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Government Woollen Mills for China

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From time to time various items have appeared in the local press indicating the Chinese Government's interest in the establishment of woollen mills. Enclosed is a copy of a recent news item from Nanking on this subject.

The Chinese Government has not yet exhibited any ability as a government organization to operate successfully industrial enterprises. Nepotism stands probably in the front rank as an obstacle in the way of success of government industrial projects in this country. Thus, the successful operation of industrial enterprises by the Chinese Government has still to be demonstrated.

However, there is an increasing interest being shown by the government in the desirability of embarking upon certain manufacturing ventures, and the proposal to engage in the woollen industry is one which has been receiving very considerable attention from certain officials of the Chinese Government.

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Establishment as soon as possible of a large-scale Government Woollen Factory for the manufacture of woollen piece-goods to meet domestic demands is urged by the Great Shanghai Chamber of Commerce in a petition submitted to the Ministry of Industry.

The petition points out that woollens have become one of the necessities of the people; the value of the annual imports of woollens and serges having mounted to the startling figure of over Taels 50 millions. Notwithstanding such colossal leakage, no serious attempt has been made to establish factories of our own to produce woollens in competition with imported foreign manufacturers. During the last few years, a few small woollen factories have been opened but these are scarcely in a position to affect in any way the continual influx of foreign woollens.

Continuing, the petition points out that England is the foremost woollen-manufacturing country in the world. The raw wool used by English woollen manufactories is largely imported from Australia, Siberia and China. Yorkshire is the center of the British woollen industry, Bradford being the most important distributing center. Thousands of people are dependent upon this industry for their livelihood.

After referring to the fact that France and Japan have also recently entered into competition with England for the Chinese market in woollens, the petition states that it was partly with a view to reviving the British woollen export trade with China that the British Economic Mission was despatched to this country.

It is reported, says the petition, that as the result of the investigation, a gigantic combine of woollen manufacturers has been formed in order to enable British woollens to compete with Japan and France.

Concluding, the petition points out that as the establishment of a native woollen manufactory is indispensable to meet the needs of the people as well as to stop the further outflow of our national wealth, concrete steps should be immediately taken to give effect to this proposal.
