

time to time does not reveal the true position as to the demand for and supply of labour in the mills. To some extent, however, the demand for labour in the mills has been eased by the introduction of automatic and labour-saving machinery.

The following extract from the Official Year-book (1919, page 660) gives in a condensed form information relative to important features of the industry during the period 1905-15:—

“Woollen-mills: There were ten woollen-mills in operation in the Dominion in 1915-16, employing 1,897 persons—751 males and 1,146 females. These factories therefore provide more occupation for women and girls than for the male sex.

“The value of manufactures for 1915 is nearly double that for 1910. The increase in value, however, was not accompanied by a correspondingly great increase in quantity, being mainly due to the higher prices ruling.”

—	1905-6.	1910-11.	1915-16.	1918-19.
Number of—				
Works	10	10	10	10
Hands employed	1,549	1,410	1,897	1,878
Amount of—				
Wages paid £	105,036	137,161	187,736	233,170
Horse-power h.p.	1,945	2,641	3,080	3,452
Approximate value of—				
Land £	9,003	7,694	10,549	210,980
Buildings £	110,297	100,941	161,205	245,571
Machinery and plant £	188,459	180,454	256,230	
Scoured wool used—				
Quantity lb.	3,835,064	3,092,777	4,096,048	4,363,956
Value £	167,291	214,387	354,688	474,922
Output—				
Tweed Yards	1,300,471	1,160,686	1,256,847	1,675,113
Flannel „	1,368,268	1,140,794	1,353,088	853,247
Blankets Pairs	59,572	67,201	111,452	82,383
Rugs and shawls Number	23,780	49,073	25,467	25,171
Yarn lb.	259,067	260,397	183,125	271,425
Total value £	397,348	377,713	717,638	956,434

Figures compiled from census returns for the year 1918-19 have been added to the above table, and these more recent particulars indicate the advance in output which has taken place in recent years. While the change in fashion and texture of goods produced makes it impossible to compare the annual output on a basis of the yardage of tweeds and flannels, numbers of blankets, rugs, &c., the weight of wool used gives evidence of an increasing production. During recent years fine wools have represented an increased proportion of the wool used in manufacture. Since the use of coarse wool gives a greater yardage of tweed, &c., it would be fallacious to accept yardage as a measure of production.

PRODUCTION COSTS.

During the past few months the Board of Trade has made full inquiries into the manufacturing and trading operations of the woollen-manufacturing companies during the years 1914, 1918, and 1919.

Owing to a recent change in ownership, accounts for one of the companies have not been available for consideration by the Board's accountants. The only particulars which can be gathered from this firm are those given in the published annual accounts, the detailed financial records of the company having been destroyed. Generally, therefore, the statements given hereafter cover only nine of the ten companies doing business in New Zealand. Further than this, as has already been mentioned, the internal records of those companies which are doing business as warehousemen and clothing-manufacturers in addition to the business of woollen-manufacturing do not permit of the exclusion of warehousing and clothing departments from consideration.

In the first place, the New Zealand Woollen-manufacturers' Association submitted details of the mill costs of production for a number of leading lines of woollen goods, together with mill selling-prices for these goods. This information was made the subject of exhaustive inquiry by the advisory accountants of the Board of Trade. Each item of cost was inquired into, and the system of cost accounts employed in one of the leading mills of the Dominion was closely scrutinized in relation to the technical features of manufacture. The Board has in its possession information by which it can from time to time watch the development of the industry and the movement of costs and prices whenever it may be deemed necessary to do so.

The uniformity of results obtained by this mill clearly proves that the system of costing employed has been fully reliable, the desired trading result over the whole output being generally secured. It is not necessary to present in this report detailed particulars of the costing methods employed. The allocation of costs of materials, labour, and overhead charges has been carried out with full consideration of the practical facts, and certain results have been arrived at for each class of goods manufactured. In consideration of the fact that costs of production for different samples of goods have increased since 1914 by different amounts, it is not possible to give a concise statement as to the general increase in cost of manufacture. The increase, however, may be set down as approximately 70 per cent.

This may be explained in general terms by consideration of the following facts:—

Wool.—Wool constitutes in most samples approximately 50 per cent. of the mill cost, though this percentage varies from 35 to 70 according to the weight, class, and quality of wool in each case used. It is claimed by the woollen-manufacturers that prices of greasy wool have