

The Government is being constantly urged to either develop small power schemes or to allow various local bodies to do so, but under present-day conditions it would be manifestly unwise to meddle with these schemes now. The development of a small power scheme can only be of local benefit if supply from the main system is not available, and in such cases licences have been granted. Apart from such cases, the schemes must be properly investigated, designed, and built in accordance with the national needs and then operated so that the power developed is made available for the general power pool.

Clearly it must be recognized that because a hydro-electric site happens to be located within the area of a particular local body that does not constitute any reason why people in that area should have a prior claim to the power so developed.

Conceding this point, then the criterion must be whether the development will benefit the whole community. Under the present circumstances I would state unhesitatingly that with the prevailing shortage of man-power and materials it would not be for the good of the community to allow such schemes to be proceeded with until freedom from power shortages is obtained by the early completion of the major works in hand.

Investigation of power sites is being pushed ahead and expanded as rapidly as possible in order to gauge the power potential. This information is necessary in order to shape future policy, but for at least another decade I am of the opinion that the power requirements of New Zealand can, and should be, met by the development of the major hydro-electric resources.

At the same time that this investigation of hydro-electric sites is being prosecuted, the Department of Scientific and Industrial Research has undertaken the investigation of the possibility of making use of geo-thermal steam.

This alternative is attractive provided the conditions are such as to render the development of electric power from natural steam an economic and technical possibility.

The task of developing hydro-electric power in time to overtake the normal increase in demand and to restore the essential margin necessary for reliable operation is a very formidable one. Plant is in short supply the world over, largely due to shortages of the necessary raw materials. Added to this the manufacturing countries are all experiencing a lack of man-power and of factory space with which to cope with an unprecedented demand for power-generating machinery. The generating-equipment for a hydro-electric station involves the importation of approximately one-third of the value of plant required to produce the same output by steam, and it is the expressed wish of the United Kingdom authorities that the requirements of New Zealand should not seriously encroach upon the field of steam-electric plant which is vital to the domestic needs of the United Kingdom. It will thus be seen that the present world economic situation affords even greater reason for the policy of hydro-electric-power development in New Zealand.

For hydro-electric plants the majority of the work must be done with our own labour and materials, and calls for the willing co-operation of all those who have to design and build these works. In this connection the recent hold-up of work in the Waikato is regrettable from all points of view, and the success or failure of our efforts to overcome the power shortage will largely depend upon the degree of reason which can be brought to bear upon the industrial problems of this country.

Electric-power supply is a vital necessity in modern times as the whole economic life of our country depends upon the provision of an adequate supply, and I feel entitled to ask for the active assistance of all members of the community in our efforts to accomplish this task.

Until the shortages are overcome the consumers of electric power can do much to alleviate the more harmful effects by exercising voluntary restraint upon the usage of power. Recent experience shows how great this benefit can be and how severe can be the result of disregarding this very sound advice.