

54. Against this quota, all supplies of cotton were charged, regardless of the form in which the material was supplied. A portion of the quota was set aside for mixtures of cotton with rayon, and of cotton with linen, an allowance allocated for the requirements of Island Territories, for hospitals, and an amount set for normal trading. The balance of approximately 500–600 tons was retained for sponsored orders. Orders for piece-goods were sponsored by the New Zealand Ministry of Supply in accordance with the recommendations of an Advisory Panel comprising representatives of the New Zealand Manufacturers' Federation, the New Zealand Wholesale Soft-goods Federation, the New Zealand Retail Drapers' Federation, and the New Zealand Woollen-mill Owners' Association. In addition, sponsored orders included allocations of cotton knitting yarns and threads, amounting to approximately 130 tons per quarter.

55. Since the cessation of this quota system the United Kingdom has not, as yet, instituted the open-market scheme under which practically all countries will have equal opportunity of access to the United Kingdom as a source of supply of cotton-goods. This has been due mainly to a fall in production following the recent fuel crisis in Britain. It is apparent, however, that the cotton-mills have concentrated their production as far as possible on their back-log of outstanding orders, and when the new open-market scheme operates in July it is hoped that delivery dates will be shortened.

56. During the year there has been some expansion in the manufacture of carpet and underfelt, women's and children's frocks, ribbons, buttons and accessories, toys, leather bags, and leather accessories. In addition, inquiries were received during the year from persons interested in commencing manufacture of such lines as hand-woven tweeds, hosiery, corsets, gloves, and women's frocks.

57. Disposals of Ministry of Supply textile stocks in wool and cotton, aggregating some 5,000,000 linear yards, together with substantial quantities of towels, towelling, kapoc, and yarns, have been made by the Division during the past twelve months. This aspect is referred to further in Part IV, Section 1, of this report.

58. Further details in respect of three major industries are given hereunder :—

(a) WOOLLEN-MILLS

(Year 1944–45)

Number of units engaged	..	..	..	16
Number of persons engaged	..	..	..	3,824
Annual value of salaries, wages, and drawings	..	..	£1,009,677	
Annual value of production	..	..	£2,835,628	

59. Production in all branches of the industry has shown some decrease for the twelve months ended 31st December, 1946, as compared with the corresponding period last year. This has been due almost entirely to a shortage of operatives, particularly in the spinning and weaving sections of mills.

60. The following is a comparative statement of the domestic output of woollen yarns and piece-goods for the years 1945 and 1946 :—

—	1945.	1946.	Decrease.	Percentage Decrease.
Yarns (lb.)	1,835,672	1,663,674	171,998	9·4
Woollen and worsted piece-goods (sq. yd.) ..	3,984,654	3,381,945	502,709	12·6
Flannel (sq. yd.)	794,428	529,860	264,568	33·3
Blankets (pr.)	152,988	128,942	24,046	15·6

61. It is interesting to note that during the past year there has been a tendency towards the establishment of a number of minor hand-weaving units for the manufacture of specialized fabrics.