

I have already referred to the harmonious relations which have existed between the union executives, the Department, and myself. However, it is certain that these good relations cannot exist if the Communists gain control of the union. The Communists' doctrine is foreign to us; their ways do not harmonize with our democratic system of arbitration. We as a community are traditionally British, and the free life which this tradition has given to us must be jealously safeguarded. Therefore, as long as I am able, no opportunity will be lost to denounce Communism, which is a complete abnegation of our way of life.

Once again I take the opportunity of expressing thanks to the Young Men's Christian Association National Council for the recreational and other facilities provided on many works, which have been appreciated by the staff and workers during their leisure hours.

STAFF

On 31st March, 1947, the total was 3,239 officers, comprising 1,227 permanent and 2,012 temporary officers. In accordance with the policy of the Public Service Commission of granting permanent status to those who are eligible, 542 were during the year transferred to the permanent staff, and further transfers are contemplated during the current year. At the 31st March, 1948, the staff strength was, permanent, 2,016 and 1,406 temporary officers, making a total of 3,422, an increase of 183 over the previous year.

The death of Mr. T. G. G. Beck, Deputy Commissioner of Works, whom I regarded not only as an expert Engineer, but as a loyal friend, was a great blow to me personally. His outstanding ability and almost unlimited engineering knowledge had proved invaluable, and by his death there results a serious loss to the Government, the Ministry of Works, and all who sought his opinion on engineering matters.

Mr. A. P. Grant, Engineer to the Soil Conservation and Rivers Control Council, whose untimely death in the prime of life also occurred during the past year, will be long remembered, by all who were privileged to be associated with him, for his untiring service and professional ability. To their relatives the Government has already conveyed its deepest sympathy. However, I now take the opportunity of placing it on record in my annual Statement to Parliament.

During the year, Mr. G. W. Albertson, Director of Housing Construction, and Mr. T. A. Johnston, District Engineer, Wellington, retired on superannuation. The former had previous service over many years as District Engineer, Gisborne and Taumarunui, and Engineer to the Main Highways Board. The latter officer was previously District Engineer at Greymouth and Nelson. Mr. Albertson, in addition to his engineering service, contributed materially to the success of the Government's State housing policy, and Mr. Johnston's service was associated with many major projects throughout the Dominion. I desire to place on record the Government's appreciation of their loyal and efficient service.

ORGANIZATION

The need for a separate organization to undertake those functions which up to the end of last year had been entrusted to the Ministry of Works was first envisaged towards the end of the last war. It was unmistakably evident that during the immediate post-war years New Zealand would be, in common with other countries, faced with an unprecedented accumulation of capital works, and to this must be added works of considerable magnitude which would be included in the Dominion's post-war constructional development programme. These works were ultimately named in the ten-year schedules of works prepared for all districts. It was known at that time that associated with the Government's post-war works policy would be the necessity for an assessment and analysis of the potential demand and the potential capacity of the building and construction industry during the early post-war years, to which must also