

this is afforded by the fact that any work undertaken arises from a special need in some particular district or from a general expression of public opinion that a particular work is vitally necessary.

I feel it to be my duty always to thoroughly investigate any proposal which might be brought forward, and to approve of only those projects wherein the public interests and benefits are paramount to all other considerations.

Since this Government assumed office the general prosperity of the country has increased, and it naturally follows that an expansion in public works is necessary not only to keep pace with, but to stimulate and promote, development. Special attention has been given to agricultural and pastoral requirements in the way of providing better roading facilities, and in many localities settlers now have the advantage of all-weather road access by reason of extensive metalling and bridging carried out during the past three years. The reconstruction and improvement of the principal roading system of the Dominion has been advanced by a vigorous policy in respect to main highways, with the result that better transport facilities now exist for our primary industries and commercial activities.

Considerable progress has also been made towards the completion of several major railway connections in both Islands which will serve large areas of settled land which hitherto have been handicapped by inadequate means of transport.

The development of hydro-electric schemes has enabled the State to augment its bulk supply to meet the increasing demands for power, and has also enabled reticulation to be extended into many additional areas. For the purpose of increasing production in districts which do not enjoy sufficient rainfall, major irrigation works are in progress, and although some of these schemes will not be completed for some time yet, those which have been in operation are showing excellent results.

The steadily increasing commercial air services and the requirements of defence have necessitated the construction and improvement of civil and military aerodromes, and a substantial advance has been made in the past year towards the completion of many works in this category.

The erection of public buildings of all kinds has proceeded, and much-needed accommodation has been and is being provided for the various Departments of State.

The mechanization of construction works has done much in the way of expediting progress and in enabling important and urgent works to be carried out at economic costs.

I am pleased to be able to record that the efficient organization and personnel of the Public Works Department has continued to function with every satisfaction, and the workmen have given of their best services in fulfilling the Government's public-works policy.

In previous Statements I have referred to the question of river-control and to the necessity for introducing a comprehensive scheme for the purpose of arresting the accumulating losses of productive land through flood erosion. I had hoped to be able to introduce into the House this session a Bill to deal with the whole matter, but pressure of other work has prevented this. I am having the Bill prepared during the coming recess, and will have it ready to introduce next session.

FINANCE.

The payments and receipts and accumulated totals in connection with the Public Works Fund and other associated votes and accounts for the year 1938-39 are shown in the tabulation following.

The gross expenditure amounted to £21,091,543, of which £5,741,099 was expended by other Government Departments; the recoveries in reduction of expenditure amounted to £4,169,654, of which £1,262,076 was recovered by other Departments; the net expenditure totalled £16,921,888, of which £4,479,023 was expended by other Departments.

In addition, the Department collected £1,703,366 for the supply of electric energy, irrigation receipts, and miscellaneous revenue from other sources.