressed locally at the election result. The Advocate, although paying tribute to Hogan immediately following the election, was enthusiastic at the election of Stuart.⁵⁸ The Farmers' Union also expressed its satisfaction at Hogan's demise noting that farmers could breathe more easily in regards the WHB controversy.⁵⁹ Stuart's election was warmly welcomed by the county council, of which he was a member, as was his promise that he would 'further the interests of the county through the association.'⁶⁰

Although the magisterial recount slightly increased Stuart's majority to 15, Hogan had one further recourse. In January, he lodged a petition calling for an investigation into the election for the Rangitikei seat on the grounds of irregularities during the campaign. Among the irregularities listed were allegations that Stuart and his agents were guilty of bribing voters by gifts of tea, fruit and potatoes,

⁵⁵ AJHR, H.33, 1932.

⁵⁶ RA, 3 December, 1931.

⁵⁷ RA, 14 December, 1931.

⁵⁸ RA, 4 December, 1931.

⁵⁹ RA, 23 December, 1931.

⁶⁰ RA, 18 December, 1931.

and that several booths in the electorate closed early on the day of the election.⁶¹

The reaction among Stuart's supporters, and voters within Marton to the charges was naturally one of anger. Among those whom Stuart was alleged to have bribed was a widower with thirteen children to whom Stuart had regularly given assistance in the form of food over a number of years.⁶² The fact that Hogan saw fit to categorise Stuart's charity as bribery embittered Stuart. During 1932 the issue still rankled. When the Member for Christchurch South, E.J. Howard, mentioned in the House that he had given away a wireless set worth £22, Stuart wryly commented, 'I think he is a very lucky man. I gave 9d. worth of potatoes and a bunch of grapes to two children of unemployed men and I was three days before two judges.'⁶³

The petition by Hogan was eventually considered by an election court in April. Allegations of bribery and corruption were quickly dropped allowing the court to concentrate on voting irregularities. These too were soon dismissed, confirming the election night result although Stuart's majority was further reduced to seven votes.⁶⁴

In the neighbouring electorates there were no significant changes. In Oroua the sitting Member, J.G. Cobbe, was endorsed as the official Coalition candidate and was returned unopposed. In Manawatu the sitting Member, J. Linklater, was returned with an increased majority of 2240. C.L. Hunter, the Labour candidate, polled only moderately receiving a total of 2420 votes. In Bulls, Linklater's vote increased markedly from that of 1928, increasing from 204 to 417, in the absence of any alternative conservative candidates. In Waimarino, the Labour candidate, F. Langstone, was returned in a two-way contest with a reduced majority over his Coalition Reform opponent of 591.

⁶¹ RA, 16 January, 1932.

⁶² Interview with Mr Calkin, 13 December, 1977.

⁶³ NZPD, Vol.233, 1932, p.198.

⁶⁴ RA, 18,19 April, 1932.

Meanwhile Stuart had begun his parliamentary term. His early speeches concentrated on the plight of the dairyman and what was to become one of his pet issues, the defence of the mortgagee.⁶⁵ As early as March 1932, his bias towards his rural constituency was well known in the House with one Member labelling him as the 'defender of the farmer.'⁶⁶ Throughout the first session (as was to be the case for the next four years) Stuart concentrated on the issues he knew most about; the problems facing the farmer and specifically those farmers in his electorate.

Among the issues that occupied Stuart's attention were specific requests for assistance such as his call for a reduction in telephone rentals for backblocks farmers.⁶⁷ His response to the growing number of unemployed was simple, Stuart's slogan being 'to get the men into the country. Get them out of the towns at all costs.....for nothing is bred but unrest,' a policy praised by the Advocate.⁶⁸ Following discussions over Easter 1932 with several farmers in his constituency, Stuart claimed that a 'large number' of unemployed could be absorbed on works in Northern Rangitikei alone and 'for a considerable time.'⁶⁹

Although he was at home in speaking on issues of which he had some local knowledge such as the financial plight of the Marton Jockey Club and the administration of MHB funds he was less confident on topics of national concern.⁷⁰ An example of his ambivalence was in the debate on the Finance Bill, and specifically the provisions regarding the cuts in spending on education. Although he spoke out against denying five year olds the right to primary education, he eventually voted in favour of the cuts, for which action he was soundly criticised by the Labour Party.⁷¹

⁶⁵ NZPD, Vol. 231, 1932, p.274

⁶⁶ NZPD, Vol. 231, 1932, pp.612-615.

⁶⁷ NZPD, Vol. 231, 1932, p.686.

⁶⁸ RA, 12 April, 1932.

⁶⁹ NZPD, Vol. 232, 1931, p.818.

⁷⁰ NZPD, Vol. 232, 1932, p.694.

⁷¹ NZPD, Vol. 232, 1932, p.695.

The opinion of the Advocate of the first six months of the Coalition Government was at best lukewarm. In April 1932, the paper had spoken out in support of the Labour Party in opposing the reduction of Members' salaries to £365, agreeing that it would 'tend to make it a rich man's parliament.'⁷² By early winter the paper was openly critical of the Government. An editorial in May stated that 'candidly we are disappointed with much that the present government has done, but we are even more disappointed with what it has failed to do.'⁷³ The following day in order to qualify the 'rush of blood' of the previous issue, the Advocate noted that while the Government's policy of retrenchment 'does not meet with the entire approval of the Advocate.....we are afraid we cannot turn to the opposition party for an alternative policy.'⁷⁴ Stuart also came in for his share of criticism for failing to defend his action supporting the extension of the life of Parliament to four years, though his failure to do so was not seen as surprising by the Advocate 'as his action is indefensible and that is all there is about it.'⁷⁵

As the number of unemployed again increased in the winter months of 1932, criticism of the Government became more intensive. An editorial in July maintained that the patchwork policy of the Government 'has proved an outstanding failure.'⁷⁶ As an indication of local discontent with the Government's economic measures and increasing political interest in the county, it was decided at a meeting of local residents that a monetary reform league be formed in Marton.⁷⁷

In the House, Stuart continued to champion the farmer's cause. Speaking in the Address-in-Reply debate in September 1932 he pressed for more concessions for farmers from the New Zealand Railways for the transport of fertilisers.⁷⁸ In regards unemployment relief, he stoutly

⁷² RA, 27 April, 1932.

