

(3) Development of electric power :	£	£
Hydro - electric supply develop-		
ment	700,000
(4) Public buildings—		
Schools	550,000	
Postal buildings	365,000	
Mental Hospital buildings	160,000	
Air Defence buildings	210,000	
Other buildings (departmental, Justice, Police, Health, Agri- culture, &c.)	404,000	
	<hr/>	1,689,000
(5) Development of tourist resorts	39,000
(6) Departmental supervision	180,000
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		<u>£10,440,957</u>

The greatest item of expenditure this year will be on main highways. This is £4,165,200, of which £1,906,000 will be from loan-money.

It was desirable in the interests of the whole community that as many men as possible should be placed in full employment after long years of unemployment. Improvement of main highways to meet the demands and safety of increasing traffic offered a ready and justifiable means for the purpose of returning men to full-time useful employment. The undue loss of life and the number of personal injuries arising from road traffic made it necessary to render main highways safer for all classes of road-user. There is ample scope for activity in this direction, and my efforts to prevent daily tragic happenings on our public thoroughfares will not be relaxed until everything possible has been done to provide that standard of construction and maintenance on main highways which will ensure safety for everybody.

In my last Statement I referred to an extensive programme for the elimination of dangerous railway level-crossings, and to the desire of the Government to expedite this work. Notwithstanding the difficulties encountered in finding the best solutions to the problems arising from widely varying conditions, I am gratified to be able to say that very satisfactory progress, as indicated later in my Statement, has been made.

A large amount of money is being expended in many ways upon the improvement of main highways, but a tremendous amount of beneficial work is being done, and I feel sure that the results are being appreciated by the people as a whole.

I wish to take this opportunity of expressing my deep appreciation of the good work that is being done by the Main Highways Board, and the valuable assistance it is giving to the Government.

A vote of £1,108,000 is asked for this year for the prosecution of the Government's railway-construction programme. Particularly good progress has been made on railway works with the modern excavation plant now in use. A total of 2,800 men is now engaged on railway-construction.

The Napier-Putorino section of the East Coast Main Trunk Railway, which was damaged badly by the 1931 earthquake, has been completed and handed over to the Railways Department ahead of the anticipated time. Goods traffic is now running to Wairoa from Putorino over the section of line still retained by the Public Works Department. Owing to delays in delivery of steel and other materials the completion of this, as well as many other works, is being unduly delayed. The formation work on the line from Wairoa to Gisborne is well ahead, but the tunnels are the deciding factor in the completion of the line. There was some delay in obtaining plant for the tunnels owing to slow deliveries from England, but all plant is now installed. There are nearly four miles of tunnel to be constructed.