

97. In the latter part of 1946 Mr. F. R. Picot, on behalf of the New Zealand Government, visited the United Kingdom and made special representations regarding materials which were in critically short supply in New Zealand. A similar mission was undertaken to Australia in March of this year by the Commissioner of Supply, Mr. P. B. Marshall.

98. A summary is given hereunder of some of the more important materials, classified according to commodity divisions, which have been in short supply during the period under review :—

(a) BUILDING AND METAL PRODUCTS DIVISION

99. Jute, which has a highly important end-use in New Zealand in the production of woolpacks, &c., has been in extremely short supply, the allocation by India for 1946-47 being less than our minimum requirements. Gypsum, plaster, cement, veneers, hardboard, and hardwood timber, all of which have been urgently in demand in the building trade, have also been short. Shipping has been a contributing factor. Other items in short supply in this group have been paper, woodpulp, sisal, and manila hemp.

(b) CHEMICALS, OIL, AND RUBBER DIVISION

100. The main supply difficulty here has been centred in the alkali group, which has included caustic soda, sodium bicarbonate, sodium silicate, sodium metasilicate, and soda ash. The scarcity of alkalis has been increasing throughout the year. The chief source of supply is the United Kingdom, and production there has been limited by the shortage of coal. Demand has continued to be substantially in excess of available supply, and, although every effort has been made to secure increased allocations for New Zealand, these have been less than our minimum needs.

101. The paint and varnish industry has also been affected by acute shortage of a number of raw materials, including antimony oxide, titanium, lithopone, and white lead, all of which have been subject to production difficulties in the United Kingdom. Linseed-oil has been extremely short and has been subject to strict export control within the supplying countries and international allocation through the International Emergency Food Council. Paraffin-wax, from Assam, which has been allocated by the British Ministry of Fuel, has been insufficient for our requirements, and supplies were subject to direction by the Factory Controller during the year.

(c) ENGINEERING AND TRANSPORT DIVISION

102. Supplies of iron and steel generally have been shorter during the year than at any time during the war. This position has been influenced by production difficulties, both in the United Kingdom and in Australia, and, in the latter case, shipping has also been an important factor. The effect has been serious in so far as New Zealand foundries and other engineering works are concerned, output being seriously hampered through lack of sufficient raw material supplies. The shortage of structural and reinforcing-steel and roofing-iron has also been of major concern in the building industry. Other essential items which have been short have included wire of all kinds—particularly fencing-wire—galvanized and black sheet, tinplate, conduit, ingot tin, zinc, pig lead, and non-ferrous metals, such as copper tube, rod, sheet, and plate.

(d) TEXTILE AND LEATHER DIVISION

103. Shortages in this group have been general, but, in particular, these have been included—cotton, rayon and woollen yarns and piece-goods, all of which have suffered as a result of production difficulties in the United Kingdom and India, and the application of restricted quotas by practically all supplying countries. The effect has been severe in the case of the local woollen, knitting, and hosiery mills, and the clothing industry generally.

104. The footwear industry has suffered, in the main, from the restricted supplies of upper leathers and linings.