⁷³ RA, 4 May, 1932.

⁷⁴ RA, 5 May, 1932.

⁷⁵ RA, 25 May, 1932.

⁷⁶ RA, 13 July, 1932.

⁷⁷ RA, 22 July, 1932.

⁷⁸ NZPD, Vol. 231, 1932, p.199.

defended the setting up of relief camps using his experience on the RCC and MUC to support his contention that workers in the camps were well treated and satisfied with their lot.⁷⁹ At the same time, he criticised those unemployed who were unwilling to move to the country to secure work, drawing on the example of farmers in his electorate who had been unable to obtain regular labour.⁸⁰ Not surprisingly, his criticisms of unemployed were in turn criticised, particularly the remark he had made earlier in the House that 'some unemployed were not worth £1.17s.6d. a cartload.'⁸¹

In the last two months of 1932, Stuart continued to press for concessions to farmers. In contrast to Hogan, Stuart (himself a large crop farmer) opposed the removal of duties on flour, for which he was duly supported by the Advocate.⁸² Further requests were made for the reduction in railway tariffs on the carriage of livestock in November.⁸³ Throughout his term, Stuart continued to address the House on any topic of relevance to the farmer, for which he was increasingly criticised as 'thinking only of the farmer.'

Often Stuart's stance in the House was openly parochial. When the Hospitals and Charitable Institutions Amendment Act was debated during November 1932, Stuart agreed that cuts should be made and that patients were well fed and well cared for. However, he added that 'if I thought there was the slightest danger of such hospitals as the Taihape Hospital being closed I would not vote against the bill.' Not surprisingly, he was accused of parochialism in approving of economies providing they did not affect his own constituency.⁸⁴

By the end of 1932, Stuart and the Government had regained some of their standing in the county. Stuart was warmly supported for his stand

⁷⁹ NZPD, Vol. 233, 1932, pp.199-200.

⁸⁰ NZPD, Vol. 233, 1932, p.201.

⁸¹ *ibid.*

⁸² NZPD, Vol. 234, 1932, p.93; RA, 4 November, 1932.

⁸³ NZPD, Vol. 234, 1932, p.235.

⁸⁴ NZPD, Vol. 234, 1932, p.498.

on reasonable protection for wheat growers, and for his criticism on the reluctance of local unemployed to leave relief for 'essential seasonal work.'⁸⁵ In contrast, the Labour Party met increased criticism from the Advocate following Holland's adverse reaction to defeat in the Motueka by-election. An editorial in December entitled The Petty Party described the Labour opposition as 'nasty, peevish and impudent.'⁸⁶

The first few months of 1933 were marked by a series of clashes between Stuart and members of the Opposition. Stuart's criticism of unemployed during the debate on the Sales Tax Bill seemed to provoke the opposition. His comment on the disadvantages of full employment that 'there was a time when one had to pay a wage earner of £1 a day and lift one's hat to him to get him to do any work' raised the ire of the Opposition members.⁸⁷ R.A. Wright, Member for Wellington Suburbs, reproached Stuart:

He is, I repeat a young member of this House. When speaking on this bill he lectured members who have been in the House for many years. He invariably lectures his fellow members when he speaks, and the burden of his criticism is that the other speakers either talk nonsense or they do not know what they are talking about. He never attempts to reason, or to show the fallacy of the arguments used. Last night the honorable gentleman said that the Honorable Member for Hutt (Nash) talked a lot of nonsense. Let me tell him that he is not fit to brush the boots of the Honorable Member for Hutt.⁸⁸

Rather than curbing his ebullience, Stuart was even more outspoken in the debate on the Mortgagors and Tenants Relief Amendment Bill stating that 'amendments of the sort contained in this Bill are useless.'⁸⁹ Congratulating Coates on the New Zealand Debt and Conversions Bill, he

⁸⁵ RA, 4 November, 1932.

⁸⁶ RA, 10 December, 1932.

⁸⁷ NZPD, Vol. 235, 1933, p.521.

⁸⁸ NZPD, Vol. 235, 1933, p.554.

⁸⁹ NZPD, Vol. 235, 1933, p.704.

mildly rebuked the Government on the Finance Bill (no. 3) that 'personally I do not think the Government has gone far enough in its interest reduction proposals in view of the position that the country generally and the farming community particularly, are in owing to the low prices ruling for our products.'⁹⁰ In turn, he was the recipient of criticism from Opposition Members for urging that further aid be given to the farmer and for his criticism of unemployed. Following an interjection during the debate on the Finance Bill (no. 4), the Member of Westland, J. O'Brien, commented that 'if the Honorable Member (for Rangitikei) was unemployed, he would be one of the biggest yelpers in the country.'⁹¹

Undaunted, Stuart continued to press those issues which affected the farming community during the third session of Parliament. In the want of confidence debate in September he defended both mortgagees and stock and station agents, describing the latter as 'probably doing more to assist the farming community than any other institution.'⁹² The Summertime Amendment Bill was opposed on the grounds that it was 'detrimental to the farming people.'⁹³ He remained unwavering in his support of relief camps and, likewise, critical of many relief workers, using the example of a job he offered for 30s. a week with 'free everything bar groceries' which was turned down by a relief worker.⁹⁴

The criticism of the Labour Member for Lyttelton, E.R. McCombs, that farmers' wives were not looking after and feeding their employees predictably drew an angry response from Stuart who was easily goaded into speaking on their behalf.⁹⁵ Stuart's advocacy of the small and backblocks farmer continued to dominate his attention throughout 1933, allowing him to reiterate his argument that many jobs were available in the country but were not taken up because of the reluctance of relief workers to move and find work.⁹⁶ In speaking on the unproductive nature of much relief work

⁹⁰ NZPD, Vol. 235, 1933, pp.1054-1055.

