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A garage was erected at Hamilton, a garage and line-shed at Kaikohe, and an additional garage at Paeroa; and the garages at Taumarunui and Wanganui were extended.

Improvements in the accommodation at a number of post-offices were effected. The following buildings were in course of erection at the end of the year: Albury, Auckland (garage), Cambridge (addition), Charleston, Dunedin, Hampden (addition), Kaikoura (carrier-current building), Ohingaiti (addition), Pahiatua (post-office and residence), Porangahau, Rangiora, Te Puke (garage), Wellington (additional story on General Post Office building).

Good progress continues to be made with the new chief post-office building at Dunedin, and it is expected that the work will be completed by October.

Plans are being prepared for a number of new buildings. The preparation of the plans for the new chief post-office building at Thames has been protracted owing to structural difficulties. The plans have now been completed, however, and tenders will be called for at an early date.

Areas of land no longer required at the following places were relinquished or disposed of: Lower Hutt (portion of automatic-exchange site for street-widening), Petone (portion of post-office site for street-widening), Palmerston North (strip of chief post-office site), Turakina, and Wanstead.

The disposal was effected of the old post-office building and site at Auckland East, the lineman's residence and site at Ohura, the old post-office site and the school-house thereon at Whakataki, and the line-depot building and site at Stout Street, Wellington.

Areas of land were acquired as follows: Aramoho (extension of post-office site), Belfast (for post-office), Dargaville (for store garage), New Plymouth (for chief postoffice), Otorohanga (for post-office), Rangiora (extension of post-office site), Thames (extension of chief post-office site), and Wellington (extension of Mount Etako radiostation site).

The post-office building at Kumeu was destroyed by fire in August.

Mental Hospitals.

The capital expenditure for the year on mental hospitals was $\pounds 67,465$, being $\pounds 31,165$ less than on the previous year. It is proposed to appropriate $\pounds 216,000$ for expenditure on capital works for the current year.

Auckland: At Avondale additions to the boiler-house have been completed, and extensive repairs and renovations carried out.

Puhitahi: At Puhitahi four new villas are under construction, and when completed accommodation will be provided for 600 patients in this institution. A new store is nearing completion in the services block. Two residences, with garages, have been crected, and the roading, sewerage, and electrical services have been extended to the residential quarter of the institution.

Tokanui : At Tokanui two new villas for farm-workers are nearing completion. Roads, water, sewerage, and electrical services have been extended to the new villas, and remodelling of the main sewerage system has been completed. Repairs and renovations have been carried out at the main institution, and new electrical refrigerating plant has been installed in the butchers' shop.

Nelson: At Ngawhatu two additional villas have been erected, and an additional villa is in the course of construction. The installation of the machinery for the laundry and boiler-house has been completed. Roading, water-supply, sewerage works, and electrical reticulation is being extended to the new villas. A new cool store has been constructed, and general maintenance and repair work carried out.

Hokitika : At Hokitika a new villa for fifty patients is nearing completion. A residence and garage has been erected for the Head Attendant. A large addition was made to the laundry, and a new tool-shed erected.

Christchurch : At Sunnyside a new grain-store was erected, and a vegetablepreparation room is nearing completion. The latter is the forerunner of extensive reconstruction of the kitchen block. At Templeton a vocational block and tool-shed in wood have been completed. Two new villas are in the course of construction, and additional roading, water-supply, sewerage works, and electrical reticulation are being extended to these works.

Seacliff: Alterations and repairs have been attended to.