

1945
NEW ZEALAND

POST AND TELEGRAPH DEPARTMENT

(REPORT OF THE) FOR THE YEAR 1944-45

Presented to both Houses of the General Assembly by Command of His Excellency

To His Excellency Marshal of the Royal Air Force Sir Cyril Louis Norton
Newall, G.C.B., O.M., G.C.M.G., C.B.E., A.M.

MAY IT PLEASE YOUR EXCELLENCY:—

I have the honour to submit to Your Excellency the report of the Post and Telegraph Department for the year ended on the 31st March, 1945.

I have the honour to be,
Your Excellency's most obedient servant,
P. C. WEBB.

General Post Office, Wellington C. 1,
27th June 1945.

STATEMENT OF FINANCIAL OPERATIONS AND BUSINESS OF THE DEPARTMENT FOR THE YEAR ENDED 31st MARCH, 1945

RECEIPTS AND PAYMENTS

The receipts and payments of the Department for the financial year 1944-45 are shown in the following account:—

<i>Receipts</i>		<i>Payments</i>	
	£		£
Balance forward		Salaries	2,147,979*
Postages	1,769,275	Conveyance of ocean and air mails	144,831
Money-order and postal-note commission	55,743	Conveyance of inland mails	184,665
Private box and bag rents and rural-delivery fees	64,591	Conveyance of mails by rail	138,531
Miscellaneous receipts	1,088,861	Maintenance of telegraph and telephone lines	502,764*
Paid telegrams	555,206	Renewals and replacements	50,000
Paid tolls	1,301,029	Motor services and workshops	149,255*
Telephone-exchange receipts	1,860,196	Maintenance of Post and Telegraph buildings	101,559
	6,694,901	Miscellaneous	1,836,385*
		Interest on capital liability	708,800
		Sick Benefit Fund	5,475
			5,970,244
		Renewal and replacement of Assets Fund (investment)	720,000
		Balance carried down	44,321
	£6,734,565		£6,734,565
Balance brought down			
	£		
	44,321		

* Includes arrears of salaries, wages, and overtime for period 30th June, 1944, to 29th March, 1945, totalling £308,110.

The total cash value of the transactions of the Department, including the above, amounted to approximately £583,000,000.

PERSONAL

Mr. H. M. Patrick, M.V.O., was appointed Director-General on the 1st February, in succession to Mr. J. G. Young, who retired on superannuation on the 31st January after completing almost forty-three years' service. Mr. Patrick was succeeded as Deputy Director-General by Mr. C. L. Mayo, Second Deputy Director-General, who was replaced in turn by Mr. P. N. Cryer, Divisional Director, General Post Office.

Mr. Patrick had been appointed Deputy Director-General on the 1st December in succession to Mr. J. Madden, who, having completed forty-three years' service, retired on superannuation on the 30th November. Mr. Mayo filled the position of Second Deputy Director-General from the 1st December to the 31st January, inclusive.

Mr. M. A. Pike, Deputy Chief Engineer, was appointed Chief Engineer on the 6th June, in succession to Mr. P. V. R. C. Miles, who retired on superannuation on the 5th June after completing over forty-four years' service. Mr. Pike was replaced by Mr. E. H. R. Green, Superintending Engineer, General Post Office.

Mr. P. Cutforth, Director of Accounts, General Post Office, retired on superannuation on the 31st March on completion of over forty-four years' service. He is to be succeeded by Mr. J. J. Knight, formerly Deputy Director of Accounts, General Post Office.

COMPARATIVE RETURN OF PERSONS EMPLOYED IN DEPARTMENT

	1st April, 1944.	1st April, 1945.
Permanent Staff—		
Administrative	17	17
First Division	4,560	4,370
Second Division (including Junior Assistants)	7,335	7,305
	<u>11,912</u>	<u>11,692</u>
Temporary and Casual Staff	5,309	5,188
	<u>*17,221</u>	<u>†16,880</u>
Non-permanent Staff—		
Country Postmasters and Telephonists, including Railway officers	1,611	1,577
	<u>18,832</u>	<u>18,457</u>

* Includes 5,159 serving with Armed Forces.

† Includes 4,198 serving with Armed Forces.

