Office accommodation at Akaroa was provided by adding three rooms to the buildings used as Resident Magistrate's Court and Post Office. The cost of the line has been £2,409 16s. 7d. Details will be found in Table A.

LINES PROJECTED AND FINISHED DURING THE YEAR.

THIRD WIRE, DUNEDIN TO OAMARU.

Owing to the great increase of business between Oamaru and Dunedin, and at intermediate stations, it was deemed prudent to run a third wire between the two places; and the work was completed about the middle of April. It is intended, when necessary, to continue this wire to Christchurch. The length already in place is ninety-seven miles, including a branch wire to Kakanui. Details as to the cost of material and erection (including the insertion of new poles where necessary) are given in Table A.

KAKANUI LINE.

This branch runs from the main trunk line, about four miles south of Oamaru, and connects the township of Kakanui with the telegraph system. The length of the line is three and a half miles. The station was opened under a guarantee given by the New Zealand Meat Preserving Company.

NELSON TO MOTUEKA.

This line of twenty-two miles was erected at the request of the Provincial Government of Nelson, under guarantee. Starting from Nelson, the line skirts the main road to Motueka as far as the foot of the Moutere Hills. Across those hills the line is not at any point out of sight from the road; and from Moutere to Motueka it again runs along the roadside. The bush clearings did not exceed a mile. The construction was commenced early in March last, and was completed on the 9th May; communication being established on the 27th May. Pending the completion of the office at Motueka, premises have been rented. Since the line was started, the Nelson Government have made a further request for a station to be opened at Richmond, about half way between Nelson and Motueka, and steps have been taken to comply with the request. It is intended to combine the duties of Postmaster and Telegraphist at Motueka and at Richmond; and by one of the officers the duties of Lineman will also be performed. The construction was superintended by Mr. Walter Blake. The cost, &c., is stated in Table A.

SECOND WIRE BETWEEN NAPIER AND TAURANGA.

When it became certain that the line between Kati Kati and Grahamstown could be carried through without Native opposition, it was determined—in order to provide for the great increase of work likely to result from Auckland being brought into communication with the rest of the Colony—to add a second wire between Napier and Tauranga. The work between Tauranga and Taupo (110 miles) was commenced near the close of December, and was finished on the 13th February. The section between Taupo and Napier (ninety miles), was not completed until the end of May, partly owing to the line having to be shifted in many places to the road as now completed, which entailed extra clearing of bush to secure the wires from falling timber. The bush at many points was unusually heavy and dense, and the work generally was retarded by wet weather, as well as by the roughness of country through which it was necessary in places to go.

KATI KATI TO GRAHAMSTOWN.

This line was commenced on the 1st January, and communication between Auckland and Wellington, via Grahamstown, was established on the 12th April. The length of the line between Kati Kati and Grahamstown is forty-three miles. From Kati Kati the wires are carried along the coast, well back from the sea. After crossing the range at Waihi, it runs parallel with the coast through Mataora and Parakiwai to the main dividing range. This is crossed so that the line strikes the valley of the Thames at the Hikutaia River. Thence to Omahu, flats and low hills only are crossed; and from Omahu the wires run near the Gold Fields line, until meeting the posts of the Auckland and Thames line, they are carried on them to the office at Grahamstown.

The total length of bush clearing on this line is over seven miles and a half. Great care has been taken to make the line as strong as possible. The posts are of kauri and totara, the latter being used wherever practicable. Precautions against fire have been adopted as on the Tauranga and Kati Kati line.

To facilitate the work of repair and inspection, side cuttings have been made over steep hills; across some of the creeks, bridges have been thrown; and swamps have been rendered passable for horsemen. The bush clearings are two chains wide, and trees that might, by falling, interrupt the working of the line, have been removed from each side of the cuttings.

The carrying out of this most important line was intrusted to Mr. W. H. Floyd, Electrician to the Department, whose constant and zealous attention to the work no doubt contributed greatly towards its completion eighteen days within the contract time.

LINES IN COURSE OF CONSTRUCTION.

WAIAU LINE.

This will be a branch from the main trunk line between Leithfield and Cheviot. It will start from Leithfield on the present poles, to the north bank of the Waipara; thence by new poles, along the Great North Road, through a fine, flat, and gently rolling country, to Waiau.

The estimated distance from the Waipara to Waiau is about thirty-seven miles, or from Leithfield forty-three miles. Contracts have been entered into for the cartage of the poles and other material, and the erection is being carried on under the supervision of Mr. Blake. It is expected the line will be completed about the middle of July. Two stations are being erected, one at Hurunui, the other at Waiau. At each, the duties of the Postal and Telegraph Departments will be combined.