necessary to see the Dominion through the difficult years which lay ahead. These circumstances, together with the successful practical results which had been achieved by the office of the Commissioner of Defence Construction, provided the background for the Government's decision to establish on a more permanent basis an office which would be responsible for the co-ordination and general oversight of the many types of building and constructional work in which the Government had an interest. This office was designated the Ministry of Works, and on the 16th March, 1943, statutory authority for its establishment was provided in the Ministry of Works Act.

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With the passing of this Act the Commissioner of Defence Construction relinquished his powers, which were to a large degree vested in the newly created Minister of Works, who replaced the Minister of Public Works. Mr. Fletcher now became Commissioner of Works, and Mr. McKillop became Deputy Commissioner, later succeeding Mr. Fletcher as Commissioner of Works at the end of 1944. (The position of Deputy Commissioner has since been filled by the appointment of Mr. T. G. Beck, Acting Engineer-in-Chief of the Public Works Department.)

At the time when the Act was introduced the Minister outlined the functions of the new organization in the following words:—

- (1) To ensure that during the period of the war and the post-war reconstruction era all proposals for construction (whether or not these involve the direct expenditure of Government moneys or carry Government subsidies) are ranked in order of essentiality from the point of view of man-power and materials available. In other words, to ensure that, whilst the building and constructional potential of the country is limited by war and immediate post-war conditions, it is assembled and utilized in the most efficient manner from the point of view of the national interest:
- (2) To ensure that all schemes for construction involving expenditure of Government funds are thoroughly examined independently of the source from which they originate both from an economic and technical point of view. In this connection not only to examine proposals coming from Government Departments, but also the proposals of local hodies or of private interests where such carry with them Government subsidies:
- (3) To ensure that projects approved for construction involving the direct expenditure of Government moneys or Government subsidy are executed efficiently and economically, whether such works be carried out by the Government itself or by the subsidized authority:
- (4) To ensure that no work is undertaken in conflict with the national interest, or, in other words, to relate proposals for construction to an established national plan.

With the establishment of the Organization for National Development in terms of a Cabinet minute dated 6th May, 1944, the Commissioner of Works became a member of the Executive Committee of that Organization, and the Ministry of Works functioned as its Works Planning Committee until, in November, 1945, the physical planning functions of the Organization for National Development were completely absorbed by the Ministry of Works.

5. REVIEW OF THE WHOLE WAR EFFORT OF THE CONSTRUCTIONAL INDUSTRIES

Before concluding this part of the report and passing to the problems of peacetime it is proposed to present some of the more illuminating statistics showing the magnitude of New Zealand's war effort so far as the constructional industries are concerned.