⁹¹ NZPD, Vol. 235, 1932, p.1149.

⁹² NZPD, Vol. 236, 1932, pp.184-187.

⁹³ NZPD, Vol. 236, 1932, p.529.

⁹⁴ NZPD, Vol. 236, 1932, p.749.

⁹⁵ NZPD, Vol. 236, 1932, pp.750-751.

⁹⁶ NZPD, Vol. 237, 1932, p.452.

he drew attention to the amount of roading that needed to be done in his own electorate, beseeching the House to put the men on contracts so that those willing to work would get reasonable rewards.⁹⁷

In matters other than farming, Stuart was more outspoken than in previous years. This was particularly so in regards his call for the dairy and meat boards to be amalgamated under a produce board and his criticism of the banks.⁹⁸ The earlier dispute between the Wanganui Hospital Board and the RCC was clearly in Stuart's mind when he argued during the debate on the Napier Harbour Board Loan Bill that 'probably more (money) had been wasted through harbour boards than through any other local bodies.'⁹⁹

With export prices beginning to improve, albeit gradually, hostility towards the Government subsided during the latter months of 1933. Even so, the Advocate in defending the Coalition Government against the Labour Opposition stated that 'wholehearted support cannot be given to all the legislation passed by the Coalition Government.'¹⁰⁰ Stuart meanwhile was endeavouring to do his best to serve the interests of those in his constituency. During the winter of 1933, he visited a number of relief camps in the county, and in at least one instance took the grievances of relief workers directly to the Unemployment Board.¹⁰¹ His outspokenness in the House did not please all in his electorate, however. Among other names, he was labelled a 'disciple of Hitler's' by one of his electorate for his views on women's place in society.¹⁰²

During the latter months of 1933, Stuart undertook a number of public meetings throughout the electorate. Most of his addresses attacked the Labour Party, probably because of the difficulty in defending the actions of his own colleagues. At Taihape he accused the party of 'going

⁹⁷ NZPD, Vol. 237, 1932, p.453.

⁹⁸ NZPD, Vol. 237, 1932, pp.451-454.

⁹⁹ NZPD, Vol. 237, 1932, p.1126.

¹⁰⁰ RA, 28 September, 1933.

¹⁰¹ RA, 3 June, 1933; 19 July, 1933; 16 September, 1933.

¹⁰² RA, 12 September, 1933.

around the country selling pills that would cure anything from a sore toe to a broken heart.'¹⁰³ Labour meanwhile was experiencing a surge in membership throughout the country following the failure of the Government to legislate the country out of the depression. Considerable interest was also being voiced in Douglas Credit. A number of meetings were held to expound their theories throughout Rangitikei, including one addressed by A.E. Robinson, the provincial secretary of the Auckland Farmers' Union.¹⁰⁴

1934 saw a further improvement in the number of unemployed and in export prices, particularly for wool and meat. During the course of the year the Government made a five percent restoration of civil servants' wages and sustenance payments were regularised and made permanent. Overall the Government was able to consolidate and improve earlier legislation designed to cope with the large number of unemployed in the country.

During the course of the year, Stuart frequently addressed the House on his pet issues. Predominant among these was his defence of wheat duties. In debating the Customs Tariff Bill in July, Stuart argued that the whole community benefited from the duties and that only 25 percent of the cost of bread was, in fact, wheat.¹⁰⁵ In a later debate on the Customs Acts Amendment Bill, Stuart adopted a different tack, comparing the duties imposed on wheat to those imposed on boots. His arguments were praised by the Opposition M.P., J.A. Lee:

He is almost starting to see the light. To see a Member on that side of the House give utterance to what is almost believed to be a heretical opinion when it comes from this side of the House - that New Zealand should attempt to produce what it needs and no more than what it needs - is such a sign that the Member has a contrite heart indeed.....¹⁰⁶

The same line of reasoning was followed by Stuart when the Bill

¹⁰³ RA, 10 October, 1933.

¹⁰⁴ RA, 28 September, 1933; 30 September, 1933.

¹⁰⁵ NZPD, Vol. 238, 1934, p.503.

¹⁰⁶ NZPD, Vol. 239, 1934, p.430.

reached its committee stages. Stuart argued that boot duties were costing New Zealand far more than duties on wheat, despite the bad harvest for wheat in 1932, when large quantities had to be imported. His advice that the Dominion would be 'very wise to retain the duties' was largely adhered to in the Customs Acts Amendment Act of October 1934 which made special provisions for wheat and wheat flour.¹⁰⁷

Stuart made a number of pleas during the course of the year on behalf of farmers. In the House he defended 'one of the wealthiest men in the country, a man who was alleged to have made thousands of pounds out of the exchange rate' against the charge of receiving subsidies from the Unemployment Board, while championing the cause of the small farmer and returned soldiers' settlements whose land was not good enough for dairy farming and too small for anything else.¹⁰⁸ He defended the hoarding of wool against the attacks of the Labour Party who described the practice as a 'seditious strike.'¹⁰⁹ He also attacked the Government over the transport coordination board on the grounds that it was adding to the farmers' costs, for which he was congratulated by the Government Member for Parnell, for his show of 'sturdy Scotch independence.'¹¹⁰

A number of issues other than farming received Stuart's attention. Banks, which had been an earlier target, came under fire in September for charging more than five percent on overdrafts. Stuart gave evidence in the House that 'at two branches of the Bank of New Zealand - at Hunterville and at Mangaweka - 5½ percent was charged on gilt-edged securities up to the end of June.'¹¹¹

Unemployment was another topic that received mention. Throughout 1934, Stuart pressed for improved wages for relief workers, the need for a larger percentage of productive work and for the removal of preference

¹⁰⁷ NZPD, Vol. 239, 1934, p.955.

