

employed was 19,531, as compared with 22,728 at the commencement of the year, a reduction of 3,197. At the present date the total number of men is 17,089, but of this number, 2,226 are employed by contractors working for the Department, and 2,112 are employed by local bodies on public works subsidized by the Department, thus making the actual number of men paid directly by the Department 12,711. Included in this latter figure are 2,181 men employed solely on defence works.

It will be necessary, of course, to give special attention during the war period to the adequate maintenance of public utilities such as electric-supply installations, main highways, public buildings, irrigation schemes, &c., and steps will be taken to ensure that no undue deterioration of these assets occurs pending the restoration of normal conditions.

With regard to other schemes of less urgency in the public interests, there has already been a progressive curtailment, and this will continue in directions where the effect will not deprive married workers of their means of livelihood.

### FINANCE.

The payments and receipts and accumulated totals in connection with the Public Works Fund and other associated votes and accounts for the year 1939-40 are shown in the tabulation following.

The gross expenditure amounted to £23,052,548, of which £6,100,041 was expended by other Government Departments; the recoveries in reduction of expenditure amounted to £5,661,569, of which £1,216,247 was recovered by other Departments; the net expenditure totalled £17,390,979, of which £4,883,794 was expended by other Departments.

In addition, the Department collected £1,878,645 for the supply of electric energy, irrigation receipts, and miscellaneous revenue from other sources.

Class of Work.	Expenditure, 1939-40.			Total Net Expenditure to 31st March, 1940.
	Gross.	Recoveries.	Net.	
<b>EXPENDITURE, PUBLIC WORKS FUND.</b>				
Railways—	£	£	£	£
New construction .. .. .	1,253,868	75,092	1,178,776	42,789,406
Improvements and additions to open lines .. .. .	3,048,687	62,047	2,986,640	25,186,848
Roads .. .. .	1,169,851	45,261	1,124,590	27,441,349*
Public buildings .. .. .	1,825,390	22,584	1,802,806	17,894,401†
Lighthouses, harbour-works, and harbour defences .. .. .	23,777	1,258	22,519	1,390,991
Tourist and health resorts .. .. .	26,170	1,278	24,892	806,528
Telegraph extension .. .. .	693,569	276,791	416,778	13,293,412
Departmental .. .. .	603,081	455,509	147,572	3,744,025
Irrigation, water-supply, and drainage .. .. .	444,838	28,400	416,438	1,966,767
Lands-improvement .. .. .	194,347	21,822	172,525	1,408,887
Swamp-land drainage .. .. .	19,077	16,377	2,700	105,565
Settlement of unemployed workers .. .. .	613,302	166,544	446,758	1,858,609‡
Native-land settlement .. .. .	1,052,802	694,958	357,844	1,539,620
Dairy industry loans .. .. .	..	..	..	46,125
Cost and discount, raising loans, &c. .. .. .	137,609	..	137,609	3,965,916
Closed accounts (for more detail see Table 1) .. .. .	..	..	..	8,116,828
Totals, General Purposes Account .. .. .	11,106,368	1,867,921	9,238,447	151,555,277§
Electric Supply Account (previously Aid to Water-power Works Account)—				
Construction .. .. .	1,098,811	52,598	1,046,213	17,384,678
Working-expenses .. .. .	386,701	7,195	379,506	..
Waihou and Ohinemuri Rivers Improvement Account .. .. .	..	..	..	709,740¶
Totals, Public Works Fund .. .. .	12,591,880	1,927,714	10,664,166	169,649,695

\* Includes £4,500 expended under section 16, subsection (1), Native Land Amendment and Native Land Claims Adjustment Act, 1923.

† Excludes expenditure on workers' dwellings totalling £319,918 transferred to State Advances Account; includes £154,488 expended under Reserves and other Lands Disposal Act, 1936, section 32.

‡ Includes £4,865 expended under Finance Act, 1932 (No. 2), section 6.

§ Does not include expenditure under Ellesmere Land Drainage Act, 1905, or £1,226,000 transferred to and included in Main Highways Construction Fund.

|| Total capital, excluding suspense items as per accounts in Table No. 5.

¶ Excludes interest and loan charges.