Department (State housing excluded) was 22,150, whereas at the end of 1948 the number of men similarly employed had dropped to 10,900. It is in this field that the Government's building and civil engineering programme—housing apart—lies, and it is here that the man-power deficiency is most severely felt. The loss of man-power from State works of this description is principally due to the reluctance of many contractors and workmen to take up country work while remunerative employment is available to them in the metropolitan areas.

If any significant progress is to be made in overtaking arrears in the building and construction field it is essential that more men be brought into this country for constructional work, either by immigration or by opening up certain works to overseas

tender.

Although the finance expended by the State during the post-war years is now in excess of that expended in the immediate pre-war period, because of the fact that costs have risen so much the actual volume of work now being accomplished does not exceed pre-war achievements without any allowance being made for the demand built up during the six years of war or the demand occasioned by the Dominion's expansion.

The responsibilities of this office during the post-war period have been considerable, and we are still faced with many difficulties. These can only be overcome gradually as

our resources are more nearly equated to our commitments.

Throughout the year I have received every co-operation from all members of the staff of the Ministry of Works and from Government Departments with which this office is closely associated. Special thanks are due to the Engineer-in-Chief, Mr. F. Langbein, for the capable manner in which he carried out the duties of Acting Commissioner of Works during my absence overseas.

E. R. McKillop, M.I.C.E., Commissioner of Works.