

The question of overcrowding in our large schools is a matter for serious consideration, and an endeavour has been made, so far as funds allow, to alleviate the worst cases. Further, many of our older school buildings require remodelling, but there are difficulties in the way of effecting reforms.

The provision of suitable sites in populous areas is another problem involving not only heavy expenditure, but also the question of locating schools to suit future requirements. Numerous applications are also being made for large sums of money for new technical buildings to meet the need for increased accommodation in a number of centres, and also for the provision of hostels or boardinghouses for the benefit of country children attending many of our high schools.

During the year the funds held by Education Boards for building purposes have been put on an improved basis, and a clear distinction has been made between funds available for maintenance and those required to be reserved for rebuilding worn-out schools.

In view of the pressing necessity for new school buildings, additions to school buildings, &c., an increase of the Public Works vote by £300,000 will be provided. This amount will, I hope, be sufficient for the purpose indicated, and, at all events, it will not be necessary to spend the whole of that sum during this financial year.

HYDRO-ELECTRIC SUPPLY.

The success of the Lake Coleridge hydro-electric scheme has been sufficiently demonstrated to enable the country to recognize that we are justified in utilizing to the fullest possible extent the enormous forces that our water-powers possess, and which are at present running to waste. It is therefore proposed that without any avoidable delay this great power should be made available in various parts of the Dominion. £150,000 will be provided this year to enable a start to be made in the Wellington and Auckland Provinces, and in addition to this the House will be asked to put on the statute-book legislation to give local bodies throughout the Dominion the necessary power to establish hydro-electric schemes in their several districts. The Bill to be submitted to honourable members will contain full powers for resumption by the State, and, in addition to providing for the two water-power schemes in the North Island, it will enable those districts that possess the necessary water forces to have them harnessed up for the use of the people. I cannot too strongly urge the importance of putting this scheme into operation at the earliest possible date. On a commercial basis it will be a profitable undertaking, and will create many advantages, upon which I need not now dwell in detail.

RESULT OF THE YEAR'S OPERATIONS.

Consolidated Fund (Ordinary Revenue Account)—				£
Balance brought forward on 1st April, 1917	..	..	..	6,474,854
Receipts during year—				
Revenue	..	..	..	20,167,020
Other receipts—				
Recoveries on account of previous				
years	..	..	..	39,201
				<hr/> 20,206,221
Expenditure during year—				
Appropriations	..	..	..	15,120,287
				<hr/> 5,085,934
Balance on 31st March, 1918	..	..	..	<hr/><hr/>£11,560,788

SAMOAN ADMINISTRATION.

The estimates for the current year, as submitted again, show an excess of revenue over expenditure, while it is also reported that until the recent outbreak of influenza the general health of the staff and small garrison was satisfactory.

The future control of Samoa will not be determined until the Peace Conference has dealt with the question of the disposal of the German colonies, and, consequently, it will be necessary to continue the present system until a final decision is arrived at.