Where it has been desirable and possible to entirely employ machinery the saving in the cost of works has been remarkable, and I would instance irrigation and aerodrome-construction work in this respect. On the latter the work required is of such a nature that manual labour is quite prohibitive in cost, while the former, in many cases, cannot be undertaken at a cost that would enable settlers to pay a price for irrigation water commensurate with a reasonable return to the Government.

This year, again, I would like to refer to the good relationship that exists between the officers of the Department and the New Zealand Workers' Union. The agreement between this union and the Department provides for appeal to myself in the event of non-agreement, but in very few cases indeed has this been necessary throughout the year. Sincere co-operation between the direct representatives of the men, as embodied in union organizers and other officials, and officers of the Department can produce nothing but good, and infuses a spirit of desire for sound and efficient work on both sides.

It is regrettable that this year the country has been visited by frequent and unprecedented floods, bringing much damage and loss of life to both the Government's and local bodies' works. In the Napier and Gisborne districts floods of a height and magnitude far beyond the memory of any living man have caused untold damage. The effect of these floods is unbelievable to one who has not seen them. In addition to wholesale damage to roads, railways, and bridges, large areas of fertile country have been utterly destroyed.

In other districts the damage is not so great, and I would impress upon all local bodies the necessity of not depending on the Government when there is a reasonable and justifiable demand upon their own resources. If they do this, then the Government will be in a better position to help those who have suffered damage far beyond their power to restore.

In connection with the question of damage by floods, serious thought has been given to systematic control of rivers that are, or are likely to be, dangerous in this respect. The matter was referred to in my last Statement, and it is one of vital importance to this country. It has only been for want of suitable staff, due to the large amount of work already in hand by the Department, that progress has not been made to the extent I should like to have seen.

On the works now in hand there is still a shortage of engineering staff, and after exhaustive inquiries, both in New Zealand and Australia, the Department has been quite unable to obtain the services of more engineers. I find, therefore, much as I would like to have set up a special branch of the Department to undertake investigations and make surveys for river-control, I have so far been unable to do so. The matter is one, however, that I shall continue to press, and I am in hopes of doing more at an early date. The first procedure will be to collect data and make surveys for protective works in their order of urgency. Some work was done this year by utilizing the services of one of the Department's engineers who has had considerable experience in river-control work. He will be retained on this work.

Under the control of the Public Works Department it is proposed this year to expend an amount of £12,757,200.

Much criticism has been levelled at the Government because its proposals for this year's expenditure are on a large scale in comparison with those of former years. This may be so, but I wish to say definitely that the money will be expended only on well-planned proposals. In projecting public works it is futile to plan without giving consideration to the future needs of the country. I feel that we have now arrived at a time when we can better foresee our needs and provide for them. A country that stands still will go back: science, engineering skill and ingenuity, and increasing human needs compel us to advance.