

A comparatively large vote from the Consolidated Fund is asked for this year for the construction of aerodromes and emergency landing-grounds, without which safe and adequate communication by air would be impossible. With an annual provision of this amount, or even less, for the next two or three years I anticipate that air travel in this country will be placed on a safe and satisfactory basis. I consider that the construction of aerodromes is at present lagging behind the development of aviation in general.

The work of erecting public buildings is also very much behind what it should be to keep pace with the development of social and other services of the Government.

Instructions were given to the Public Works Department to considerably increase its staff to cope with this work. This has been done, and the architectural staff has been more than doubled. Anticipating that even this may not wholly meet the demand for public buildings, permission has been given to the heads of the Departments for which buildings are required to allocate some work to architects in private practice if it should be necessary.

Land development and improvement is considered most desirable by the Government. Irrigation plays a large part in the improvement of our farm lands in the South Island, and the Government is anxious to extend work of this nature provided it can secure to itself an adequate return for the expenditure involved in meeting the annual charges on money borrowed for this purpose. The provision of a sum of £1,030,000, including settlement of unemployed workers, is asked for on the estimates for these works.

Hydro-electric supply has received a good deal of my attention since I assumed office. One of the proposed new works to increase power-supply was under investigation at Waikaremoana. I was not satisfied that this was a sufficiently safe proposal, and therefore ordered the work to be stopped until I had an opportunity of going fully into the design of the scheme. This I intend to do as soon as possible. Works for the increase of power-supply from Arapuni were well advanced when I took control of the Department. I am not sure that I would have agreed to this work, but as it had progressed so far I have not taken any steps to prevent its completion.

Further electric power will soon be required to cope with the demand, and a programme of additional work will shortly be considered.

As mentioned in my opening remarks, I am desirous of carrying out public works with the help of the most up-to-date machinery, and I have asked for a considerable sum in my estimates to purchase modern plant. All new railway works, large road works, irrigation works, aerodromes, and other works, will be well equipped with this plant.

I would like to take this opportunity of placing on record my appreciation of the services of Mr. C. J. McKenzie, who retired from the position of Engineer-in-Chief on the 21st July, 1936, on account of ill health. Mr. McKenzie's illness caused concern to every officer of the Department, and it was with pleasure that we learned of his continued progress towards a complete recovery.

I wish also to place on record my appreciation of the services of the other officers of the Department who have been at all times most willing to co-operate with me in my office as Minister of Public Works.

FINANCE.

I now set out in summary form particulars regarding expenditure and receipts for last financial year, and also general information concerning the various classes of works financed from the Public Works Fund.

The payments and receipts for the year 1935-36, and accumulated totals, in connection with the Public Works Fund and other associated votes and accounts are shown in the tabulation below. The gross expenditure amounted to £6,663,091, of which £1,347,097 was expended by other Government Departments; the recoveries in reduction of expenditure amounted to £1,508,549, of which £500,958 was recovered