

In stressing the demand for an increased labour force, I have made particular reference to those classes of works in which the Government is directly interested. However, I am aware that the Government is fully knowledgeable of and interested in the over-all man-power requirements of the whole industry, in that private-enterprise projects of importance to the Dominion have also been deferred because of prevailing conditions within the industry.

It must be understood, however, that any increase in man-power in the building and construction industry must be a balanced one and also accompanied by a balanced increase in the associated production industries.

MATERIAL SUPPLY

The year under review has been a difficult one in so far as material supply is concerned. Despite the intensive efforts made by this office, "bottlenecks" in supply have occurred, and continue to occur, through shortages of shipping, raw materials, coal, and labour. Overseas markets are constantly being explored to obtain supplies vital to the building industry, although the necessity of limiting purchases to "sterling areas" as much as possible has restricted availability to some extent. Through this medium and the steps taken to increase production within the Dominion, it is considered that material supply can be maintained for the current year. Factors outside the direct control of the Government make immediate prospects of a substantial improvement unlikely, but to the extent that these can be overcome the position for 1948-49 as it affects the principal building materials is forecast under the following headings:—

Cement

Demand considerably exceeds supply, production being limited by recurring coal shortages. The slow turn round of shipping and adverse weather conditions during the winter months are the principal factors causing embarrassment to the building industry through sufficient supplies failing to come forward in regular quantities. Rationing, through the establishment of local end-use committees, has been extended, and should continue to operate to ensure equity in distribution. Importation of limited quantities is in hand, but is governed by availability from sterling sources and shipping. The position this year will be aggravated by a substantially increased demand from hydro-electric schemes.

Bricks

The building industry cannot avail itself of this medium to any greater extent than in the past, because production continues to be seriously affected by the supply of coal being far short of requirements and a lack of suitable labour. Because of high transportation costs, large-scale usage is generally limited to districts where bricks are manufactured. Plant capacity is adequate, but only a portion of this capacity is utilized owing to the above-mentioned shortages. The situation is likely to remain difficult.

Timber

Production continues to increase, assisting factors being an increase of man-power resulting mainly from immigration and the provision of satisfactory housing-accommodation under the timber workers' housing scheme and adjacent to cutting operations, thereby attracting suitable labour into the bush. Other contributing factors are the coming to maturity of exotic forests in readily accessible areas and more efficient logging operations by the use of modern plant.

The widespread and increasing acceptance of suitably seasoned and treated exotic timbers is alleviating the demand upon indigenous species. However, supply of the latter falls far short of demand, particularly in respect to grades suitable for joinery