

of living. We can best assist by expanding our primary production, in which we have so many natural advantages, to provide more food for the hungry people of Great Britain and by raising the output of our secondary and construction industries to help ourselves. There are many goods which we cannot make economically, and these we must import as they become available. Plant, machinery, railway rolling-stock, and vehicles to rehabilitate our transport system are in this category. In other directions a solution of our difficulties lies more within our own resources.

The Economic and Social Council of the United Nations, on which New Zealand is represented, has also done valuable work in drafting the constitution of the International Refugee Organization, convening an International Health Conference, and making arrangements for modified forms of relief consequent upon the termination of the activities of UNRRA on 31st December last.

Housing

Our major internal difficulty at the moment is housing. Construction is being pushed to the limit of available materials, the shortage of which is preventing a rapid solution of the whole problem. Special attention is accordingly being given to the supply problem, and it is satisfactory to note that last year timber-production was built up to a record output of 359 million board feet. Thus one serious difficulty is well on the way to being overcome. Other difficulties lie in the shortage of roofing-materials, bricks, cement, baths, stoves, and other essential items. In most cases the root of the trouble is shortage of labour and raw materials in the factories, accentuated at times by shortage of fuel and transport difficulties. Constant efforts are being made to eliminate these "bottlenecks" in supply, as only in this way can the housing-construction programme be accelerated. Meantime available supplies are being controlled in order to make the best possible use of them.

Hydro-electricity

The past year has been a difficult one in connection with the supply of hydro-electricity sufficient for all purposes.

To meet the whole of the demands would have taxed the resources of the country under normal conditions, but the increase in demand in recent years, accompanied by unusually dry weather during the late summer and autumn, left no alternative but the rationing of power in both Islands.

The position improved rapidly in the North Island, however, following good rains, and in June it was possible to remove the emergency rationing which had been introduced at the end of March. The position has also improved in the South Island since rationing commenced in June, but until the spring run-off some time this month or next some restrictions will have to continue,