

- (c) The system of annual appropriations did not put any direct responsibility on a Government Department to plan for any period of years ahead. Some Departments had long-range plans, but others could hardly plan ahead without knowledge of the overall position. In the case of most Government Departments, long-range planning is necessary to ensure that physically the Department's interests are not interfered with and any steps necessary are taken to secure land, even if this is not required for some years ahead:
- (d) Parliament did not have an opportunity of reviewing estimates until the working year was well advanced, and until, indeed, many works for which the money was asked had been commenced:
- (e) Departmental proposals framed in this way could not properly be related to Government policy, and, except within the limited time available to Cabinet, there was little chance of adjusting these or reconciling the proposals of one Department to another:
- (f) Questions of material supply and man-power available were not usually taken into account. In order to implement a policy of full employment and full production much greater weight must be given to these factors than in the past:
- (g) Government expenditure is only part of the total national expenditure on buildings and constructional works, and under the system referred to there was no opportunity of relating Government works to the works of local authorities, or to the proposals of private interests who would also have some claim on materials and labour and the use of land.

In order to overcome these defects and to secure the advantages associated with a positive approach to forward planning, steps have now been taken to ensure that all major proposals arising in Government Departments are made known in advance to the Ministry of Works.

For reasons of convenience it is not desirable to draw up detailed programmes running too far ahead. The adoption of too short a period, on the other hand, would not secure all the benefits arising from adopting a longer view. For practical purposes a plan embodying proposals which will require consideration within a ten-year period has been adopted, with emphasis on detail in the first two years of that period. Programmes, even when drawn up from these proposals, will need to be revised each year in the light of progress and recent changes in emphasis and urgency.

In the future, works programmes must be drawn up with a view not only to the further and more intensive development of the Dominion, but also to the stabilization of the constructional industries, and the provision at all times of a volume of work which will be appropriate to the needs of an economy geared to full employment. Three cardinal factors require to be taken into account—(a) finance; (b) man-power; and (c) materials.

(a) *Finance*.—Dealing with the question of finance, which is fundamentally a question of more direct concern to Treasury, it is quite evident that the amount of money which can be made available for major developmental projects must be related each year to the national income, national expenditure, and savings. Government expenditure cannot be considered alone; on the contrary, if the Ministry of Works is to fulfil one of its most important functions—namely, to stabilize the constructional industries as a whole—the expenditure on Government works must be varied to some extent to compensate variations in the expenditure on