

Supply difficulties arising partly from curtailment of exports, particularly by Australia, and partly from shipping problems have hampered output during the year. Coke, pig iron, and steel have all been in short supply, and sources of supply other than Australia have had to be sought for brass-founders' requirements. The position of the non-ferrous metals supplies is, however, relatively much better than that of the ferrous group. Deliveries from the United Kingdom of bronze, brass, and copper rods and sheets, and, in a lesser degree, tubes, have improved. Fortunately, too, of late shipments of pig iron and billets for rerolling have improved from Australia, but experience is not so favourable in respect of structural and reinforcing steels. Galvanized and black sheet allocations from the United Kingdom and Australia have been so small as to necessitate the reimposition of control, and users are now investigating the possibility of utilizing aluminium alloy in many instances where steel has hitherto been used.

(d) AGRICULTURAL AND DAIRYING MACHINERY AND IMPLEMENT MAKING

	1938-39.	1945-46.	1946-47.*
Number of units engaged	60	85	..
Number of persons employed	1,137	1,474	1,479
Salaries and wages paid	£267,194	£499,083	£496,000
Value of output	£1,146,970	£2,176,302	£2,051,000

* Interim figures.

In the face of such difficulties as nearly all industries have encountered with supplies of raw materials and transport, this group have maintained production very well. With improved supplies an increasing contribution to the needs of primary producers can be anticipated. The overseas reputation of New Zealand dairying machinery stands high, and exportation has continued at a very satisfactory level.

SECTION 5.—TEXTILES AND LEATHER

Although the supply of textile piece-goods and clothing has been better during the past year than at any time since hostilities ceased, and fortunately shows every indication of further improvement in the coming year, the Department's services are still called for to assist in overcoming the difficulties which arise from such factors as the necessity to reduce expenditure in hard currencies, and the impact of the United Kingdom's export scheme upon the balancing of our supplies for all types of textiles. We are attempting, too, to facilitate the reopening of trade in raw silk with Japan.

For financial reasons our demand has been increasingly diverted to the United Kingdom. India is supplying substantial quantities of cotton piece goods in the utility field, but during the year both the Indian and Pakistan authorities, while retaining destination quotas, abolished price-control, which has resulted in substantial increases in the price of cotton textiles from these sources.

The dollar shortage has made it necessary for New Zealand's imports to be confined, as far as possible, to Great Britain and India. Certain very necessary types of cotton goods and, in particular, waste-yarn fabrics, such as diaper cloth, towels, and flannelette, are still difficult to obtain. Offerings of cotton yarn from the United Kingdom are, in general, showing substantial increases, but there is still some difficulty in securing our needs in certain qualities and counts.

Progress is being made in preparations for the recommencement of trade in textiles to a limited extent with Japan, but as dollars have been stipulated as payment for cotton piece-goods (with some exceptions) in particular, trade in those lines has been