OFFICERS SERVING WITH THE ARMED FORCES

There are 4,198 employees of the Department at present serving with the Armed Forces, comprising 4,125 permanent officers and 73 temporary employees. Of the 1,580 employees who have returned to work in the Department after having performed military duty, 473 resumed from overseas service and 1,107 from service in New Zealand.

Every effort to release officers for the Forces continues to be made, but it is necessary to withhold on appeal 228 employees who are eligible for overseas service. The extensive activities of the Department in telephone, telegraph, and radio fields directly concerned with the Armed Forces have necessitated the retention of these men. The return from the Forces of men who have had long service overseas will permit the release over a period of the majority of those held on appeal.

ROLL OF HONOUR

It is recorded with regret that during the course of the war the following casualties have been sustained by departmental employees: killed in action, 91; died of wounds, 23; death presumed, 77; accidentally killed, 27; died from sickness, 9; died while prisoners of war, 8; deceased (unclassified), 1; missing, 32; wounded, 245; prisoners of war, 154; total, 667.

POST OFFICE HONOURS LIST

Officers continue to add laurels to their service in the Forces. Since the commencement of hostilities 54 employees have received decorations and awards, while 46 have been mentioned in despatches.

STAFFING POSITION

The staffing position, while fairly stable at a number of offices, has at many others been unsatisfactory, due to some extent to the Department's inability to recruit sufficient women to fill vacancies which are continually occurring. The heavy demands for female labour for industry and for nursing and other important work has resulted in a very close review of all female labour potential being undertaken by Man-power Authorities. This diversion of women to high priority work has restricted considerably the Department's field for recruitment.

Although officers who have been discharged from the Forces are gradually returning to duty in the Department, great difficulty is being experienced in providing suitable replacements for young officers who are continually proceeding on national service. The position in this respect is aggravated by the fact that the recruitment of boys and girls for telegram-delivery work has been seriously affected as a result of the demands of industry. These juniors are essentially the basis of the Department's staffing structure, and any serious interruption in their admission to the Service has an adverse effect upon staffing generally.

The organization which was set up by the Department to assist in the rehabilitation of its officers continues to function effectively. It is gratifying to record that those officers who have resumed duty following service in the Forces are settling down well to their departmental duties. The Post Office Rehabilitation Officers throughout the Dominion are keeping in touch with the returned departmental men, who are given every encouragement to seek such advice and assistance as they may require. Regular visits are also paid to those returned men who, unfortunately, have had to enter hospital as a result of war injuries.

APPEAL BOARD

During the year 152 appeals were received from 75 officers. These were adjudicated upon by the Post and Telegraph Appeal Board, with the following results: Allowed, 7; withdrawn, 28; did not lie, 4; disallowed, 112; and in one case the Appeal Board recommended that the appellant be accorded the same grading as that of the appointee.

STAFF TRIBUNAL

Under the Post and Telegraph Amendment Act, 1944, provision was made for the establishment of a Staff Tribunal, the functions of which will be to inquire into and report to the Minister upon any matters that may be referred to it for consideration by the Minister, the Service Organization, or the Department. The Joint Advisory system, which was established by the Department in 1940, was given recognition in the Act, and, in general, matters to be referred to the Tribunal will have first been considered by the Joint Advisory Council or the Department.

SALARIES

Following on the increases in salary granted in the Railways Department, and in accordance with the undertaking given by Government that an adjustment would be made where a disparity arose in the wages of similar groups of State workers, an all-round improvement in the salary scales in operation in the Post Office was approved, with effect from the 30th June, 1944.

CREATION OF ADDITIONAL POSTAL DISTRICT

A new postal district was established on the 1st March, 1945, with Masterton as the chief post-office. The new district comprises the main Wairarapa area, and embraces all that portion of the former Wellington district lying to the east of the Tararua and Rimutaka Ranges. The approximate boundaries of the new district are in the west, the Tararua and Rimutaka Ranges; in the north, portion of the former boundary between the Wellington and Palmerston North districts; and in the east and south, the coast-line. Twenty-seven offices, all of which were previously under the control of the Chief Postmaster, Wellington, are now under the direction of the Chief Postmaster, Masterton.

WORKSHOPS

Work to the value of £242,580 was performed in the various workshops during the year. Of this amount, £29,640 represents the value of services rendered to other Government Departments.

