

of its nature and desirability. Further, the problem of increasing costs, regarding which we are all concerned, would have been considerably aggravated by an amazingly unrestricted demand for man-power and materials. It is not the intention of the Government, as a matter of policy, to enforce building control measures any longer than is necessary. The degree of control will be eased from time to time as circumstances permit until the gap between supply and demand no longer exists and the need for further control will be non-existent. Admittedly, legislation which inflicts controls is as a rule unpopular. Nevertheless, in spite of this, it is the first duty of any Government to legislate in the best interests of the Dominion as a whole.

In my last report I referred to the need for preparing annually works programmes for State and State-subsidized works as a means of implementing the ten-year schedules of works for all districts. Each annual programme will be prepared realistically according to the estimated finance, man-power, and materials available for each particular year, and also giving due attention to the essentiality of works in the various districts throughout the Dominion.

The studies which were of necessity made in connection with the 1947-48 programme have proved invaluable. The levels of that programme were fixed to provide for the full and best utilization of all the resources of the building and construction industry, after making due allowance for a reasonable proportion of those competing demands of similar priority which would be made upon the industry by local authorities and private-enterprise works. The programme levels for that year as approved by Cabinet were arrived at only by the most careful pruning of demands made by State Departments and local authorities for subsidized works down to that proportion of the essential demands which it was estimated the industry might effectively undertake during the year. The total demands received amounted to £37,337,000 and the approved programme including capital and maintenance works involved an estimated expenditure of £26,005,000.

I am pleased to report that this systematic and realistic approach to prosecuting our post-war works development, which restricts the number of projects to be commenced during any financial year, has resulted in a greater proportion of the potential of the building and construction industry available to State and State-subsidized works being concentrated on works of the highest priority, thereby shortening the period of construction from commencement to completion. Such remarks must not be interpreted to indicate that I am satisfied with the progress achieved on post-war works development. The work completed to date is far short of that necessary to satisfy the pressing essential demands and to permit the desirable more rapid approach to fulfilling the needs of full expansion and development so vital to a prosperous young country such as ours, with its vast natural resources.

Everything reasonably possible is being done to accelerate the rate of construction. More engineers and skilled men, more machines, and a much greater supply of key materials are urgently required. The total labour force of the building and construction industry during the past year increased by only 5.8 per cent, and according to the latest figures available the increase during recent months represents not more than 0.7 per cent. Competition for labour is keen, and will continue whilst there are over thirteen thousand registered vacancies for males in various local industries and only twenty-one fully employable males are registered as unemployed, as is revealed in the latest official returns. Therefore, the Dominion cannot depend on local man-power for recruitment to the building and construction industry. Assisted passages are now available to suitable immigrants who are prepared to accept employment in the works industry, and every encouragement is being given by the Government to those who are prepared to settle in New Zealand.

The latest modern machinery is urgently required to ensure the most economical methods of construction and early commencement of several projects of national