

tunnellers, and 1,070 tradesmen. Even with restriction of jobs of lesser priority, there appears little prospect of increasing the labour force available without the importation of selected labour from abroad. Broadly, it would appear that for the next year or so the work of the Department in this respect will largely consist of keeping the present highways in good repair, replacing bridges, and pushing ahead with the very considerable programme of hydro-electric construction. Attention will also be given to the improvement of highways outlets from the main centres of population, where difficulties have long been experienced in dealing with increasing traffic flow.

It is desired to decentralize, as far as it is practicable, certain functions of the Department from Wellington. A commencement in this direction has already been made, and the matter is under current examination with the Public Service Commission.

So far as the future policy of the Department is concerned, there appears to be a need for a redefinition of the works which should be carried out by the Central Government itself as distinct from those which could be more advantageously carried out by selected local authorities under Central Government direction, and a redefinition also in regard to the work which must, on account of its nature, be carried out by day labour as distinct from that which could more efficiently be let by contract. This and other related matters will be the subject of special investigation during the current year. Steps have been taken during the year to associate more closely the operations of the Public Works Department with those of the Ministry of Works.

WORKS: PROGRESS AND COSTS

(a) CONSTRUCTION PROGRESS

The Public Works Department has during the past year improved upon the system in operation for reporting projects on construction works. These improvements will also make possible the setting-up and maintenance of a central system of progress reporting in this office. Up-to-date and accurate records of progress will later be available on all important Government construction projects.

(b) CONSTRUCTION COSTS

Costs of all works have increased, and are still increasing. There is little prospect of a reversal in this trend until labour and materials are in better supply.

You will recollect that last year an officer of this Department, accompanied by an officer of Treasury, was sent to the United States of America to study modern methods of costing engineering construction works. These officers have now returned and are engaged upon the design of a system suitable for introduction into the Public Works Department.

The system, when functioning, should provide complete knowledge and control over the costs of all phases of works at frequent regular periods during their construction, and information for the preparation of estimates of cost for future works, which at the present time it is difficult to obtain with any degree of accuracy.