xv D.—1.

During the year the unemployment situation became increasingly difficult, and a large amount of development work was carried out by relief workers. The reduction of costs resulted in the completion of a proportionately larger amount of work than is revealed by a comparison of this year's expenditure with that of former years.

The restoration of earthquake damage necessitated considerable expenditure on roads, and, where possible, unemployed relief workers have been engaged on this work. There is still a considerable amount of work to be done in providing metalled access to all occupied lands, and early completion has been hampered by the unprecedented financial conditions.

Local bodies have had their revenue decreased in sympathy with the serious drop in the prices of our primary products, being affected in at least two ways, firstly, in an endeavour to assist their ratepayers they have reduced their rates, and secondly, the rates even when so reduced have not been paid in a considerable proportion of the cases.

The result of the drop in revenue has been that less money is available for spending in the upkeep of the roads and highways. However, I think it can be fairly said that the local bodies have carried on as efficient maintenance of the roads under their control as the lesser amount of finance would permit.

The separate vote for roads on goldfields was abolished as from the 31st March, 1931, but the sum of £4,498 was voted in the ordinary Roads vote for expenditure on roads on goldfields for the current year.

The balances of the unexpended authorities at the 31st March, 1931, and those issued during the year amounted to £2,752, of which the sum of £2,487 was expended.

As usual, all applications for assistance in this direction were carefully investigated, and, having regard to the necessity for curtailing expenditure as far as possible, assistance was granted in those cases where the results of the investigations warranted it.

