

In conclusion, the Board desires to express its opinion that upon the evidence disclosed it cannot be said that the woollen-milling companies of New Zealand have taken excessive profits during recent years. The profits have certainly been increased during the war period, and on the gross capital outlay the average net profit in 1919 amounted to approximately 12 per cent. As has already been pointed out, a reduction in prices of less than 8 per cent. would place the companies in such a position that no profit whatever would be earned by the average company, while at least two of the largest companies would be conducting business at a loss.

Further investigation will be made regarding the operations of one or two of the more successful companies, and the Board's recommendations in this connection will then be submitted to you.

Inquiries are now being made in order that the Board may be in a position to report on the operations of firms through whose hands woollen goods pass during the process of distribution.

W. G. McDONALD,
Chairman, Board of Trade.

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