

New Buildings for St. Helens Hospitals are contemplated at Auckland, Christchurch, and Dunedin, but probably only that for Christchurch will be commenced during the current year. In consequence of arrangements made with the Defence authorities in connection with the treatment of soldiers, extensive buildings which were proposed at Otaki and Te Waikato Sanatoria are not now necessary, although some expenditure at both places will have to be incurred.

#### WORKERS' DWELLINGS.

There was an expenditure of £15,505 during the year under this heading, also a liability of £95 for dwellings in course of erection. Expenditure during the current year will be on a similar moderate scale.

#### SCHOOL BUILDINGS.

The expenditure out of the Public Works Fund on school buildings was £63,082 out of a vote of £100,500. Of this amount, £55,000 was paid to Education Boards and other controlling authorities for the erection of new buildings, additions, &c., for the purposes of primary, secondary, technical, and University education. The balance, £8,000, represents the cost of works carried out directly under the control of the Government, including Native schools and industrial and special schools.

For the current year a much larger sum will be needed. During the past four years, the cost of buildings being abnormally high, operations have been confined to cases where extra accommodation was absolutely necessary to carry on, and as a consequence a large sum is required to provide for buildings the erection of which can no longer be postponed. Increased votes are being provided for buildings for public schools, technical schools, secondary schools, and University buildings. Applications for sums amounting to over £400,000, including grants made during the current year, are now before the Education Department, and provision for this sum has been made.

#### TELEGRAPH-EXTENSION.

Among the principal land lines completed or under construction during the year 1917-18 are the following: Titahi Bay - Queen Charlotte Sound cable; Balclutha-Milton metallic circuit; Otago Central trunk telephone circuit (Middlemarch-Clyde); Milton-Lawrence metallic circuit; Newton Flat-Lyell telephone-wire; Greymouth-Otira metallic circuit; Christchurch-Glenavy metallic circuit; Okere-Paengaroa metallic circuit; Thames-Hauraki Plains telephone-wire; Auckland-Thames-Paeroa metallic circuit; Puketurua-Aniwaniwa metallic circuit; Auckland-Dargaville metallic circuit; Helensville-Paparoa metallic circuit; Auckland-Puhoi metallic circuit; Tauranga-Whakatane metallic circuit; Ohaeawai-Kawakawa metallic circuit; Blenheim-Seddon metallic circuit; Gisborne-Kaiteratahi metallic circuit; Tuatapere-Puysegur Point telephone-wire; Sockburn-Dunsandel metallic circuit.

The line from Tuatapere to Puysegur Lighthouse, a distance of ninety-three miles, has been rebuilt.

Reliable telegraph and telephone services have been maintained throughout the year. The telephone-exchange system is steadily expanding. Thirteen new exchanges were opened during the year, and it was found necessary to provide additional switchboard accommodation at twenty-eight others. The work of converting earth-working systems to metallic circuit is being systematically continued. The increase in the number of exchange connections for the year is 4,940.

The telegraph and interurban telephone system has been extended by the erection of 121 miles of poles and 683 miles of wire. Included in the latter is 42 knots of submarine cable laid from Titahi Bay to Dieffenbach Point, in Queen Charlotte Sound; 506 miles of poles and 12,330 miles of wire were added to the telephone-exchange plant; 1,735 miles of telegraph and interurban telephone lines were overhauled and reconstructed.

Twenty-six new coin-in-the-slot telephones were installed. This makes a total for the Dominion of 263 machines.