HOSPITALS.

An expenditure of £979 out of last year's vote was incurred in providing accommodation for special cases at various general hospitals. On the current year's estimates a vote appears for the same purpose.

AGRICULTURE.

On account of the conditions existing as a result of the war some works of importance, but not urgent, were held over. It has, however, been decided to provide additional accommodation for learners at both the Moumahaki and Weraroa Experimental Farms, to install a water-supply at Moumahaki, and to provide additional buildings at the Moumahaki and Tauranga Experimental Farms, also to continue the land-drainage operations at Ruakura Farm of Instruction.

SCHOOL BUILDINGS.

The expenditure out of the Public Works Fund on school buildings during the year was £122,940, of which about £117,500 was paid in grants to Education Boards and other governing bodies for public schools, teachers' residences, training colleges, technical and secondary schools, and university colleges.

The works represented by the balance, over £5,000, were for services directly under the control of the Education Department and comprised buildings and allied work at Native, industrial, and special schools.

The extension of the buildings at Otekaike connected with the institution for feeble-minded boys, involving expenditure of about £2,245, is approaching completion. An instalment of a similar institution at Richmond for feebleminded girls is also nearing completion.

Demands for school accommodation must necessarily be met without delay as they arise, and consequently there is always a large outstanding liability on this account which must be provided for in the estimates of the year. The total amount of this liability fluctuates according to the time occupied in the prosecution of the various works authorized, and to meet this liability it is proposed to vote £120,000 for the current year.

WORKERS' DWELLINGS.

The expenditure authorized last year, for some two hundred dwellings, was $\pounds 100,000$. Of this amount $\pounds 68,275$ was paid during the year, and the balance of the expenditure appears in this year's accounts. In response to further applications the erection of an additional hundred dwellings has been decided upon, for which the estimated expenditure is $\pounds 50,000$.

DEVELOPMENT OF WATER-POWER.

In November last the plant for the development at Lake Coleridge of electrical energy on a large scale was formally opened, but it was not until March of this year that the continuous service started, since when it has been in full operation. The plant has worked smoothly and efficiently, without serious interruption, and the country will learn with satisfaction that this important commercial venture on the part of the Government shows every promise of becoming a financial as well as an engineering success. The three units of generating plant now installed are capable of an output equal to 6,000 horse-power; and the present demand, added to that in prospect, for which contracts have already been arranged, calls for the immediate installation of a fourth unit of 2,000 horse-power, and there are indications that two further units of generating plant will have to be provided in the not-distant future. The tunnel and headworks already constructed are sufficient to provide for probable expansion during the next six or seven years, when it is expected that the output will adequately supply the district which can be economically served from the Lake Coleridge scheme. The existing pipe-lines are of sufficient capacity to drive the fourth unit of machinery now on order, and the power-house can accommodate this unit without additions.