REGISTRATION OF MOTOR-VEHICLES AND ASSOCIATED WORK

At the 31st March, 1945, licensed motor-vehicles in the Dominion numbered 300,322. New registrations during the year totalled 18,290. Motor registration fees collected amounted to £511,485. The premiums collected on behalf of the thirty-seven insurance companies authorized to underwrite business in terms of the Motor-vehicles Insurance (Third-party Risks) Act, 1928, totalled £322,695. Mileage-tax amounting to £31,358 was collected in respect of 961 vehicles.

STORES

The value of stores and equipment ordered during the year is as follows, the figures for the previous year being given for comparative purposes:—

	1944-45.	1943-44.
	£	£
For Post and Telegraph Department—		
From suppliers in New Zealand	270,953	238,855
Ordered overseas	291,987	379,792
For other Departments—		
From suppliers in New Zealand	95,992	75,057
Ordered overseas	89,221	21,010

The value of the stocks held in the Auckland, Christchurch, Dunedin, and Wellington store-keeping districts at the end of the year, as compared with that of the stocks held on the 31st March, 1944, is as follows:—

		31st March, 1945.	31st March, 1944.
	District	£	£
Auckland		561,847	336,011
Christchurch		217,444	134,097
Dunedin		147,863	105,215
Wellington		1,855,837	1,021,081
		<u>£2,782,991</u>	<u>£1,596,407</u>

The substantial increase in the value of the holdings is due to the receipt of large quantities of materials ordered during 1942 and 1943 for use in connection with communication requirements of the Armed Services, the prices of the materials being considerably in excess of those ruling prior to the war.

BUILDINGS AND LAND

The following departmental buildings were completed during the year: post-office buildings at Inangahua Junction, Kaitaia, and Kokonga; a post-office building with quarters at Wanaka; residences at Featherston, Fitzroy, Foxton, Howick, Kaitaia, Kaponga, Manurewa, Morrinsville, Ngongotaha, Piopio, and Pukekohe; a store-garage building at Balclutha; a radio-receiving building for the National Broadcasting Service, a departmental radio-receiving station building and a hostel and seven residences at Makara and a direction-finding building at Awarua Radio.

The post-office buildings at Kaitaia and Wanaka were officially opened by the Postmaster-General (the Hon. P. C. Webb) on the 11th December, 1944, and the 15th July, 1944, respectively.

Additions were made to the post-office buildings at Kimbolton and Ruawai; alterations and additions were made to the post-office building at Henderson; and alterations to provide improved accommodation were made to the chief post-office building at Invercargill and the post-office buildings at Aramoho, Howick, and Wellesley Street. The departmental store building at Thorndon Quay, Wellington (old Massey-Harris building), was converted into a motor workshop, providing improved motor-workshop facilities and enabling the old accommodation to be utilized as a cafeteria for the Stores, Workshops, and Public Service Garage staffs.

Residences were acquired at Gore and Invercargill.

Land was acquired at Avondale (for residence), Balclutha (for residence), Cave (extension of post-office site), Dunedin (extension of chief-post-office site), Fairlie (for post-office and store), Fitzroy (for residence), Glen Eden (for post-office), Gore (for store), Gore (with residence), Grey Lynn (for residence), Hammer Springs (for post-office and quarters), Hataitai (for post-office and quarters), Hokitika (for store and garage), Inangahua Junction (extension of post-office site), Inglewood (for residence), Invercargill (with residence), Island Bay (for post-office and quarters), Karamea (for residence), Kerikeri Central (extension of post-office site), Levin (for residence), Lumsden (for store-garage), Motueka (extension of post-office site), Nelson East (for post-office), Nelson South (for post-office), Northcote (for residence), Nuhaka (extension of post-office site), Opotiki (for store-garage), Otahuhu (for post-office), Otautau (for store-garage), Palmerston North (for automatic exchange), Pirinoa (for post-office), Ponsonby (for residence), St. Albans (for residence), Seatoun (for post-office and quarters), Seddon (extension of repeater-station site), Te Aroha (for residence), Te Kuiti (for store-garage), Tirau (for residence), Waitoa (extension of post-office site).

The old cable hut at Lyall Bay, the old post-office building at Marton, and an old residence at Waipiro Bay, being no longer required, were disposed of during the year.

