

Throughout the year the number of workmen employed on the development work on the blocks remained fairly constant.

The following summary shows the expenditure under the vote, and the results for the year :—

Capital expenditure	£146,480
Number of sections under development, and area	583 ; 48,689 acres
Number of share milkers established	5
Number of men employed on development	1,246

DEFENCE WORKS.

A large programme of construction work is being carried out on behalf of the Navy Office and the Defence Department.

PLANT AND MECHANICAL EQUIPMENT.

Immediately upon the present Government taking up office, I made a close investigation into the matter of utilizing modern plant upon the Department's construction works as proceeding and as contemplated by the Government.

After visiting most of the works in hand by the Department throughout New Zealand, and after going fully into the question with the Department, I decided upon a policy of instituting the very latest type of construction plant upon such works whereon a combination of plant and man-power would show a decided economy to the Government and at the same time lighten the laborious side of the work with advantage to the men employed.

Although this policy has been in operation for several months now, its full effects have not yet been felt, because the greater portion of the plant on order has not yet arrived upon the works.

The majority of the new plant ordered is being supplied from England, but, wherever economically possible, New-Zealand-made plant is being obtained, and, to foster New Zealand industry, a preference loading is applied to all tenders in favour of New Zealand manufacturers when the quotations are being considered by the Tenders Board.

I should like to point out here that tenders for the Department's plant requirements are invariably called in the public press at the four main centres of New Zealand, and no reputable firm is precluded from tendering. The specifications are also mailed to the High Commissioner for New Zealand so that British firms unrepresented in New Zealand may also have an opportunity of tendering, sufficient time being given for mailing manufacturers' data from England before the closing date.

In this way information is received concerning the very latest equipment available upon the world's markets.

During the year a quantity of plant was maintained upon swamp drainage and the removal of tree-stumps in the Auckland, Stratford, and Taumarunui districts ; irrigation and drainage works in Otago Central and South Canterbury ; various stone-quarries throughout New Zealand ; Arapuni Power-house extensions ; Homer Tunnel ; Ahuriri Lagoon reclamation ; Hutt Estuary reclamation ; and aerodrome-construction works generally ; whilst a quantity of road-maintenance and construction plant was utilized upon the Department's roading-works and main highways throughout New Zealand.

My Department carried out the engineering investigations and the purchase of plant and machine tools required for the New Zealand Government Air Force workshops and for the workshops at the Naval Base, Devonport, Auckland, where an extensive programme is being inaugurated by the Government to allow of the refitting of warships being carried out as far as possible in New Zealand, and so allow of the absorption of New Zealand labour upon the work, instead of sending