

SURVEYS, ETC.

Investigation work on various possible sources of power in South Canterbury has been continued during the year, and is still continuing. Detailed investigations have been made at Lakes Tekapo, Pukaki, and Ohau, and at various possible dam-sites on the Waitaki River. The results of these surveys are being plotted and tabulated for comparison of various alternatives, and it is hoped that we will be in a position during the present year to make a pronouncement on the next source to be developed for additional power-supply to the Canterbury and North Otago districts.

A license has been granted for a large power development between Lake Manapouri and Doubtful Sound. This license has been issued to a syndicate of business men, who propose to endeavour to raise capital in the English market to develop this source of power for the manufacture of nitrates. The conditions of license amply protect the interests of the Crown in all respects, and provide for the license lapsing if adequate progress with complete investigation and construction work is not made within a reasonable time.

In addition to this the Department is itself making a fairly complete survey of the power possibilities in the country between Lakes Te Anau and Manapouri and the western Sounds. The purpose of this is not so much with the idea of immediate development for ordinary commercial and industrial requirements, but to enable definite information in regard to these large potential sources of power to be placed on record and published, with a view of attracting outside capital that may be desirous of establishing any special industry requiring large blocks of very cheap power. The country is exceedingly rough, and the climate exceptionally wet, so that progress on survey work has been slow. It is hoped during the coming season to obtain the services of the Defence Department to carry out aerial photographic survey of portions of the area.

POWER BOARDS, ETC.

The various Power Boards buying power in bulk from the Department have continued to energetically carry out their various schemes of reticulation, and have very materially assisted the Department in its general aim of making an adequate power-supply available to everybody within reasonably economic range of its lines. The Department recognizes that these electric-supply authorities are really partners with the Government in its general scheme of making power available generally throughout the country, and appreciates the co-operation that is being exercised and the stimulus that is being given to the load on the Government power-stations by the energetic policy of load development that is being carried out by most of the Boards.

I regret that considerable publicity was given during the year to statements, made by persons of consequence in the financial world, criticizing the Government's policy in allowing Power Boards to borrow so extensively in connection with electric works, the borrowing being classed in many cases as reckless and likely to become a serious burden on the ratepayers, to say nothing of prejudicing the country's credit in other directions. The suggestion was made that all proposals for loans for electric purposes should be scrutinized and revised.

These statements might give the impression that the Government was failing in its duty to the country, and that its scheme of electric distribution was wrongly conceived. However, a consideration of the true facts of the case, and knowledge of the vast amount of good that has been done already, would, I think, have prevented such sweeping statements having been made. It is, unfortunately, true that one or two of the Power Boards have not been as successful as others or as they might have been, but even these are fulfilling a useful purpose and supplying the general public with power at prices which compare favourably with those charged elsewhere. The increase in the use of electricity in the last few years has been phenomenal, and it would have been nothing short of miraculous if no mistakes had been made in the early days. That so few mistakes were made must surely be taken as an indication of the sound common-sense which has, in the main, governed this question. Such defects as have been made manifest are being rectified from time to time.