

These costs as a proportion of the total cost have generally shown little movement during the war period. Such commodities as oil, soap, coal, machine furnishings, &c., have all increased in price to a substantial extent during recent years. It is quite impossible to give any concise or accurate statement of these increases, but evidence produced in respect of one mill shows increases ranging from over 100 per cent. for coal to several hundreds per cent. for relatively unimportant commodities.

As a specimen statement of the dissection of mill costs the following table is given:—

Items in Production.	Percentage of Mill Cost.	Group Total.	Value as on 31st December, 1919.
GROUP I.			
Wool, &c.	50·00	90·10	s. d. 4 0·75
Dyes and chemicals	5·50		0 5·36
Oil, soap, and materials other than chemicals	3·90		0 3·80
Operatives' wages	27·24		2 2·56
Coal	3·46		0 3·37
GROUP 2.			
Salaries and non-productive wages	4·15	4·15	0 4·05
GROUP 3.			
Repairs and maintenance, general expenses, depreciation	5·25	5·75	0 5·12
Insurance	0·50		0 0·49
Totals	..	100·00	8 1½

It will be seen from the foregoing particulars that the mill cost of production has been materially increased since 1914, and, as previously stated, this increase over all items of cost has been found to be, over an average of all classes of goods produced, not less than 70 per cent. In fact, although costs have increased by this percentage, it is claimed by several of the milling companies that the increase would probably have been somewhat higher but for savings effected in some directions. It has been pointed out by the companies that new and more efficient plant installed in several mills—particularly in the early years of the war—has had the effect of (1) increasing the output, and (2) lessening the tendency towards increased cost of manufacture. The increase in output has been effected in face of the ever-present difficulty in securing adequate labour power. Further than this, it is explained that the output has been increased by reason of the fact that competition from overseas has been largely eliminated, and mills have been able to concentrate on the production of quickly produced classes of goods. In other words, specialization has been possible. This, as previously indicated, has tended towards reducing the cost of manufacture.

The following figures are of interest, showing as they do the percentages of cost of manufacture (over the total manufacture of each of nine mills) represented in the years 1914, 1918, and 1919 by (1) wool, (2) wages, (3) dyes, and (4) other materials:—

Mill.	Year.	Wool.	Wages.	Dyes.	Other Materials.
A	1914	45·36	38·63	2·71	13·30
	1918	46·82	36·50	4·13	12·55
	1919	50·27	32·49	3·42	13·82
B	1914	52·10	34·32	5·46	8·12
	1918	58·75	29·31	4·41	7·53
	1919	59·83	27·61	3·44	9·12
C	1914	53·08	31·88	2·53	12·51
	1918	61·28	25·94	4·90	7·88
	1919	54·30	26·48	7·60	11·62
D	1914	55·83	31·12	4·60	8·45
	1918	56·45	26·31	7·94	9·30
	1919	57·94	25·78	7·48	8·80
E	1914	48·53	36·16	1·42	13·89
	1918	59·44	27·40	2·56	10·60
	1919	55·68	30·66	2·34	11·32
F	1914	48·97	39·02	2·61	9·40
	1918	56·72	30·14	4·44	8·70
	1919	52·36	33·33	4·15	10·16
G	1914	53·03	36·32	3·45	7·20
	1918	61·60	26·00	7·50	4·90
	1919	50·63	34·28	6·91	8·18
H	1914	56·74	31·33	2·35	9·58
	1918	63·70	25·58	2·62	8·10
	1919	58·74	27·56	3·33	10·37
I	1914	71·69	23·57	1·25	3·49
	1918	75·99	18·73	2·15	3·13
	1919	72·82	19·87	3·86	3·45