¹⁰⁸ NZPD, Vol. 238, 1934, p.706; Vol. 240, 1934, p.984.

¹⁰⁹ NZPD, Vol. 239, 1934, p.28.

¹¹⁰ NZPD, Vol. 238, 1934, p.196.

¹¹¹ NZPD, Vol. 239, 1934, p.689.

for city unemployed over country unemployed.¹¹² With the continuing fall in dairy prices he became more critical of the inefficient farmer, arguing, in November, against a subsidy for dairy farmers on the grounds that small businessmen were in equal plight.¹¹³

Towards the end of 1934 interest in the political campaign for the following year's election was aroused by a sequence of well-attended meetings within the electorate. In December, Ormond Wilson, the Labour candidate, held his first major political meeting in Wanganui East.¹¹⁴ The appearance of Savage and Wilson at the Marton Town Hall two days later realised a further large and enthusiastic crowd. The Advocate strongly attacked the speeches made, criticising the idealism of the Leader of the Opposition and urging voters 'to think and not get carried away with Savage.' Wilson was more warmly received with the comment that 'Mr Wilson is an idealist and a visionary for whom we have every respect and liking, and it is his personal charm which has gained for him a choice of helpers which includes some of other political opinions.'¹¹⁵

By February 1935, the Advocate had become more critical of Wilson's 'idealism.' The presence of a full page address by Wilson, outlining Labour's policy was labelled in the following day's editorial as an 'attractive dream which would more than likely materialise into a hideous nightmare.'¹¹⁶ Several letters were received from farmers, criticising Wilson's stand under the Labour banner.¹¹⁷ At least one farmer who had previously contributed to the boys' camp held on Wilson's property and provided for by local farmers, withdrew his support after learning of Wilson's candidature.¹¹⁸ Stuart meanwhile continued to receive the backing of the press. An editorial in April entitled 'A diligent representative' expounded the virtues of Stuart and the fact that his candidature had been enthusiastically endorsed by Coalition supporters.¹¹⁹

¹¹² NZPD, Vol. 239, 1934, pp.689-690.

¹¹³ NZPD, Vol. 240, 1934, pp.983-985.

¹¹⁴ RA, 5 December, 1934.

¹¹⁵ RA, 8 December, 1934.

¹¹⁶ RA, 23 February, 1935.

¹¹⁷ RA, 27 February, 1935.

¹¹⁸ Interview with O. Wilson, September 1977.

¹¹⁹ RA, 10 April, 1935.

PLATE IV The Old and the New

Alex Stuart and Ormond Wilson - successive
Members of Parliament in Rangitikei between
1931 and 1938.

(John Stuart, S.P. Andrew Collection,
Alexander Turnbull Library)



The drought that was severely affecting crop and dairy farmers in many areas of the North Island was among the first issues raised by Stuart in the House during the fourth session of Parliament which began on 13 February, 1935.¹²⁰ Although achieving little apart from placing the position of distressed farmers before the House, Stuart's efforts on behalf of the local farmer continued to increase. In February he requested assistance for the farmer in securing labour, for which he was assured measures were in the offing.¹²¹ The disclosure that the price of cream in Wellington was 12s. a gallon aroused further criticism from Stuart who stated that the Rangitikei, Rata and Taihape dairy companies could supply cream on Wellington at 4s. a gallon and still make a profit.¹²²

Unemployment continued to dominate the business of the House. The new regulations for scheme five labour which came into effect in January 1935 were strongly opposed by Stuart. At a meeting of the RCC, Stuart himself moved 'that the RCC regrets it will not be able to continue to employ relief workers under scheme 5 unless the conditions as now laid down be made more practicable for country districts.'¹²³ Stuart's attitudes to sustenance payments were strongly influenced by the shortage of farm labour. During the Address-in-Reply debate he was outspoken in his criticism of unemployed, blaming the educating of people for positions that did not exist as the cause of the farmer not being able to obtain labour. Many people he alleged were going to the cities in spite of the absence of jobs, knowing that they would be supported by the Unemployment Board.¹²⁴ Stuart was equally scathing in his criticism of particular groups using unemployment relief including the large number of Maoris who, he asserted, 'were never anxious to obtain full time employment' and freezing workers who registered after the completion of the killing season.¹²⁵ Although he admitted that wages offered were as low as 10s. a week on some farms, he was adamant in his opposition to continued relief payments,

¹²⁰ NZPD, Vol. 241, 1935, pp.161-162.

¹²¹ NZPD, Vol. 241, 1935, p.236.

¹²² NZPD, Vol. 241, 1935, p.239.

¹²³ RCC Minutes, 24 January, 1935.

¹²⁴ NZPD, Vol. 242, 1935, p.299.

¹²⁵ NZPD, Vol. 242, 1935, p.300.

asking 'why should people pay the present heavy rates of taxation for the relief of unemployment when the farmers are unable to get labour?'¹²⁶

During the course of 1935 Stuart reiterated his defence of the mortgagee, commenting on the debate of the Mortgage Corporation of New Zealand Bill that:

we hear a great deal about the mortgagors and the difficulties they are in, but very few people have mentioned the difficulty of the mortgagee. Many of the mortgagees are even more up against it than the mortgagor.¹²⁷

In reply to Labour Party criticism of the mortgagee, Stuart again returned to the fray in September arguing that:

It was only by hard work that many of the present day mortgagees made their farms freehold and their all has been invested in those properties, now leased to others. The mortgagors are getting a living on the land if nothing else and they are allowed to continue there for five years. I consider that in such circumstances they are very lucky indeed.¹²⁸

Stuart's support for mortgagees found few adherents in the House, although in his electorate he was congratulated on his stand by the Advocate.¹²⁹ With the coming election and the need for a display of party unity, however, he was less critical of his party's efforts in the latter months of 1935. During the Address-in-Reply debate in September, he warmly endorsed the Government's policy of retrenchment stating that:

during the able speech he delivered, the Minister of Lands referred to the fact that during the depression the Government had not increased the national debt by one penny piece. Well, I think that is something that everyone on this side of the House has every reason to be proud of.¹³⁰

¹²⁶ NZPD, Vol. 242, 1935, p.299.

