The proposed vote for the current year amounts to £327,000, made up as under:—

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Automatic:	installati	ons.	. ,		 110,000
Submarine	cables				 1,000
New lines					30,000
New exchanges and connecting new subscribers					 50,000
Material					 136,000
[]	l'otal				 £327,000

LIGHTHOUSES, HARBOUR-WORKS, AND HARBOUR-DEFENCES.

LIGHTHOUSES.

The works undertaken during the year were—Completion of lighthouse on Channel Islet, Hauraki Gulf; the new Marine Department store at Pipitea Point; the continuation of the erection of the tower for the automatic light on Karori Rock, which is now almost finished; and the improvement of the road to Godley Head Lighthouse.

The estimated amount required for the carrying-out and completion of the works already authorized is £2,595, including an additional amount for the construction of an automatic light on Flat Rock, and the cost of a heavy crane for the Marine Department store.

HARBOUR-WORKS.

The principal works undertaken during the year were—The construction of a retaining-wall at Kohukohu, Hokianga; improving navigation of Taheke River (Hokianga), Waipapakauri River, Wade River, and Waikato River; construction of wharves at Dargaville (extension), Tokatoka, Silverdale, Marakopa, and Lake Wanaka; reclamation at Mangonui Wharf; harbour-improvements at Wairau and Karamea; sea protective works at Hokitika; and improvements to the landing for fishing-boats at Nugget Bay.

CONCLUSION.

In conclusion, the ability to give effect to the proposals set forth in the Statement will depend on the response of the public to the loan proposals of the Minister of Finance.

The great importance of developing the resources of the Dominion by constructing roads, bridges, and railways will certainly not be lost sight of, but it is necessary to emphasize the fact that some reduction in the rate of expenditure on such works must be expected under the very trying conditions consequent on the war.

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