

Meanwhile work has been proceeding on the big dam which the city is building on the Waipori River, and as a large expenditure has now been incurred on this work, some of the advantages of control by the Department have ceased to exist. Negotiations are proceeding with a view to the city purchasing part of its power from the Department in lieu of proceeding with two smaller developments lower down the Waipori River.

#### ELECTRICAL SUPPLY AUTHORITIES ACTIVITIES.

The Department, being a wholesale supplier of electricity, depends on Power Boards and other electric-supply authorities to undertake the retail distribution side of the business. All electric-supply authorities operate under licenses issued pursuant to the provisions of the Public Works Act and subject to regulations made under that Act. This enables the Department to exercise a measure of control over them, which, however, is more in the nature of co-operation and assistance than of restriction.

The capital invested in the Government supply schemes is £9,205,885 (of which £8,856,387 was in operation at 31st March, 1930), and the capital invested by the associated electric-supply authorities buying electricity from the Department is £12,337,647. In addition to the above amounts, there is a sum of £6,467,111 invested by electric-supply authorities possessing their own generating-stations and electric lines isolated from Government supplies. The total sum invested in the electric-supply business at the end of the present financial year was £28,010,643, and the total revenue received for the year £4,214,987. After paying working-costs (£1,871,670) and capital charges (£1,578,823), the net profit for the whole Dominion was £764,494, which indicates that the electric-supply business as a whole is in a healthy condition.

At the present time there are ninety-eight electric-supply authorities in the Dominion, and, of these, seventy-seven showed net profits aggregating £841,410, whilst twenty-one showed losses aggregating £76,916 for the year under review.

There are forty Electric-power Boards actively engaged in the electric-supply business, and twenty-six of these are bulk supply customers of the Government. Rates totalling £6,964 were collected in the case of three Boards taking Government supply, whereas a sum of £89,393 was collected in the case of five Boards in the other category.

The statistical data relative to each electric-supply authority will be found in the series of tables accompanying the report of the Chief Electrical Engineer.

#### IRRIGATION AND WATER-SUPPLY.

The policy of irrigating semi-arid lands in Central Otago, which was commenced over twenty years ago, has made progress as indicated in the diagram on page xxi.

The benefits of irrigation to the community at large are undoubted, though it is difficult to obtain from individual irrigators the exact alteration of their finance that it has caused, there being so many other causes which affect the earnings of people engaged in farming pursuits, but the increased output of wool, fat sheep, dairy produce, &c., which has taken place from the district in the last few years is very gratifying, and must have reflected both directly and indirectly not only on the actual farms producing, but also on the towns of Central Otago, the City of Dunedin, and the Dominion as a whole.

I intend to have surveys and investigations pushed on more vigorously than has been the case in the past, in order that greater areas may be served and further subdivision of existing holdings brought about.

It is realized that irrigation farming is a special branch, and that men successful in wet districts would not necessarily succeed in irrigated lands. Therefore, it has been the policy in the past to develop irrigated lands at about the rate at which they can be profitably brought into intensive production by settlers accustomed to Central Otago conditions. I am of the opinion, however, that the time is approaching when it will be necessary to proceed more vigorously, and to draft into