¹²⁷ NZPD, Vol. 241, 1935, p.176.

¹²⁸ NZPD, Vol. 241, 1935, p.298.

¹²⁹ RA, 11 February, 1935.

¹³⁰ NZPD, Vol. 242, 1935, p.296.

With export prices continuing to rise and the number of unemployed falling, Stuart along with other Coalition Members viewed the coming election with some confidence. In one of his latter speeches in the House Stuart noted that 'prosperity is again in sight and with the return of the present Government at the next election, which is assured, hard times and unemployment will be forgotten.'¹³¹

By mid-1935 there was a growing interest in the campaign for the Rangitikei seat. Wilson (Labour) and Stuart (Coalition Reform)¹³² were expected to contest the election although the announcement in August of a Democrat candidate to contest the seat considerably threatened support for Stuart.¹³³ The Democrat candidate, W.J. Crawford, a well-known master printer from Palmerston North, was expected to receive the vote of many conservative protestors disgruntled with the Government, but opposed to the Labour alternative.¹³⁴ When Hislop, the leader of the Democrats, spoke at Marton in October, he was attacked by the Advocate not on account of the party's platform, but because of the threat that the Democrats would split the conservative vote. The Advocate, however, was confident that 'the electors will return their existing representatives rather than risk anything which might bring Labour into power.'¹³⁵

As in previous elections, the Advocate continued to champion the policies of the Coalition Government while simultaneously disparaging those of the Opposition. An editorial in August made play of the fact that only Stuart of the three candidates was a resident of the Rangitikei electorate (Wilson residing in the Manawatu electorate, Crawford in Palmerston North).¹³⁶

¹³¹ NZPD, Vol. 242, 1935, p.301.

¹³² The coalition of Reform and United parties into the National Political Federation had taken place on 12 May, 1935; however, in the 1935 general elections, candidates representing the NPF were still commonly referred to as Coalition candidates.

¹³³ RA, 14 August, 1935.

¹³⁴ M.C. Pugh, 'The New Zealand Legion and Conservative Protest in the Great Depression,' p.145.

¹³⁵ RA, 18 October, 1935.

¹³⁶ RA, 19 August, 1935.

The opening speech of the Labour campaign in Marton was significant for the Mayor, Purnell's endorsement of Wilson's candidature and his praise of Wilson's forbears, notably his grandfather, Sir James Wilson, a Member of Parliament from 1882 to 1896. The Advocate viewed Wilson much less favourably, commenting that 'visionary that he is, he is in pursuit of an ignis fatuus.'¹³⁷

During November in the face of further editorials attacking both the Democrat and Labour parties, it was becoming apparent that there was growing opposition in Marton to Stuart and the Coalition Government. At several meetings in the town, Stuart was loudly heckled, in one instance to the extent that his address became a shouting match between speaker and audience.¹³⁸ Significant also for the coming election was the enormous amount of local interest being taken in the election campaign with political meetings being invariably well attended.¹³⁹

On the eve of elections, the main issues that confronted the Government were unemployment and the bitterness that had been engendered by its attempts to legislate its way out of the depression. Although it was apparent that the worst had passed and the country was back on a steady helm, there were still many unemployed.¹⁴⁰ All sections of the community had suffered to some extent from the Government's economic and social policies, particularly its obsession with curbing expenditure by adhering to a policy of retrenchment. Its decision to extend the life of Parliament, allied with cuts in pensions, health and education were all bitter pills that had been swallowed only with difficulty.

On contrast, the Labour Party had prospered during its term as the opposition party. The radical image which had alienated support of moderates previously had been watered down, a process aided by the death of Holland and the succession of Savage as party leader. By a number of

¹³⁷ RA, 17 October, 1935.

¹³⁸ RA, 23 November, 1935.

¹³⁹ Interview with Mr Calkin, 13 December, 1977.

¹⁴⁰ The number of unemployed males on 23 November, 1935 still totalled 57,246. NZOYB, 1937, p.707.

policies designed to insulate the economy and by advocating more houses, improved working conditions and a programme of social reform, the Labour Party was able to reach a far greater audience than it had previously.

Two other movements were to be significant in the election result - the Democrat Party which arose in part out of the conservative protest, the New Zealand Legion, and which was particularly feared by the Coalition Party for the probability that it would split the conservative vote;¹⁴¹ and the Douglas Credit movement which, although offering no candidates themselves, backed candidates of other parties according to the choice of the local Douglas Credit branches. Evidence suggests that most branches supported Labour.¹⁴² In Rangitikei, Wilson was given assistance by the Wanganui branch of Douglas Credit although he was not as emphatic on the subject of monetary reform as many other Labour candidates.¹⁴³ In his thesis on Douglas Credit and the Labour Party, Clifton noted that in Rangitikei Ormond Wilson made:

balanced, reasonable and intelligent speeches, tending more towards Nash's pattern than in the direction of Savage's rhetoric. The guaranteed price would be financed by balancing good years against bad, and he made little reference (at least little was reported in the press) of the need for monetary reform.¹⁴⁴

Although there is no evidence of the number of Douglas Credit supporters in Rangitikei by 1935, it is likely that many of the small farmers who voted Labour in 1935 were enticed into the fold through Douglas Credit. Nationally, the contribution of Douglas Credit to the Labour Party victory was immense. In 1938 J.A. Lee wrote:

It can finally be said that the Douglas Credit movement's activities were the corridor through which tens of thousands of voters entered the Labour Party. Douglas Credit agitation must have a big share of the credit for any Labour success.¹⁴⁵

¹⁴¹ M.C. Pugh, p.175.

