During the year several buildings and sites at various places which were no longer required were disposed of, and in some cases portions of post-office sites were disposed of to the local authorities for street purposes. Seven buildings at various places were demolished in order to make room for new buildings. Some thirteen sites

and three buildings were acquired for departmental purposes.

At the end of the financial year the following buildings were in course of erection: Amberley (line-depot and garage), Avondale (post-office), Christchurch (chief postoffice, first block), Clyde (line-depot and battery building), Devonport (post-office and garage), Gisborne (line-depot and garage), Huntly (line-depot), Invercargill (chief post-office), Kaipara Flats (residence for Postmaster), Linwood (post-office and quarters), Little River (post-office and quarters), Mangaweka (residence for Postmaster), Milton (post-office and quarters, and line-depot and garage building), Sumner (post-office and quarters), Tauranga (post-office), Waiau (Postmaster's residence), Wellington (office building and line-depot).

Also in progress were large additions to the chief post-office building at Oamaru and the post-office buildings at Newmarket and Te Awamutu; additions to the post-office buildings at Geraldine, Mount Albert, Taradale, Te Akau, Waimauku, and Wakefield; alterations to the Wellesley Street (Auckland) post-office building, and the conversion to a lineman's residence of the old post-office building at

Maungaturoto.

The Post and Telegraph Department's building programme for the financial year 1938-39 will be equally large, plans having been prepared for new chief postoffice buildings at Hamilton, New Plymouth, and Wanganui; for large additions to the chief post-office buildings at Auckland and Palmerston North; and for post-office buildings at Grey Lynn, Otorohanga, Owaka, St. Albans, and Te Kuiti. In addition, plans are in preparation for post-office buildings at Lower Hutt, Taupo, Waipawa, Wellesley Street (Auckland), and Whakatane, and also for additional residences, telephone-exchange buildings, line-depot and garage buildings, and additions to existing post-office buildings.

MENTAL HOSPITALS.

Work in connection with Kingseat Mental Hospital continues to occupy a major part of the programme, the most important item being the new Hospital Block. This will be a typical example of modern hospital design, peculiarly adapted to mental-hospital requirements. Other works at Kingseat include new residences for the Medical Officer and the Engineer, oil-store, bakery, and butchery complete with equipment, and a mortuary. Telephone and fire-alarm systems have been installed throughout.

New construction also includes extensive additions to the Nurses' Home at Avondale, a residence for the Assistant Medical Officer, a mortuary and farm buildings at Tokanui, new store block, boiler-house, and workshops complete with equipment at Porirua, Nurses' Home at Ngawhatu, bakehouse and extensions to

other buildings at Sunnyside, and a laundry at Templeton.

Repairs and maintenance generally have been kept up to date, including restoration of fire-damage at Hokitika.

In addition to the building programme, such works as water-supply and drainage, roading, telephone, and fire-alarm systems are installed or extended as required in order that the institutions shall lack no modern conveniences.

HEALTH AND HOSPITAL INSTITUTIONS.

An excellent site has been acquired and provision has been made to cover the cost of this and for initial payments in respect of a modern Obstetric Hospital of approximately forty beds to replace the present St. Helens Hospital at Christchurch.

Improvements at the St. Helens Hospital in Auckland, Wellington, and

Invercargill are also provided for.

It is proposed to commence erection of a new sanitarium and bathhouse at Rotorua during the coming year.