

1947

NEW ZEALAND

STATE HYDRO-ELECTRIC DEPARTMENT**STATEMENT BY THE HON. R. SEMPLE, MINISTER IN CHARGE OF
THE STATE HYDRO-ELECTRIC DEPARTMENT**

MR. SPEAKER,—

The past year has been one of great difficulty in the field of electricity supply. With increasing difficulty in obtaining any alternative means of supplying light, heat, and power, and in accord with the Government's general policy of encouraging local manufacture wherever possible, the demand for electricity supply has continued to grow. Unfortunately, however, consequent on the war and the subsequent disorganization throughout the world, there are serious delays in obtaining the necessary plant for additional generating-stations, and even in obtaining the necessary skilled staff, labour, and materials to carry on local construction work at the rate necessary to catch up on our delayed programme. The problem is not special to New Zealand; shortage of electricity and delays in providing additional generating-plant are occurring in Great Britain, in Australia, in Canada, in Switzerland, and in practically all countries where electricity is used.

Superimposed on this general delay, which, under normal conditions, would tax our existing power resources to the limit, we have during each of the past two summers experienced abnormally dry periods with an absence of the prevailing westerly depressions which bring rain to all the rivers and lake basins with a westerly aspect. In particular this has reduced the available power from Lake Taupo, Mangahao, and from the lakes and rivers rising in the Southern Alps. This superimposed condition will, no doubt, be overcome when more normal weather conditions return; the Government is doing its utmost, by the provision of additional power plants, to catch up with the more general deficiency. The Government has been subjected to a certain amount of criticism because it has not rushed in and purchased steam generating-plant for standby in a hydro-electric system to obviate the present shortage. I have indicated on previous occasions that there may be a place on the system for a percentage of steam generating-plant, but that plant, when received, must be purchased with a proper understanding of the purpose for which it is to be used and of the possibilities of its economic use.

The operating-cost of any fuel-driven plant in New Zealand is very much greater than for main hydro generating-plant, so that there can be no question of using fuel-driven plant other than for standby purposes. The difficulties and delays in obtaining plant at the present time are so great that, as a first consideration, we must concentrate on obtaining additional main plant; to do anything else can only result in delay in completing our main system. The only justification for departing from that general policy would be if fuel-driven generating-plant were readily available much more quickly and at a substantially lower capital cost. It would be better, so long as good water-power sites are available, to push ahead with water-power plants in different parts of the country, even in excess of our immediate requirements, to act as standby, and later to form part of the main system and be a standby against transmission failures. A certain amount of steam generating-plant might be advisable adjacent to our main