

annual requirements was expected has had a serious effect. Linseed and linseed-oil are being imported to the maximum extent from sterling sources, but, owing to a world-wide shortage, the quantities are necessarily limited. Nevertheless, it has been decided to discontinue the importation of ready-mixed paints and to concentrate on obtaining additional supplies of raw materials for domestic manufacture so as to employ our adequate productive capacity.

The supply of lacquer has improved over the past year, and is now adequate to meet the authorized demands for it. Releases are permitted only for essential purposes, and are subject to the Factory Controller's approval.

(e) GLUE

Production of various types of glue in New Zealand continues to increase, and local manufacturers are now able to cope with practically all demands made for their products. Various glues now manufactured locally include casein, animal, rubber based, bitumastic, and the phenolic resin type. The only shortage during the past year was in glue to make the gummed tape for butter-packing. Sufficient material was imported for this purpose.

(f) RUBBER GOODS AND VULCANIZING

	1939-40.*	1945-46.	1946-47†.
Number of units engaged	50	73	..
Number of persons employed	351	1,198	1,394
Salaries and wages paid	£69,397	£395,210	£498,000
Value of output	£223,295	£1,399,593	£1,859,000

* Separate statistics for 1938-39 not available.

† Interim figures.

With eight major, and many smaller units engaged in the manufacture of rubber goods and with raw materials more freely available during the year, output over a diversified range was maintained at a high level. Local manufacturers can now cater for New Zealand's total requirements in many types of rubber goods, and, with keen competition prevailing, their standard of quality is high.

The three companies which were granted licences to manufacture motor-tires have continued throughout the year with the erection of their factories, and, although supply difficulties have been encountered, steady progress has been made. One unit expects to be in production shortly. These three companies, which will eventually produce the bulk of New Zealand's requirements of motor-tires, have at their disposal the technical knowledge of major overseas manufacturers. This should ensure their being kept abreast of the results of overseas research and secure production of tires of high quality.

(g) TOBACCO AND CIGARETTE MANUFACTURE

	1938-39.	1945-46.	1946-47.*
Number of units engaged	8	6	..
Number of persons engaged	797	1,066	1,063
Salaries and wages paid	£129,287	£300,252	£311,000
Value of output	£1,275,024	£2,853,744	£2,965,000

* Interim figures.

Local production is still unable to meet consumer demand, and imports have been necessary to allow market requirements to be met. More labour was attracted to the industry in the past year, while another factor which is directly contributing to increased local output is the operation of two subsidiary factories established under the decentralization policy of the two major manufacturers.