

1494. We understand that it is intended that the Department is to be very considerably reduced in size and cost, and, from our investigation into the works which have been carried out during recent years, we have no hesitation in saying that this reduction is long overdue ; in fact, it appears that the financial position of the country to-day is in no small measure the result of extravagant expenditure out of loan-money on schemes which, from a national point of view, have not justified the expenditure which has been incurred on them.

1495. As a preliminary to the analysis of the expenditure and the projects in more detail, we give hereunder a statement showing the accumulated outlay on capital works as at the 31st March, 1914 and 1931, respectively, but would preface this with the remark that all the expenditure shown in the following statement is not controlled by the Public Works Department—*e.g.*, such accounts as the Hauraki Plains Settlement Account, Rangitaiki Land Drainage Account, and Swamp Land Drainage Account are under the control of the Department of Lands and Survey, but the works are nevertheless of a national character, and the relative expenditure should be included if a correct perspective of the cost of national development is to be obtained.

	Accumulated Expenditure to 31st March,	
	1914.	1931.
	£	£
Public Works Fund :—		
Departmental	850,745	2,740,866
Rates on Native Lands	68,672	68,672
National Development Account :—		
Roads, Roads to Outlying Districts, and Roads on Goldfields	10,101,329	20,334,817
Harbour Works and Lighthouses	1,105,504	1,291,817
Lands: Purchases and Development	2,186,140	2,722,363
Mining Development	893,526	891,900
Social Services	3,053,827	5,190,714
Immigration	2,288,520	3,309,850
Public Buildings	2,802,998	5,909,181
Timber Supplies and Sawmills .. .. .	..	Cr. 5,489
Acquisition, &c., of Quarries .. .. .	..	9,636
Development of Tourist Resorts	259,128	591,308
Contingent Defence	974,395	1,406,587
Irrigation, &c.	4,356	968,743
Plant, Material, and Stores .. .. .	..	274,633
Railway Construction and Additions to Open Lines	31,048,631	56,117,712
Telegraph Extension	2,669,773	10,930,501
Charges and Expenses of raising Loans	1,252,400	3,713,744
Interest and Sinking Fund	218,500	218,500
Motor Transport .. .. .	..	33,635
Development of Water-power	18,451	..
Total, Public Works Fund	59,796,895	116,719,690
Receipts-in-Aid, Transfers from Revenue, &c.	11,054,380	15,674,303
Special Funds :—		
Electric Supply Account	177,837	10,270,384
Main Highways Account .. .. .	..	4,536,977*
Hauraki Plains Settlement Account	152,227	942,095
Rangitaiki Land Drainage Account	45,216	499,935
Swamp Land Drainage Account .. .. .	..	538,626
Irrigation and Water-supply Account	48,291	..
Wellington and Manawatu Purchase Account	1,000,000	†
Waihou and Ohinemuri Rivers Improvement Account	22,956	709,740
Wellington-Hutt Railway	331,321	330,032
Railways Improvement Account	636,332	641,275
Railways Improvement Authorization Act 1914 Account .. .. .	..	8,727,918
Loans to Local Bodies Account: Roads to open up Crown Lands	..	697,408
Opening up Crown Lands for Settlement Account: Roads to open up Crown Lands	695,398	206,626
Land for Settlements Account: Roads to open up Crown Lands	..	590,025
National Endowment Account	24,120	53,401
Education Loans Account .. .. .	..	4,678,965
Total, Special Funds	3,133,698	33,423,407
Grand totals.. .. .	£62,930,593	£150,143,097

* Includes £1,400,000 transferred from revenue funds and £1,226,000 raised through Public Works Fund General Purposes Account.

† Included in Railway Construction and Additions to Open Lines above.