Inquiry has been made into the profits of the woollen-manufacturing industry in New Zealand. It has been found that these profits are in general not unsatisfactory. In consideration of all the circumstances, the Commission is of the opinion that a case for increased tariff protection in respect of this industry has not been made.

If the suggested reduction of duty on raw cotton and cotton yarns is adopted, the alteration should be of assistance to the industry in so far as mills are prepared to undertake the manufacture of finer textiles.

2. CLOTHING-MANUFACTURING INDUSTRY.

The relative tariff items in this matter are:—

	Rate of Duty.	
	British Preferential Tariff.	General Tariff.
Apparel made to the order, or measurement, of residents in New Zealand, and intended for the individual use of such residents, whether imported by the residents themselves or otherwise; clothing made to measurements sent from New Zealand; ready-made clothing, n.e.i.; hosiery, n.e.i.	[illegible] ad val.	[illegible] ad val.
Hats and caps, in the course of manufacture, or in finishing but unmade, n.e.i.	[illegible] ad val.	[illegible] ad val.

Requests have been made for an increase in the tariff on certain articles covered by these items. The main line of goods which requires some comment is ready-made clothing made from materials containing wool.

In the last place a section of the industry has asked for an increased duty on women's clothing, and the Commission is also asked to consider a request from the overlanders to be more particularly due to indigenous industries which have a right to enjoy the demand for bulled goods.

So far as tariff protection is concerned, the evidence does not clearly disclose any decline in the demand for woollens. The following figures (which do not, of course, reflect any change in the volume of importations which may have taken place during the year 1926-27) are taken from the factory-production statistics:—

	Imports in New Zealand.	
	Sale.	Trousers.
	(Number).	(Number).
Year ended 31st March, 1925 ..	117,769	238,164
" 1926 ..	[illegible]	319,297
" 1927 ..	[illegible]	[illegible]
" 1928 ..	161,[illegible]	[illegible]
" 1929 ..	159,[illegible]	281,[illegible]

It is not possible to secure any definite information regarding the importations of men's and boys' clothing, which are covered by the general item, "Apparel and ready-made clothing."

Consideration has also been given to the tariff on other goods covered by the above-mentioned items, but it is not thought necessary to discuss in this report the [illegible].

The Commission does not recommend any alteration in the tariff [illegible]. In the opinion the existing assistance would be [illegible] by the admission free, where practicable, of [illegible] which are used in making up clothing in the Dominion.

Department (or of Case.—Importation of [illegible] goods, [illegible] & c.

By Authority: [illegible] Government Printer, Wellington.—1927.

Price 6d.