¹⁴² R. Clifton, 'Douglas Credit and the Labour Party 1930-35,' M.A. thesis, Victoria University, 1961, p.233.

¹⁴³ *ibid.*

¹⁴⁴ R. Clifton, p.245.

¹⁴⁵ J.A. Lee, Socialism in New Zealand, London, 1938, p.43.

Personalities played a significant role in the election. Wilson at the time of the general election was aged only 28. He had been educated at Oxford where he came into contact with Fabian Socialism, yet still retained strong roots in the electorate through his family and farming connections. Stuart, on the other hand, 60 at the time of the election, was the sitting Member, a farmer and a County Councillor. In the House he had been the farmers' advocate voicing his opinion on any issue likely to affect his electorate; in contrast Wilson campaigned under the slogan of 'country first,' avoiding local issues where possible and concentrating on the task of restoring the country to a state of economic and social well-being.

On the eve of the election, the Advocate made one final plea for the return of Stuart:

Although the Rangitikei county is one of the largest in the Dominion, there are no secondary industries of note and consequently every businessman and worker is, directly or indirectly, dependent upon the prosperity of the farming community for his welfare. There is the need for a common-sense representative, one who stands for the interests of farmers and the working class.

Neither Wilson, a 'farmer by inheritance with limited experience and socialist philosophies' nor Crawford, 'a businessman and town orientated' were seen as suitable representatives of the strongly rural electorate. Accordingly, the Advocate concluded there was little choice but to return the sitting Member.¹⁴⁶

The result of the general election in November 1935 saw the Labour candidate Ormond Wilson comfortably win the Rangitikei seat from Alex Stuart, the sitting Member. His victory by a margin of 907 votes was indicative of the nation-wide swing towards Labour which saw that party secure 53 seats in the House in comparison with 19 held by the Coalition Party.¹⁴⁷ Significantly, the Democrat candidate, W.S. Crawford, polled heavily at several booths in the electorate including Durie Hill,

¹⁴⁶ RA, 26 November, 1935.

¹⁴⁷ AJHR, H.33, 1936.

Wanganui East, Taylorville and Marton where he had a considerable following. Although Wilson's success could not be attributed solely to the Democrat vote, it seems likely that the division of the conservative vote cost Stuart any chance of retaining his seat.

Stuart lost the majority of his support in the town areas. For instance in Marton, where in 1931 Stuart gained 898 votes, he received only 667, while the combined Labour and Democrat vote increased from 475 to 747. In Taihape and Wanganui East his vote also dropped significantly as it did in a number of smaller settlements including Utiku, Turakina and Fordell. In most rural booths, however, including Pohonui, Parikino, Mangamahau, Makirikiri South and Kaungaroa his vote either improved or remained steady despite the three-way voting. Wilson received the majority of votes from the town areas of Taihape, Wanganui East, Marton Junction and Taylorville, being the highest polling member in each of those districts. Although winning only a few rural booths, he polled consistently enough to ensure the winning of the seat.

In neighbouring electorates there were also substantial changes. In Manawatu, Linklater lost his seat in a five-way contest to the Labour candidate, C.L. Hunter, by 29 votes, reversing the position of four years previously. Although Hunter increased his vote by over 500 on the previous election, Linklater's defeat was due more to the two independent candidates, Closey (1271 votes) and Hornblow (618 votes) and the Democrat candidate, M.H. Oram (676 votes), than to a sudden swing to Labour. In Bulls, Linklater's vote dropped substantially from 417 at the previous election to 271. Hunter and Closey both polled well in Bulls, recording over 200 and 100 votes respectively.

In Oroua, J.G. Cobbe was returned with a majority of 2333 votes despite the presence of a Democrat, H. Fair, polling over 1600 votes. The Labour candidate, W.H. Oliver, although well beaten with a total vote of 2383, polled heavily in the town districts of Hunterville and Mangaweka, topping the poll in both Utiki and Ohingaiti. Considering that no Labour candidate had contested the seat in the previous two elections, the Labour vote was indicative of the dissatisfaction with the Coalition Government, particularly evident in the small railway settlements along the Main

Trunk.¹⁴⁸

The 1935 election was one of the most significant in the country's history. Never before had such interest been created by an election nor such a dramatic change been engineered in the personnel of Government. In Rangitikei, the increased turnout was indicative of the voters' determination to participate in the political future of the country. In total, the turnout in the electorate in comparison to 1931 rose by 8.65 percent to over 91 percent.¹⁴⁹

Considering the margin by which Stuart lost the seat he had held by only seven votes following the 1931 election, he was by no means disgraced by his defeat. This was particularly so when the presence of a conservative third party is taken into account. Rather, it was surprising that he polled so well, in view of the fate of many of his Government colleagues. Clearly Stuart's participation within the electorate on the RCC and the local unemployment committee served to retain the loyalties of many of his supporters. His strong pro-farmer stand in the House was no doubt welcomed by his farming colleagues although earning him the ire of the townsfolk.

During his term in the House, Ormond Wilson adhered strictly to his slogan of 'country first,' rarely dwelling on local issues. Despite this, his standing in the electorate increased markedly, with the result that he was to lose the 1938 election only narrowly to the National candidate.¹⁵⁰ This was in spite of substantial boundary changes in the electorate which increased the rural vote from 7424 to 14,194 and slashed the urban vote from 9565 to 3728 (Fig. vii).

