

Certain writers have laid down the principle that public works should be used as a kind of balancing factor to be extended in periods of depression and damped down during booms. The unconditional application of this formula is neither as simple nor as valid as may be imagined. Apart from the fact that a new public-works programme is slow to swing into action, with the result that a depression may get beyond immediate control, it is only in times of prosperity that, for instance, the demand for telephones and telegraph facilities is heavy, that more and better motoring facilities are urged, that increased housing is especially necessary, that the electricity load grows rapidly, that farmers are prepared to pay for irrigation and similar facilities, and that land development and settlement becomes especially worth while.

In any case the present Government does not subscribe to the view that public works should be regarded as a palliative to be undertaken only when private enterprise fails to provide the necessary facilities or to offer the required employment. The present Government's policy is to promote or expand public works on their individual merits as projects of public development.

During the depression years public works generally were woefully neglected, as a comparison of yearly expenditures will clearly indicate; roads and highways development was retarded, school buildings were allowed to fall below proper standards, construction of public buildings was brought almost to a standstill, with the result that to-day many Government offices throughout the Dominion are both overcrowded and out of date, and in the centres private accommodation on a large scale has had to be rented in order to provide for essential requirements. In public buildings alone there is justifiable scope for Government activity for many years to come, while in the meantime progress is limited only by the shortage of skilled labour.

#### Railways.

Adverting to the various classes of public works for which provision is made in the Estimates, the first major class is that of railways. On railway construction last year the sum of £1,120,218 was expended under the relative vote, while for the current year £1,440,000 is being allocated to enable the work on existing lines in both Islands to be continued, and also to permit of commencement of work on the Dargaville Branch and Paeroa-Pokeno lengths together with the requisite surveys and preliminary steps for the Rimutaka Tunnel and the Taneatua-Opotiki line.

The related programme of improvements and additions to open lines of railways is a large one for the current year in an effort to catch up on the shortage of wagons, locomotives, and other rolling-stock. Further work on the Christchurch new station and yard and on various deviations and duplications is also provided for. The year's expenditure is estimated at £3,746,000, comprising £2,844,000 from loan-moneys and the balance from depreciation and renewals reserves and revenue. Last year's net vote expenditure was £1,292,772.

#### Public buildings.

Apart from the housing programme, to which reference has already been made, the public buildings programme for this year is also extensive, the proposed expenditure amounting to £2,360,000, comprising £820,000 for school buildings of various descriptions and £1,540,000 for postal and telegraph buildings, for general departmental office buildings, for air defence, and for mental hospital buildings, courthouses, and police stations. General control is being exercised so that contracts for new buildings are let or withheld having due regard to the existing building activity in any particular locality and also to the supply of skilled tradesmen. Last year's net expenditure on education buildings was £546,846, and on other public buildings £687,702. As has already been indicated, there is an urgent necessity for additional accommodation in public buildings, while many of our school buildings reflect little credit on the Dominion.

#### Roads and highways.

The roading programme, which has always been an important question in New Zealand, is divided into two sections—main highways financed for the greater part from the Main Highways Account, and other roads financed from the Public Works Fund, the Consolidated Fund, and other resources. In earlier years activities were directed more to the construction of new routes, with or without metalling. The trend nowadays is towards the improvement of those routes by widening, metalling, sealing, deviations, or overbridges, as the case