TELEGRAPH EXTENSION.

The extension of telegraph and telephone lines has steadily proceeded during the year. Twenty-seven new offices were opened and ten new exchanges.

The expenditure during the year amounted to £249,554.

Among the larger works undertaken were the construction of the following lines: Auckland-Dargaville, Cambridge-Rotorua, Hamilton-Auckland, Taumarunui, Ohura, Te Kuiti-Hamilton, Blenheim-Nelson, Gisborne-Opotiki, Kahukura-Tokomaru Bay, Wellington-Masterton, Christchurch-Little River, and Lawrence-Roxburgh.

Two hundred and fifty miles of line and 1,274 miles of wire were added to the telegraph system, and 408 miles of line and 15,046 miles of wire to the telephone-

exchange system.

Fifty-nine new slot telephones were installed, bringing the total up to 198

On account of the abnormal conditions caused by the war the erection of automatic exchanges is being unduly delayed, but goods are now expected to come forward from America, and the amount originally provided will be required.

In the large centres underground cable has been substituted for serial cable, and the necessary buildings provided for automatic exchanges at Blenheim, Hamilton, Ponsonby, Mount Eden, and Remuera.

LIGHTHOUSES.

The Karori Rock Lighthouse in Cook Strait has been completed, and the light was first exhibited on the 20th October last. This light is giving satisfaction to mariners.

The necessary automatic light and tower for erection on Okuri Point, to indicate the position of the dangerous Beef Barrel Rocks near the French Pass, have been obtained, and it is proposed to commence the erection during this month.

An automatic light has also been obtained for placing on Flat Rock, in the Hauraki Gulf, but owing to the necessity for economy during the war no steps have yet been taken to provide the necessary tower, which it is estimated will cost about £650.

DEPARTMENTAL.

Mr. H. J. H. Blow, I.S.O., Under-Secretary and principal administrative officer of the Department, is retiring on superannuation, after forty-three years' service. He has occupied this position for the past twenty-five years with credit, and the vacant position has been filled by the promotion of Mr. W. S. Short, who has been Assistant Under-Secretary since the amalgamation of the Public Works and Roads Department in 1908.

CONCLUSION.

In conclusion, let me express my great regret at the necessity that exists during the continuance of the war to curtail expenditure on roads, bridges, and railways. Much has been done in the past in regard to roading, but much more still requires to be done in order to enable the produce of the land to be brought to market, especially as settlement is progressing so rapidly. New Zealand is incurring enormous responsibilities in connection with the war, and the only way in which the consequent burden of taxation can be borne will be by increasing the quantity of our products from the land, and the facilities for transport of same to ports of shipment. This will have to be the chief consideration after peace has been proclaimed. Meantime everything must give way to the imperative necessity of assisting the Empire to emerge victorious from the present gigantic struggle to maintain our freedom untrammelled by German domination.