

A brick addition at Seacliff for women and a receiving cottage for men have been completed. An addition has been made to the annexe at Nelson to accommodate patients during the gradual rebuilding of the main institution.

The current year's estimates provide for a substantial increase of accommodation and for other urgent works at each of the principal institutions.

AGRICULTURE.

The works undertaken during the past financial year were not very extensive or costly, consisting of additional accommodation at Weraroa and Moumahaki. The proposals for the current year include two residences for Inspectors in localities where suitable accommodation is unobtainable, and some necessary improvements to buildings at the experimental farms.

HOSPITALS.

An expenditure of £1,000 was incurred in connection with Blenheim Hospital, and £426 was spent in providing accommodation for special cases at several hospitals. For the latter purpose a vote appears on the current year's estimates.

WORKERS' DWELLINGS.

Last year's vote of £55,000 was fully expended, and for the current year a vote of £50,000 is proposed, about one-third of which will be required to complete works in hand at the 31st March. The balance will be expended on thirty-eight dwellings for which arrangements have been made, and will also permit of about thirty additional dwellings being undertaken.

DEVELOPMENT OF WATER-POWER.

The Lake Coleridge power scheme, designed and carried into effect by the Government, has been in continuous operation for one complete year, and the results attained have justified the most sanguine anticipations of the advocates of the utilization on a large scale of our water-powers for the development of electrical energy. Three units of generating machinery were originally installed, capable of an output of 6,000 horse-power. Twelve months ago the demand for current warranted the installation of a fourth unit of 2,000 horse-power, and the expanding business now necessitates the addition of a fifth unit, comprising pipe-line, turbine, and generator, of 4,000 horse-power, which will bring the total capacity of the plant up to 10,000 horse-power. During the year the maximum load on the plant reached 1,770 horse-power, which is less than the capacity of one of the three units installed. Under these circumstances the business could not be expected to show a profit. At the same time, at the end of the year the plant was earning sufficient to cover working-expenses. Contracts to the extent of 8,000 horse-power have already been entered into, and when the power under these contracts is being supplied it can confidently be stated that the plant will be earning sufficient to pay interest in full as well as working-expenses, and possibly leave a small surplus towards sinking fund and depreciation. The scheme is capable of much greater expansion, and as the load increases there will be an increased surplus out of which the debit balance incurred in the earlier stages of the undertaking will be repaid. The current has up to the present been utilized mainly for lighting, domestic, public, and industrial motors, for which purposes experience proves that it is a cheap, convenient, and reliable form of energy. Arrangements are, however, now in train for utilizing the current during the present year for tramway traction, and for the operation of machinery in the principal meat-works, flour-mills, tanneries, dairy factories, and other established industries in and around Christchurch.

During the year feeder-lines have been extended to Belfast, and arrangements are being made for a further extension in this direction to Kaiapoi. Other extensions in the direction of Southbridge, Leeston, and Akaroa, and also the establishment of high-tension lines between the power-house at Coleridge and Timaru in order to