

## PART II.—RECONSTRUCTION

### SECTION I.—INTERDEPENDENCE OF RECONSTRUCTION AND REHABILITATION

247. It was stated in last year's report that the Board regarded the Government's plans for the conversion of industry from a war to a peace time basis, and its subsequent expansion, as the framework within which measures for the rehabilitation of ex-servicemen were to be devised and administered.

248. This conception has received ample confirmation during the last twelve months—so much so that the relationship of each separate field of rehabilitation activity with post-war reconstruction has become evident. The implication for the future of rehabilitation generally is obvious.

249. Brief examination of the nature of each of the more important fields interdependence with economic reconstruction and development lends weight to this viewpoint.

250. The payment of pensions and rehabilitation allowances, and the provision of adequate treatment facilities, are generally regarded as absolute responsibilities which can be, and are, fully discharged without question. Experience, however, emphasizes the point that the maintenance of a liberal pensions and treatment system is closely connected with budgetary considerations and therefore with the level of general prosperity.

251. The dependence of the Board's trade, &c., training and general placement plans upon buoyant employment conditions is even more obvious. These conditions in turn depend upon the degree of success with which reconstruction and national development are pursued in New Zealand.

252. As with employment, so it is with education, land-settlement, and housing. Each of these can only be successful in a favourable economic environment.

253. Similarly, the success of the Board's measures for the establishment of ex-servicemen in businesses or on farms, is closely related to the degree of post-war monetary stability realized, and this is likewise conditioned by the outcome of reconstruction policy generally.

254. The rehabilitation of Maori ex-servicemen, and, for that matter, improvement in the living standards of the Maori people generally, as commented earlier in this report depend upon industrial and agricultural conditions such as to ensure full employment. Such conditions postulate an expanding economy and hence a sympathetically increasing demand for labour.

255. The considerations just examined leave no doubt that the fate of rehabilitation measures singly and as a whole is inextricably bound up with the success or otherwise with which national reconstruction and development are planned and put into operation.

### SECTION II.—ORGANIZATION

256. Following on Ministerial discussions late in 1943, in which the Chairman participated, the Organization for National Development was created early in the current year.

257. All the major Departments of State are in one way or another involved in the organization, which, for obvious reasons, is directly responsible to the Prime Minister. Associated with the Prime Minister in the policy direction of the organization is a Cabinet Sub-committee of Ministers most directly concerned—namely, the Ministers of Finance, Industries and Commerce, Works, Agriculture, and Rehabilitation. The Executive Committee of O.N.D., comprising the Permanent Heads concerned, including the Director of Rehabilitation, and working in close co-operation with a Chief Executive Officer, Mr. J. S. Hunter, until recently Director of National Service, is responsible to the Cabinet Sub-committee for organizing and co-ordinating the activities of the several (so far nine) major Research and Planning Committees, which are in turn comprised of the various State and non-State organizations affected. The Secretariat to the Executive Committee is located in the Prime Minister's Department. Each of the main Research and Planning Committees will, as necessary, create specialist sub-committees to deal with particular assignments allotted them.

258. The important Personnel Committee is concerned with all questions in reconstruction and national development affecting individuals in an economic sense. It functions under the chairmanship of the Minister of Rehabilitation, but plainly its order of reference extends far beyond the economic re-establishment of ex-servicemen only. For this reason the Rehabilitation Department has associated with it on the Committee representatives of the Returned Servicemen's Association; the National Service, Labour, Education, Army, Navy, Air, and Native Departments, as well as representatives of employers and workers. The latter are represented by nominees of the Employers' Federation and the Federation of Labour. The various Specialist Sub-committees of the Personnel Committee are constituted in such a way as to include a representative of each organization concerned.

259. With the establishment of the Organization for National Development the Rehabilitation Board's responsibility, in so far as Part II of the Rehabilitation Act, 1941, is concerned, is limited to the defined responsibilities entrusted to its representatives on the organization. This ensures that in every field of national reconstruction and development the appropriate Department or organization will be attending to its particular responsibilities, which will be dovetailed into the whole. For the Rehabilitation Board this means that it can concentrate on its main task of re-establishing ex-servicemen and ex-servicewomen in circumstances made as favourable as possible by co-ordination with developments in the broader economic sphere.

260. Now that it has been established, the Organization for National Development will henceforth report separately on its activities. Such observations on its activities as may appear in subsequent reports of the Rehabilitation Board will be confined to specific assignments undertaken by the Board or the Department as participators in the Organization.