

importance. For this reason the Commissioner of Works is at present overseas to study the latest engineering methods of construction and investigate the availability of machines suitable for use in this country. Mr. McKillop will also investigate the possibility of obtaining experienced engineers, and will also discuss our problems with some of the leading British engineering contracting firms with a view to claiming their interest in taking up contracts in New Zealand. However, an increased number of engineers, skilled workmen, and modern machines must also be balanced with the requisite increase in the supply of essential materials. Unfortunately, the building and construction industry continues to be harassed by the scarcity of key materials. Availability of steel in 1947 was greater than in 1946 to the extent of some 11,000 tons. Cement-production showed little change from the previous year, and where other lines showed an increase, these were insignificant. So desperate was the outlook for steel at the commencement of the present year that at Government direction I visited Australia for the purpose of seeing what extra supplies of steel for the construction industry could be secured. Australia has been the major supplier of steel in its various forms to New Zealand for some years. Structural shapes, reinforcing-rods, and plates come almost entirely from Australia for our constructional requirements; supplies from United Kingdom, Europe, United States of America, Canada, South Africa, and India are either very small or non-existent. Therefore, our only hope of some increased deliveries lay in the good will of the Broken Hill Pty., Ltd., and of the Australian Government towards this country.

My visit was made with the knowledge that Australia was itself facing a critical position through coal shortage, labour difficulties in the steel plants, and transport problems which had caused a loss of over 450,000 tons in steel-production. As in New Zealand, Australia has a huge back-log of projects requiring steel, the orders for which would take over three years to satisfy. I soon found that, despite the great handicaps attending steel-production to-day and the enormous local demand for its products, the Broken Hill Pty., Ltd., was most anxious to assist New Zealand. While the company could not meet any very substantial portion of this country's accumulated demand, it met my request to provide extra steel to the extent that our available shipping tonnage would permit us to lift over the present year 1948. That means some 13,000 tons additional of structural steel and other B.H.P. products, and while no one would claim that the quantity is large, it is not inconsiderable and is very real evidence of the co-operation of the B.H.P. authorities to help New Zealand. It will be readily understood that fulfilment of the company's undertaking depends upon maintenance of its productive capacity and of shipping availability; if this country can take in the additional tonnage of steel, much relief will be afforded to industry, both public and private. However, at the moment of writing this report, some months after my visit to Australia, the problems, such as adequate coal deliveries, surrounding steel-production make it somewhat doubtful whether the target which we had hoped to see achieved will be met by the end of the year. The Ministry is maintaining very close contact with the Broken Hill Pty., Ltd., and is also regularly obtaining the latest information regarding availability from other overseas markets in endeavouring to minimize the existing acute shortage of steel.

Legislation enacted during the 1947 session which directly affected the Department comprised the Public Works Amendment Act, 1947, which dealt with motor-ways; section 23 of the Statutes Amendment Act, 1947, which enables the Minister of Works to execute documents on behalf of the Crown for the purposes of the Housing Act, 1919; Part III of the Finance Act (No. 2), 1947, which amended the Soil Conservation and Rivers Control Act, 1941, dealing particularly with certain questions of rates, unauthorized expenditure, dwellings for employees of Catchment Boards, and the date of annual meetings of Catchment Boards. The Mining Amendment Act, 1947, by section 7, included provisions having the effect of continuing in existence mining rights acquired by the Crown for public undertakings.