stocking of an unnecessarily large variety of items can be avoided. This is a matter which has been engaging the attention of officers of the Engineering Branch with regard to items used in that section of the Department's work, and as a consequence it has been possible, by standardizing on certain sizes or patterns, to considerably reduce the variety of items stocked. In some cases certain articles which, although of slightly different design due to the variations adopted by different manufacturers, are interchangeable in practice, have been combined under one general description. The standardizing and grouping of articles in this way has considerably simplified the stocking and issue of such articles, and has enabled small stocks of articles of odd design to be expeditiously issued for purposes for which they are suited. When consideration is given to the fact that separate records have to be kept and, to a large extent, separate orders placed in respect of each item of stock, and also to the fact that slow-moving stocks represent idle capital, it will be apparent that a large amount of money can be saved annually by reducing to a minimum the variety of articles stocked and thus speeding up the turnover; and now that the Department's experience enables it to standardize on the most suitable sizes and types of material or equipment, substantial economies will result from this action.

FREIGHT CHARGES ON LEAD-COVERED CABLE.

During the year consideration has been given to standardizing a method of packing lead-covered cable by means of which the heavy freight charges amounting to approximately £20 per drum for the larger cables might be reduced. It has been found that cable-manufacturers employ different sizes of drums and other slightly different methods of packing which, in some cases, very considerably affect the freight charges. A standard method, which secures the utmost economy in this direction, consistent with the safety of the cable, has now been decided upon, and manufacturers have been communicated with with a view to its general adoption. From the replies already to hand, it is anticipated that no difficulty will be encountered in having the Department's future supplies of cable packed in a uniformly economical manner.

WORKSHOPS.

During the year the Department's workshops at the four centres have found it necessary to make an increased effort to meet maintenance requirements owing to the need for reducing to a minimum capital expenditure on new equipment generally. The adaptation of old stock to present requirements has necessitated a considerable amount of new work. A small amount of manufacturing work, primarily to meet immediate needs in respect of telegraph, telephone, and wireless services has been undertaken at Auckland Wellington, Christchurch, and Dunedin, where suitable plant is available for such purposes.

The activities of the workshops at Hamilton, Napier, Wanganui, Palmerston North, Whangarei, Paeroa, Masterton, Gisborne, Greymouth, Timaru, and Invercargill are confined almost wholly to

repairs to motor-vehicles and telephones.

The total value of the work performed in the various workshops during the year amounted to £81,284, of which £7,406 represents the value of services rendered to other Government Departments.

BUILDINGS.

Post-office buildings were erected at Palmerston (Otago), Ruatoria, Upper Symonds Street (Auckland), Urenui, Waitara, and Wellington East. A separate residence for the Postmaster was erected at Ruatoria and an automatic-telephone-exchange building at Lower Hutt.

A substantial addition to the Masterton Post-office building and minor alterations to the Hampden and Russell Post-office buildings were completed. The Hampden building is the former Courthouse, and, together with the site, was acquired in October. It has been adapted to post-office purposes at small cost.

Repairs were effected to the post-office buildings at Dannevirke, Waipukurau, and Wairoa, which were considerably damaged by carthquake in 1931. The clock-towers were removed from the Cambridge and Wanganui Post-office buildings, being regarded as dangerous in case of earthquake.

The small post-office buildings at French Farm and Maungatua were no longer required, and were

The erection of new buildings at the following places has been decided upon, but, owing to the financial position, has been deferred meantime: Dunedin, Greymouth (garage and store), Petone, Taumarunui, Te Puke (garage, also alterations to post-office building), Thames, Thornbury.

The following works were in progress at the end of the year: Hastings, reconstruction of postoffice building; High Street (Christchurch), new post-office building; Napier, reconditioning of chief

post-office building; Westport, new chief post-office building.

Pending the completion of the work of restoring the post-office buildings, the Department continued during the year to occupy temporary post-office accommodation at Hastings and Napier. On the 30th May it was possible at Napier to discontinue the arrangement under which the Department provided bunkhouse accommodation and meals for its officers. Similar facilities at Hastings had been withdrawn on the 27th March, previous.

At Port Ahuriri, where the post-office building was also destroyed by the earthquake and following fire, the Department has not yet been successful in obtaining a suitable site for a new building. The old site is not considered suitable, as it is not very conveniently situated for the general public. In the meantime the temporary building erected on Railway land continues to provide satisfactorily for the needs of the community.