In many ways, the political response in the Rangitikei complemented the national response: in 1928, a Member initially sympathetic to the United Party was returned, succeeded in turn by a Coalition Member in 1931 and a Labour Member in 1935. Clearly national trends were important in influencing the local vote, although in an election such as that of 1931,

¹⁴⁸ AJHR, H.33, 1936.

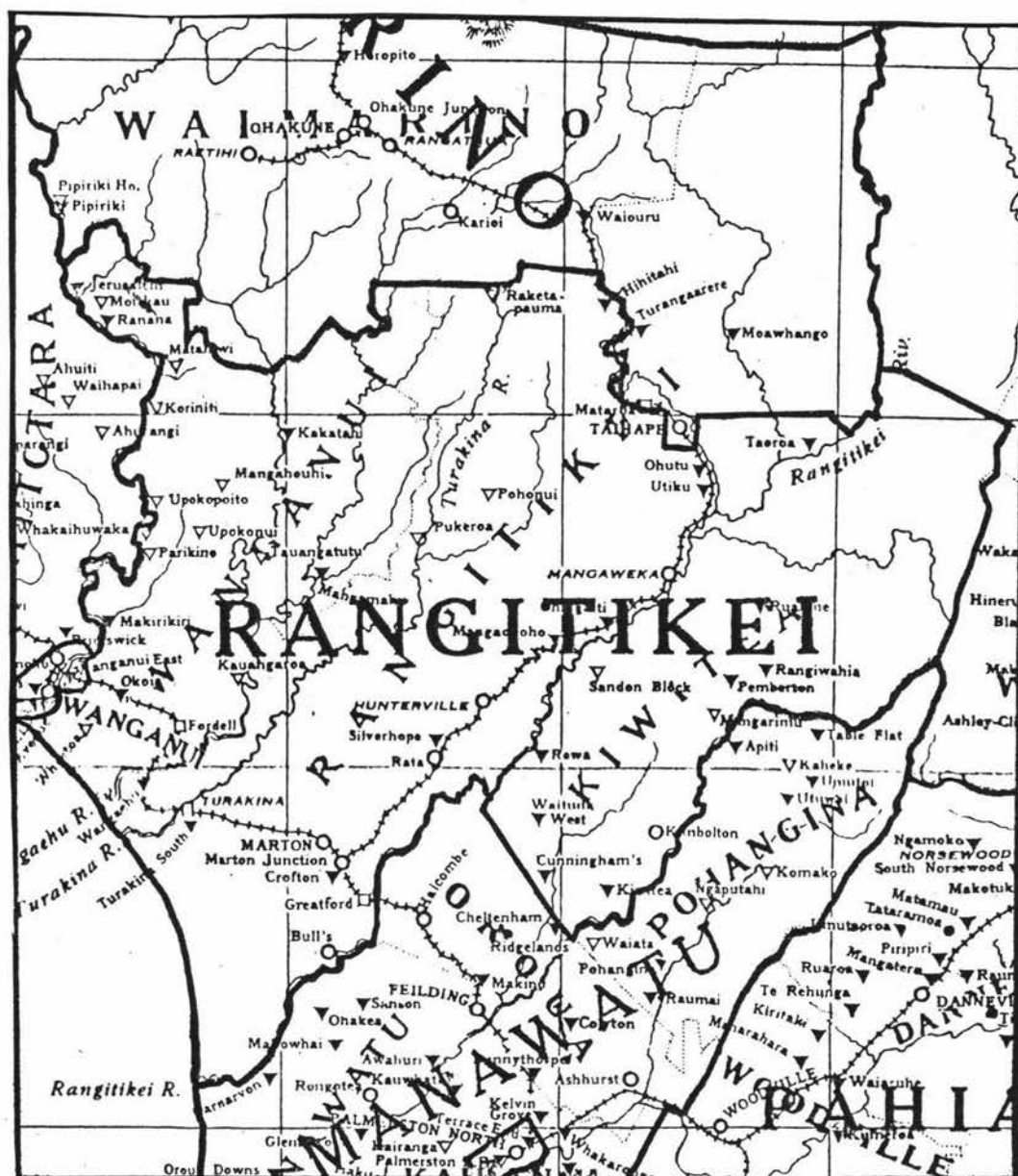
¹⁴⁹ *ibid.*

¹⁵⁰ AJHR, H.33, 1939.

FIG. 7.

RANGITIKEI ELECTORATE

1937



BOUNDARIES OF ELECTORAL DISTRICTS AS
DEFINED BY THE NORTH ISLAND
REPRESENTATION COMMISSION,

SEPTEMBER 1937.

the low turnout of voters and the differences in personalities were sufficient to tip the poll either way.

As was the case with most conservative newspapers the Rangitikei Advocate was a fervent supporter of the Reform and later the Coalition Parties. Though the Advocate did venture to criticise the Government, particularly during the dark days of 1932-33, there is more than a grain of truth in Pugh's assertion that 'at election times, editors tended to overlook the misdemeanours of conservative governments.'¹⁵¹ At three successive elections, the Advocate never shifted from its conservative stand with the result that in 1928 and 1935 it ended up backing losing candidates.

Much of the material for this chapter is derived from this same opinionated and often biased source. Rather than shying away from its use we can, however, use the Advocate as a valuable yardstick by which the political response of the electorate can be measured. In Rangitikei, its strongly conservative stance coloured its social and political commentary. As a result it is easily recognisable as representative of the 'depression mentality' that permeated the press of the early thirties.

¹⁵¹ M.C. Pugh, p.176.

CONCLUSION

THE LEGACY OF DEPRESSION

We did not dare to breathe a prayer
Or give our anguish scope
Something was dead in each of us
And what was dead was hope.¹

When the clouds of depression did finally dissipate in the wake of the 1935 elections, they left behind them an embittered people. For many, the preceding years had been traumatic and in many instances ruinous. People in all walks had learnt a philosophy which was to last all their lives and which included a distrust of banks and bureaucracy and a deep-rooted antagonism towards any subsequent conservative Government.

