

Expenditure,—

Under appropriation	..	..	..	5,286,687	
Other expenditure	..	..	..	439	
Charges and expenses of raising loans	..	..	..	174,281	
					5,461,407
Balance at 31st March, 1922	..	..	..		<u><u>*£429,682</u></u>

* NOTE.—The balance on 31st March, 1922, is made up as follows:—

				£
Cash in Public Account	..	..	..	26,346
Imprests in the hands of officers of the Government	..	..	..	403,336
				£429,682

Advantage was taken of the provisions of section 56 of the Public Revenues Act, 1910, to temporarily transfer £500,000 from the Consolidated Fund in anticipation of the receipt of loan-money, whereby a saving of interest amounting to £7,500 was effected.

The activities of the Public Works Department have been very considerable throughout the year. It was not possible in connection with railways to carry out the principle of concentration in its entirety, owing to unemployment throughout the country, which has necessitated the carrying-on of works in various parts in order to avoid the expense and dislocation which would have been caused by an endeavour to employ all the men requiring work on a limited number of works. As a result, some lines, which would have otherwise been stopped, have been continued. On the more important lines vigorous work is being carried out, and progress satisfying anticipations has been effected.

In connection with roadworks, the ordinary programme has been speeded up and work done this year which, but for the necessity for finding employment, would not have been carried out so soon. The number of men employed has risen to about 6,500, one-third of these being what are known as relief workers.

The legislation prepared last year in connection with the construction and maintenance of main roads has been reconsidered. There has recently been a conference between the Government and the interests involved, and it is hoped that the difficulties which appeared will be overcome. The work of developing the backblocks is still actively proceeding.

The Department's hydro-electric works have been vigorously pushed on; fresh units have been and are being installed at the Lake Coleridge power-house, which will soon reach its maximum capacity of the first development. The Harper River has been diverted into Lake Coleridge, this being the first stage of a complete duplication of the installation, which will be progressively proceeded with. Work at Mangahao has been speeded up. The reticulation in connection with the Horahora scheme has been extended, so that a large area of fertile country and a number of towns are supplied with power. The returns from this scheme have been very gratifying. The work of enlarging the power-house, with the consequent extensions elsewhere, is in progress. The development of the first stage at Waikaremoana is so far advanced that power will probably be available for Wairoa very shortly. An agreement has been entered into with the Auckland Power Board whereby this body agrees to take the whole of its demand from Arapuni power-house as soon as the supply is available, and the Government has agreed to use every endeavour to have power available by the end of 1928.

Very good work in connection with the improvement of the Waihou and Ohinemuri Rivers has been done, and during high water, which occurred once or twice during the year, the good effects of the work already done were plainly evident.

The work on the Manuherikia irrigation scheme, Central Otago, is so far advanced that water was turned on officially by my colleague the Hon. Minister of Public Works on the 31st March, 1922. Further extensions are being made in