

So far the attention of the Committee has been directed to the consideration of work capable of being put into operation immediately.

Another function of the Committee is to collect and arrange in convenient form information on which a long-range programme of public works covering several years may be based.

This does not necessarily involve an increase in the total of public works, but it should enable the public-works programme to be more closely related to the general economic position. In addition, it will enable preliminary surveys to be made so that works may be commenced just when required, and will assist the Unemployment Board in planning its finance.

I cannot stress too strenuously the advantages to be obtained by employing men on a full-time basis instead of on a rationed system: not only does it result in the men receiving a more reasonable wage and settling down contentedly to their work, but it means a real economy to the Government because the men can be employed upon a contract system that ensures a fair return on both sides.

But to ask men to work industriously on this system I believe a reasonably good rate of wages should be offered, and I therefore view with much satisfaction the decision to increase the rate of wages to 12s. per day for married men. I anticipate a much better return for the expenditure incurred with this increase in wages.

Experience in the past has shown that there has been considerable difficulty in persuading unemployed workers engaged on No. 5 schemes or in receipt of sustenance in the towns to accept employment in the country. In fact, there has been a tendency for them to move from the country into the towns.

It is hoped that the increase in the standard rates of pay from 10s. 6d. to 12s. will provide an additional incentive and encourage men to go where useful works can be undertaken.

The increase in the standard rate, however, raises the problem that farm labour may be attracted into public works. The Government is fully alive to this problem, and it is the intention of the Unemployment Board to take action which it is hoped will meet this difficulty.

I do not intend to traverse in these general remarks the results or scope of public-works expenditure for the past year, the details of which I have given under the different headings in my Statement, and which may also be studied in the various reports attached, but I would like to draw attention to the increasing proportion of expenditure by the Public Works Department from revenue in contradistinction to the expenditure from loan-money during the last five years. Revenue from the Main Highways Fund, unemployment-tax funds, and hydro-electric revenue account in a great measure for this change, and it is well to note this when considering the comparatively large number of approximately eleven thousand men employed by the Department. Ten years ago the expenditure of loan-money by the Public Works Department represented about 89 per cent. of the cost of works, whereas in the year just past only 32 per cent. of the Department's expenditure was from loan-money. This change is due, of course, to a great extent to the financing of constructional work from current revenue, though a change also in the nature of the Department's activities accounts a good deal for the alteration.

The amount of work now carried out by the Department has practically reached that undertaken by it before the years of depression. Moreover, it is of a more varied nature, and the staff is having some difficulty in keeping pace with the survey and design of new works. The proposals of the Departmental Committee for increased absorption of men on works will considerably accentuate this difficulty, but I have no doubt that my Department can meet the situation if some increase in staff is provided.

In my previous Statements I have divided public works estimated expenditure for the year into four main headings. A division on these broad lines gives a comprehensive view of the works proposed. To lines of communication there must