

Although the investigation of further hydro-electric schemes is proceeding more rapidly than ever before to determine the order in which the schemes should be developed, this feature of the work is being expanded still further as the information is required at the earliest possible date.

In the North Island, where the sum total of the sources of hydro-electric energy is not so large as in the South Island, the question of further supply, after the complete development of hydro-electric power, is receiving close study. The most attractive possibility seems to lie in the development of power from geo-thermal steam. Power from such steam has been utilized in Italy, but it is not yet clear whether local conditions will make a similar development possible in this country. To push the investigation of this problem, my colleague the Hon. the Minister in Charge of the Department of Scientific and Industrial Research has established a small advisory committee of the Council of Scientific and Industrial Research to deal with the general problem and policy associated with the investigation of geo-thermal sources. The problem is not an easy one, but the answer must be found.

Apart from the generating-stations, much progress has been made with extensions to the transmission system, which conveys the power throughout the length and breadth of the land, and some general comment on this subject is given later.

Many people have taken the opportunity of visiting the various hydro-electric works during the year, and they cannot fail to have been impressed by the evidence of the immense works now in active construction. Such visits do a great deal of good, and are to be encouraged, but it is not possible for many to undertake the journeys involved. To help to convey some impression of what is going on it is hoped that the majority of people will be able to view a short film in technicolour descriptive of activities in the field of electric supply. This film, entitled "Projects for Power," should be available later in the year.

FINANCIAL RESULTS

In my last statement a brief summary was given of the financial results for the year ended 31st March, 1948, and the audited accounts and balance-sheet for that year were published in parliamentary paper B-1 [Pt. IV], 1948.

In section 8 of the Finance Act, 1948, the statutory loans redemption charge was reduced from 1 per cent. to $\frac{1}{2}$ per cent., and the deficiency in the amounts previously set aside was deemed to be extinguished.

The following is a summary of the results (unaudited) for the year ended 31st March, 1949. The audited accounts and balance-sheet will again appear in B-1 [Pt. IV]:—

	£	£
Revenue	3,661,414	
Operating-costs	1,714,975	
Gross profit		£1,946,439
Capital charges—		
Interest	1,095,034	
Depreciation	306,400	
		1,401,434
Taxation reserve		177,455
Loans redemption (statutory charge)		356,393
Balance to general reserve		11,157
		£1,946,439