Sites no longer required at the following places were disposed of: Clareville, Komata, Marton, Tarawera, Waipiro Bay, and Whetukura.

At the end of the year the following works were in progress: Island Bay (erection of automatic exchange), Kaikohe (erection of post-office), Newmarket (erection of garage), Seddon (erection of carrier building), Stratford (erection of residence), Wellington Workshops (alterations), Fitzroy (post-office alterations), Hamilton (chief post-office alterations), Kaponga (post-office alterations).

NATIONAL SAVINGS

For the year ended the 31st March, 1945, national savings investments amounting to £8,811,952 were received at post-offices. Of this sum £2,565,251 represented bond sales, and £6,246,701 deposits to the credit of investment accounts. Investments effected through the trustee savings-banks at Auckland, Dunedin, Invercargill, and New Plymouth amounted to £1,205,771.

National Savings Gift Coupons to the value of £2,942 were sold during the year. Sales of National Savings Stamps amounted to £13,200.

At the 31st March, 1945, the total investments from all sources, plus interest credited to depositors, amounted to £31,442,086, an increase for the year of £10,674,516. Of the additional sum invested a considerable proportion is attributable to the impetus derived from the association of the National Savings Movement with the Victory Loan. Of the total of £31,442,086, investments effected through the Post Office amounted to £28,517,622, and those through trustee savings-banks to £2,924,464. National Savings Bonds and deposits in National Savings Investment Accounts represented £10,314,962 and £21,127,124 respectively.

New accounts opened during the year numbered 43,188, including 5,094 opened with the trustee savings-banks. The total number of accounts opened from the inception of the movement up to the 31st March, 1945, was 454,633.

Opened with the Post Office	..	407,043 (including 7,173 groups, representing 142,784 group depositors).
Opened with trustee savings-banks	..	47,590 (including 1,147 groups, representing 27,381 group depositors).

454,633

Amounts deposited to the credit of National Savings Investment Accounts during the first investment period—*i.e.*, from the inception of the movement up to the 30th June, 1943—with interest accruing to date, are repayable on the 30th June, 1945.

PATRIOTIC FUND: CONTRIBUTIONS BY POST OFFICE STAFFS

During the five years the Post Office Patriotic Fund has been in existence the sum of £14,144 has been contributed to the National Fund and £7,090 to the Provincial Fund, a total of £21,234.

POSTAL SERVICES

INLAND MAIL-SERVICES

Contracts for the performance of inland mail-services in the Auckland, Hamilton, and Thames Postal Districts, which expired on the 31st December, 1944, were re-let for a further period of three years from the 1st January, 1945.

At the end of December, 1944, there were throughout the Dominion 36,983 rural boxholders, an increase of 1,233 on the figures for the previous year.

AIR MAILS

INLAND

For the twelve months ended the 31st March, 1945, the weight of letters carried by air within the Dominion was 176,398 lb. In addition, 25,690 parcels were conveyed by the inland air services.

On the 6th November, Union Airways, Ltd., extended their South Island network to include Invercargill, and on the 26th March the company recommenced the operation of a service Gisborne - Napier - Palmerston North and Gisborne-Auckland.

TRANS-TASMAN AIR SERVICE

The weight of mail-matter despatched from New Zealand by the Trans-Tasman service during the year was 58,930 lb. Mail-matter conveyed to New Zealand totalled 53,100 lb. The average weight of mail carried on each trip was 351 lb.

The frequency of the service was twice weekly during April and May, but in June it was increased to thrice weekly. In addition, during October and November three extra trips each fortnight, or an average of nine trips a fortnight, were performed.

AIR LETTER-CARD SERVICE

Following an increase in the number of aircraft operating over the Perth Colombo section of the air service between Australia and the United Kingdom it was possible, as from the 26th June, 1944, to utilize this air service for the exchange in both directions of special light-weight air letter-cards for Forces personnel (including members of the Merchant Navy) in the United Kingdom, Middle East, parts of Africa and Asia. On the 24th August the service was extended to include cards for civilian addresses, while later, by making use of military air services operating across the Pacific, it was possible to accept cards addressed to New Zealand Forces personnel in Canada.

