

on the land, and Maori land-development. Of these, housing must still be regarded as having priority of demand on the available resources. The Government's policy in this direction will not be fulfilled until every family is properly housed. A considerable sum is being provided in this year's estimates for Maori housing.

The Government already have under way a comprehensive hydro-electric development programme which is being vigorously proceeded with. The necessity for maximum progress on these works is fully realized by the Government, and for this reason Cabinet has approved of four senior Engineers, two each from the Public Works and State Hydro-electric Departments visiting the United States and Canada to study the most modern methods of construction being used in those countries.

There is provision in the programme for essential expenditure on other works including defence, civil aerodromes, highways, roads, irrigation and water supply, soil conservation, river control, educational and hospital buildings, public buildings, railway improvements, &c. However, expenditure on these works is necessarily limited to the extent to which manpower and materials are available.

#### Loan Requirements

Expenditure on capital works which will be financed out of loan-moneys is as follows (for comparative purposes I also quote the amounts expended in 1946-47 for similar projects):—

	Expenditure, 1946-47. £	Estimated, 1947-48. £
Housing .. ..	6,200,000	7,500,000
Electric supply .. ..	4,000,000	6,100,000
Land for settlement .. ..	1,500,000	2,500,000
Education buildings .. ..	992,000	1,250,000
Railway improvements .. ..	750,000	3,000,000
Coal-mines .. ..	120,000	2,500,000
State forests .. ..	750,000	1,200,000
Other public works .. ..	1,288,000	2,825,000
	<u>£15,600,000</u>	<u>£26,875,000</u>

The total new loan-moneys required under all headings is thus £26,875,000, and it is anticipated that the major portion of this will be found from the new "tap" issue which was opened in January of this year and which is still current. Any amounts required in excess of the receipts from the tap issue, which are coming to hand freely, will be provided from departmental issues.