The psychological legacy of the depression has often been used as a counterweight to the sound economic position in which the country found itself in 1935; Coalition members in particular seemed unsure as to whether the fact that the Government had emerged from the slump with a smaller overseas debt than it had entered it was a cause for pride or embarrassment.² Nor was it only the Government that appeared to use the depression to good effect - local bodies, government departments, land speculators and wealthy farmers all profited to some degree from the depression, a fact that rankled in the minds of unemployed and relief workers. The pessimism that pervaded the literature of the period, as depicted in the short stories of Sargeson gave voice to the hopelessness and frustration many felt at the Government's handling of the slump. A significant few were unable to cope with the increased pressures, with the

¹ Oscar Wilde, The Ballad of Reading Gaol.

² NZPD, Vol.242, 12 September, 1935, p.296.

result that one manifestation of depression was an increase in the numbers of recorded suicides. Above all, the slump years represented a 'moral shock' in which the most tragic feature was 'that dire physical need was accompanied by a sense of utter hopelessness and frustration' - a mood that for many outlasted and became a legacy of the depression years.³

Armed with all the aforesaid, it is disquietening to uncover little evidence of dissatisfaction with the economic state of the country or open opposition to the Government from contemporary sources in the Rangitikei. Although some unemployed within Marton were intensely critical of particular Government measures during the depression, especially the camp scheme, it was apparent that the county survived the depression without the corporate bitterness that accompanied its presence in other areas.⁴ Unemployment, although reaching a substantial level, was never as high as in neighbouring counties, particularly Waimarino and Wanganui. Significantly, the press in the county, potentially a rallying point for anti-government feeling, was firmly entrenched as a supporter of the Coalition Government, reproaching, mollifying and censuring extreme opinion when it arose. The camp scheme and the farm subsidy schemes (4a, 4b and 5 'over-the-fence'), which aroused most antagonism amongst unemployed, gave little opportunity for internal dissension due to the scattered distribution of relief workers employed under the schemes. In Rangitikei, unemployed were widely dispersed due to the type of relief work offering. A significant number placed in relief camps within the county were from other local authorities while still others depended on the generosity of local farmers for a little extra above the relief payments. In her thesis on the riots of 1932, Noonan stressed the difficulty of activating unemployed in country districts noting that:

Workers engaged under the agricultural and camp schemes were almost impossible to organise because they were so dispersed, so far from the urban centres and in such small groups. After the middle of 1932 both these schemes were used extensively. Even workers on scheme 5 seemed to become increasingly apathetic, for the unproductive nature of the work tended to stifle initiative and therefore breed apathy as well as hostility.⁵

³ D. Hall, The Golden Echo, A Social History of New Zealand, Auckland, 1971, pp.212-213.

⁴ RA, 23 August, 1933.

⁵ R. Noonan, pp.181-182.

Antagonism towards the farmers' use of relief labour was more frequently a product of the towns, where the provisions of the schemes were able to be viewed more objectively than in the country. In Rangitikei, farmers were often defended by their relief workers. One farmer accused of wrongfully employing relief labour was supported by his workers on the grounds that they were well treated and given free firewood, honey and afternoon tea, although such information had no relevance to the principle of the protest.⁶ Likewise the National Unemployed Workers' Union would have found few converts in the Rangitikei, a factor borne out by the failure of the movement to establish a branch within the county. Many relief workers and farmers worked closely together, with the farmer receiving subsidised or free labour and the relief worker receiving relief payments plus whatever perks the farmer felt free to give. It was a marriage of convenience, which benefitted both parties even if at times contravening the regulations of the Unemployment Board. Through all ups and downs the community remained close-knit and only rarely did relationships deteriorate to the extent that subsidy schemes 4a, 4b and 5 'over-the-fence' were decried by local relief workers.

Another factor that helped to soften the blow of depression in the Rangitikei was its gradual onset. Increasing unemployment and the decline in local industry had been occurring in the county since before 1928 and remained in evidence well into the wartime period. The fact that the county was already suffering stagnation in local industries, particularly sawmilling and cropping, lessened the blow of the slump proper. Though dissatisfaction and pessimism was widespread, there was no threat of recourse to action. As in the larger towns where the riotous action of 1932, arising from the rapid onset of depression, gave way to indifference and suppressed hostility, so in Rangitikei, the long term effect of the depression became one of 'collective lethargy.'⁷

While oral testimony is invariably slanted and governed by the narrator's station in life, most people with whom I discussed their

⁶ RA, 23 June, 1932.

⁷ A term coined by Jahroda and Ziest - cited in Noonan, p.182.

experiences of the slump years in Rangitikei were of the opinion that the county was not too badly affected. Certainly there is little evidence of a psychological legacy of the extent still found in workingmen's clubs in towns and cities. Although it is difficult to go beyond this, it would seem that the intensity of the depression locally was less severe than in the large towns and resulted in fewer and smaller psychological scars. The bitterness of the depression years in Rangitikei was weakened by the fact that as a rural community in which inter-relationships were strong, unemployment became a personal rather than an impersonal thing; subsequently though most symptoms of the depression were present (unemployment, low prices, pessimism) others such as a strong and sustained opposition to the Government were not.

In this thesis I have attempted to look at one tightly defined area and to evaluate its response to the conditions caused by the depression. Each chapter is very much a separate entity drawing, where possible, its own conclusions, due to both the diversity of the material and my intention to compartmentalise the various responses. It is an approach that is both arbitrary and apt to leave some holes while over-filling others. The intention which was to record a rural complement to the several theses already written on the effects of the depression in the larger towns however, has where possible been adhered to. Any digressions can in part be attributed to the presence of so little explicit commentary on a period that stands as the watershed of contemporary New Zealand Society.

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