

As stated in my report on the Post and Telegraph Department which was laid on the table of the House recently, provision will be made in this year's estimates for the purchase and laying of a submarine cable across Cook Strait which will provide telephone communication between the North and South Islands.

The buildings for automatic-telephone exchanges at Christchurch and Dunedin are completed, and the work of installing the apparatus will be put in hand at an early date.

Tenders have been invited for automatic-telephone exchanges at Hawera, Stratford, and Dannevirke.

CONTINGENT DEFENCE.

Owing to the pressing need for economy very little expenditure under this heading has been incurred since 1918, but the estimates for the current year show considerable extension. Provision is made for magazines for gun and small-arms ammunition; additional harbour-defence works; provision of new drill-halls and rifle ranges; water-supply, cookhouses, and mess-rooms for camps; quarters for Defence staff; and the provision of an aerodrome at Auckland.

All the works are urgent and necessary for the proper training of the Forces and the administration of the Department interested. Drill-hall accommodation either does not exist or is entirely insufficient at many centres. Existing magazine accommodation is insufficient, necessitating the temporary use of unsuitable buildings, and there is a danger of serious accidents and deterioration of valuable ammunition so long as such conditions obtain.

The provision of proper cookhouses, mess-rooms, and water-supply at command camps is necessary to ensure the comfort of troops and economical administration of the camps.

MECHANICAL APPARATUS.

In order to keep construction works adequately supplied with indispensable modern apparatus and plant, the equipment has been increased by the purchase of ten motor-trucks, seven light locomotives, two excavators, two petrol electric-lighting sets, one portable air-compressor, one traction-engine, and half a dozen other equally necessary labour-aiding machines.

Arrangements have been made to increase the mechanical staff, the new officers being directly responsible for the maintenance of mechanical plant in an adequate state of repair and as up to date as modern developments permit.

CONCLUSION.

In last year's statement I drew attention to the necessity of endeavouring to co-ordinate the expenditure on various transport-ways in order that, after allowing for main-trunk transport-ways, both railway and road, all other transport-ways should be complementary to one another, and all leading to support the most economical and efficient, instead of, as is too often the case, competing with one another. My observations on this subject were made in the hope that it would receive the thought and consideration of those concerned. Such a state of affairs as exists now is perhaps the inevitable result of the driving energy of a people whose efforts have brought about a rate of development which, I believe, has never been equalled in any other country. The multiplicity of local governing bodies is another factor which has contributed in marked degree. It is easy to be wise after the event. It is not so easy to discover the remedy, but it is never too soon to endeavour to do so.

As a premise to consideration of the subject it must be realized that the country's public indebtedness is not merely the public debt of the Government, but that debt plus the debt of every local body in New Zealand. For every pound of such debt the people must pay in one way or another.

While there exist so many authorities vested with borrowing and expending powers it is practically impossible to control the position or co-ordinate the result of such expenditure.