

In order to provide independence of supply and simultaneously to relieve the general system of portion of the load it would otherwise have been required to supply to military camps and hospitals, no less than fifty-eight fuel-burning plants of varying sizes generating a total of 4,316 kW. have been installed throughout the Dominion. Fourteen of the plants, generating 1,281 kW., were installed in the South Island and forty-four, generating 3,035 kW., in the North.

A ten-year plan has been formulated to satisfy our needs for hydro-electric power over that period, and investigations of additional power-sites which will be required beyond that period are constantly being made.

Now that victory in Europe appears to be so much closer I am taking advantage of the Inspecting Electrical Engineer's visit abroad to make further inquiries into the possibility of obtaining modern steam-driven electric-generating plant of substantial capacity, to act as standby on the Government hydro-electric scheme.

During the year the Housing Construction Branch was called upon to undertake an extensive programme in the prefabrication of buildings for use in the Pacific by United States and New Zealand Forces. This programme necessitated the closest collaboration with the Services to the details supplied by the New Zealand Army to suit the particular overseas conditions and the priorities established.

The system adopted allowed for complete flexibility so that parts were interchangeable. The manufacture of the parts had a Dominion-wide spread and they were assembled at marshalling-yards specially constructed for the purpose in Auckland, Wellington, Christchurch, and Dunedin.

The following programme was carried out during the year under review:—

Service.	Floor Area.	Super Feet of Timber.	Cost. £
United States Forces	2,394,000	13,782,000	1,062,008
New Zealand Army	594,000	3,622,000	258,065
R.N.Z.A.F.	370,000	2,474,000	170,317
	<u>3,358,000</u>	<u>19,878,000</u>	<u>£1,490,390</u>

This quantity of timber would have built 2,200 houses.

Many expressions of appreciation were received from the Services concerned with the way in which the job was performed and in the synchronizing of deliveries to meet the uncertain shipping facilities.

However, the net effect of this programme, which was accorded the highest priority, was to delay many of our own local demands, particularly housing, and, unfortunately, it made large inroads in the local supply of dry timber stocks.

Towards the end of the year, with the general improvement in the United Nations' position, there was a rapid tapering off in defence construction both here and overseas, and the men were diverted as rapidly as possible to meet local demand, particularly for the completion of those houses which had been suspended during the Japanese threat to this country.

Of the suspended State houses 880 have been completed to 31st March, but there has been a rapid building-up of contracts let—namely, 2,545—for the first six months of 1944, or at the rate of 100 per week. There will, however, be some time-lag before these houses commence to return at the same rate owing to the difficult position of our supplies, many of which have to come from abroad.

Permits have also been granted for private dwellings on a restricted floor area basis for 1,455 private dwellings during the year under consideration.

The number of dwellings erected during the war period is of interest:—

Year ended 31st March,	Private Dwelling Permits in Urban Areas.	State Houses commenced.	Total.
1940	4,216	3,870	8,086
1941	3,577	3,570	7,147
1942	2,898	2,605	5,503
1943	495	368	863
1944	1,455	1,845	3,300
	<u>12,641</u>	<u>12,258</u>	<u>24,899</u>

It will be seen that during the war period nearly 25,000 houses have been provided for without taking into account those built in rural areas and for which statistics are not available.

Had it not been for the war the number of houses built by private and State enterprise would, at a conservative estimate, have reached at least 9,000 per annum, or 45,000 over the five-year period. The minimum number lost through the war is therefore 20,000, which would have overtaken any serious needs. It is of interest to note that it is estimated the timber and materials used for defence-construction purposes in all its ramifications would have been sufficient to erect 20,450 houses—that is to say, the number of houses lost to New Zealand by reason of the war is almost exactly counterbalanced by defence construction.

After the outbreak of war nearly five years ago the construction of immediate defence works was proceeding according to the normal practice of arranging contracts by competitive tendering, and this procedure was found quite satisfactory for a time. Subsequently it became necessary to adopt other means to secure the degree of urgency required, and a limited amount of work was undertaken on a cost-plus or fixed-fee basis, but this in turn proved an unsuitable method of handling the increasing demands of our Services. The entry of Japan into the war created new and more pressing problems requiring a major programme of works of greater variety and urgency, and early in 1942 the "Master