

**Rolling-stock,
dwellings, &c.**

In addition to railway-construction, there was also expended out of the Public Works Fund last year an amount of £213,405 for additions to open lines. This expenditure was for rolling-stock, dwellings, purchase of motor-buses, additions to station buildings, and other facilities.

**Railway-
improvements.**

Then, out of the special account under the Railways Improvement Authorization Act, 1914, a total of £1,899,532 was spent on various capital works. Nearly half the amount, or approximately £900,000, was sunk in the new workshops at Otahuhu and Petone, and additions and alterations to the existing workshops at Addington and Hillside. These workshops, when completed, will have cost about £2,450,000, against which there will, however, be credits amounting to approximately £130,000 for land released for other purposes. Other heavy items were the new station and improved approach line at Auckland, the Tawa Flat Deviation at Wellington, and the electrification of the Lyttelton Tunnel.

Highways and roads.

The next largest item in the schedule of public-works expenditure is main highways and roads, which absorbed £1,822,922 of loan-moneys. This, with the amount of £1,530,000 provided out of taxation, to which I referred earlier in this Statement, makes a total of approximately £3,350,000 provided out of public funds for roads last financial year. Of the expenditure out of loan-moneys, £936,496 was expended out of the Main Highways Construction Fund, mainly for the purposes of improving road communication between important centres and to tourist resorts. Considerable sums were also expended in laying down high-class pavements on roads in the vicinity of the main centres, which roads carry heavy traffic. A new road has been made between Te Kuiti and Taumarunui to enable traffic to proceed right through the interior of the North Island from Auckland to Wellington. Other cases of outstanding activity are on the highways between Auckland and Maungaturoto and out of Wanganui. Including overhead costs, the roading expenditure out of the Public Works Fund amounted to £886,426. For the most part, the money was spent on developmental roads in the more remote districts. For this year the vote will be increased to about £950,000, of which £75,000 will be specially reserved for roads to outlying districts, where people are still labouring under hardship through lack of access.

**Hydro-electric
supply.**

Concerning hydro-electric supply, the year's expenditure on capital works was considerably lower than in the previous period, but nevertheless substantial progress resulted. The Waikaremoana scheme was sufficiently forward in January to enable one unit to be used for the relief of the overloaded plant at Mangahao, and as from the 1st April, 1929, Waikaremoana has been regarded as permanently in operation. Since the end of the year, following a vigorous programme at the Arapuni powerhouse, that station has also been brought into partial operation. The Waitaki River scheme has been commenced, and its construction will now be the most important work of this class, with the object of having electricity available from there in 1931.

The Government is gradually connecting all the main generating stations in each Island with high-tension lines to ensure more economical and reliable operation of the whole system, and it is intended to proceed with this work.

The plant capacity of schemes in operation at the 1st April this year amounted to 96,740 horse-power, and works are at present in hand which, when completed, will bring the capacity up to 232,500 horse-power.

The total capital invested in hydro-electric works to date is £8,467,151, of which £6,095,403 is charged to schemes in operation.

It is proposed to provide approximately £1,000,000 for expenditure on all construction schemes this year.

**Telegraphs and
telephones.**

The expenditure on account of telegraphs and telephones was mostly on account of automatic equipment and extension of the telephone system to meet the demands of the public for these facilities. The most important developmental works undertaken during the year were the introduction of the carrier-current system for the purpose of extending and improving long-distance telephone communications and the extension of the system of direct dialling between exchanges for the purpose of speeding-up long-distance calls.

**Public buildings—
schools.**

As to public buildings, last year's expenditure of £602,392 included £227,041 for departmental buildings, post-offices, mental hospitals, &c., and £375,351 for schools. The erection of schools in newly settled districts and in areas where the