

1947
NEW ZEALAND

LINEN FLAX CORPORATION OF NEW ZEALAND

(FIRST ANNUAL REPORT OF THE)

Presented to both Houses of the General Assembly by Command of His Excellency

YOUR EXCELLENCY,—

Wellington, 11th July, 1947.

I have the honour to submit for your Excellency's information the first report of the Linen Flax Corporation of New Zealand for the period ended 31st December, 1946.

I have, &c.,

A. H. NORDMEYER,
Minister of Industries and Commerce.

His Excellency the Governor-General of the Dominion of New Zealand.

SIR,—

Wellington, 11th July, 1947.

I have the honour to submit the first annual report of the Linen Flax Corporation. This report deals with the principal operations of the Corporation for the period ended 31st December, 1946.

I have, &c.,

F. JOHNSON, Chairman of Directors,
Linen Flax Corporation.

The Hon. A. H. Nordmeyer,
Minister of Industries and Commerce.

REPORT

INTRODUCTION

THE occupation of the Netherlands by the German Forces in 1940 cut off the source from which Great Britain had previously obtained 90 per cent. of her requirements of linen-flax fibre. Since flax was deemed essential for the successful prosecution of the war, alternative sources had immediately to be arranged, and New Zealand, in common with several other Empire countries, was requested to grow and process as much flax as she could possibly undertake.

New Zealand's response was the establishment of seventeen factories, and during the war years, apart from supplying her own needs, exported to Great Britain 7,460 tons of fibre. This effort compares favourably with that of other countries as, for example, Australia, which exported during the same period 6,520 tons.

An agreement was negotiated whereby the United Kingdom would meet the costs of production of all fibre and tow sent to Great Britain. Further arrangements have since been made whereby approximately 85 per cent. of the capital loss will be borne