

cerned, absorbed £10,000. The electrical works at Rotorua cost £2,311; and the bringing-in of a further supply of hot mineral water to augment that from the Rachel Spring, £2,202. This last item will provide a practically unlimited supply for many years to come.

ROAD CONSTRUCTION AND MAINTENANCE.

The sum provided on the estimates last year for road and bridge construction and maintenance was greater than that of any previous year since the inauguration of the public-works policy. The expenditure also constituted a record.

The efforts of the Department have been directed mainly in providing primary access to lands already in occupation, but the improvement, widening, and metalling of existing access roads, and the construction and renewal of bridges, have not been neglected. The greater part of the work has been undertaken by my own staff, but subsidized works, such as metalling, renewal of bridges, &c., were in most cases entrusted to the local bodies concerned. A certain amount of modern road-making plant has been purchased and used with successful results. The use of motor-lorries has cheapened the cost of haulage of metal, steam-shovels have been installed where the magnitude of the work warranted, and oil-driven road-rollers are being used in connection with metalling operations.

In the prosecution of the various activities connected with roads and bridges it is desired to utilize to the utmost all plant and machinery suitable for that purpose, whether the property of the Department or of the local authorities, so that all efforts may be co-ordinated towards the adoption of methods that would contribute towards efficiency, economy, and expedition in the carrying-out of works.

It has been recognized that where there are at present no railway facilities, nor any likely to be in the early future, it is reasonable to provide suitable roads so as to compensate as far as possible for such disabilities. In accordance with this principle particular attention has been directed to the energetic prosecution of work in the formation, metalling, and bridging of such important road connections as those between Napier and Gisborne, and between Te Kuiti and Waitara.

It is proposed that in future the appropriations for roads and bridges be based on an automatic system whereby those districts that are backward in roading and in development shall receive a greater proportion of the amounts available than will other districts that are already well roaded and well developed. The basis for adjustment will include such factors as mileage of roads unopened, areas of Crown and Native land undeveloped, areas of districts, populations, productivity, loans, and mileage of roads still requiring improvement.

Efforts have been made and will be perfected whereby local authorities will be brought into closer touch with local public-works representatives. For instance, district and resident engineers will have the advantage of discussing proposed allocations direct with local authorities. This, it is hoped, will bring about better understanding and combined purpose and effort.

TELEGRAPH EXTENSION.

During the year 46 miles of telegraph and inter-urban telephone pole-line, carrying 615 miles of wire, were erected. In connection with telephone-exchange subscribers' lines an additional 330 miles of pole-line, carrying 4,263 miles of open aerial wire, and 41 miles of cable containing 11,446 miles of wire, were made available.

The coin-in-the-slot telephone machines were increased by twenty-four during the year; telephone exchanges were increased by five, whilst twenty-five others are in various stages of completion. The number of new subscribers joined to telephone exchanges during the past year was 8,785, and this increase necessitated additional switchboard accommodation at fifty-five exchanges.

The installation of automatic exchanges is proceeding at Auckland, Palmerston North, Wanganui, Kelburn (Wellington), and Oamaru. Owing to the comparative shortage of material, the development of the automatic telephone-system has been severely handicapped, but every effort is being made to provide for all requirements as speedily as conditions will permit.