These light letter-cards are accorded air transmission throughout the whole journey, and, on account of the fast transmission times recorded, have proved to be most popular with the public. Since the establishment of the service up to the 31st March, 14,385 lb. of cards for all destinations were forwarded from New Zealand.

ROYAL AIR FORCE TRANSPORT COMMAND SERVICE

On the 13th November, 1944, the Royal Air Force Transport Command commenced the operation of an air service from Montreal to Sydney, via San Diego, Honolulu, Fiji, and Auckland. Only official and troop mails are permitted to be exchanged by this service at present.

ORDINARY OVERSEAS AIR-MAILS

Since the 15th July, 1944, ordinary air-mail correspondence for the United Kingdom, Gibraltar, India, South Africa, &c., has been routed via Australia, the postage-rate being fixed at 1s. 6d. a half-ounce. By this route correspondence is accorded air transit as far as Perth, usually sea transit to Ceylon, and then air transit onwards to destination. On occasions, however, ordinary air-mail correspondence routed this way has been accorded air transmission throughout the whole journey. In consequence of the introduction of this service, the air-mail services previously in operation for the transmission of ordinary air-mail to the United Kingdom, involving sea transit to the Pacific coast of North America and then air transit onwards (2s. 6d. a half-ounce) or sea transit to the Panama Canal Zone and air transit onwards (3s. 6d. a half-ounce) were discontinued.

Owing to the absence of a direct civil air link with Canada or the United States it has not been possible to provide a fast service to those countries for ordinary civil air-mails. Such correspondence continues to be exchanged by part-sea-part-air means at the rate of 1s. 3d. a half-ounce, but transmission times have shown little gain over the times taken by direct surface despatches to those countries.

AIRGRAPH SERVICE

The airgraph service has continued to provide a very satisfactory means of communication with those overseas countries to which the service is available. The number of airgraph messages handled has, however, diminished considerably since the introduction of the light-weight air letter-card service for communication with Forces and civilians overseas, and whereas the number of outward airgraphs forwarded in the third week of June, 1944, reached the peak figure of 88,000, the number handled weekly is now only 7,000. In transmission airgraph mails average only two or three days longer than air letter-card mails.

Consequent upon the introduction of the air letter-card service and the fixing of the postage rate on civilian cards at 8d., the charge for civilian airgraphs was reduced to that applicable to Forces messages (5d.).

A specially designed airgraph form was again introduced for the Christmas - New Year Season, the charge being the same as for ordinary airgraph messages. Over 179,000 special Christmas messages were forwarded from New Zealand, and 265,000 were received.

PRISONER-OF-WAR CORRESPONDENCE

Outward.—All mails from New Zealand for prisoners of war in Europe were exchanged through the United Kingdom. Air letter-cards and ordinary air-mail letters were given air transit throughout to London, but parcels and ordinary letters were sent by surface means. From the United Kingdom air-mails for prisoners were disposed of through Sweden, while surface mails were forwarded via France and Switzerland. Owing to the confusion that existed in Germany prior to the end of hostilities, with the consequent improbability of delivery to the addressees, parcels addressed to prisoners of war in that country were not accepted by the Post Office after the 26th March.

A special air-mail post-card has been made available by the Post Office for communicating with prisoners of war and civilian internees in Japanese hands, and supplies are obtainable at principal post-offices. The postage rate is 6d. a card. Although these cards are flown from New Zealand as far as circumstances permit, long transmission times must necessarily be expected, owing to the long and roundabout surface journey that is entailed, especially on the latter part of the route.

Inward.—Letters from prisoners of war in Europe arrived in New Zealand fairly regularly, those prepaid at air-mail rates and sent via the United Kingdom being given air transmission to New Zealand, but surface letters arrived in New Zealand by a variety of routes, mainly via North America. Mails from prisoners of war in Japanese hands are received very infrequently, and it is apparent, too, that they suffer considerable delay in transit.

INTERRUPTION TO INLAND MAIL-SERVICES

On the 18th January, 1945, a railway strike occurred in the Westport district, later spreading to other parts of the West Coast of the South Island, and also to the Auckland, Waikato, Bay of Plenty, and parts of the Gisborne and Taranaki districts. During the period of the railway stoppage, emergency mail-services were organized, full use being made of departmental and Army motor-vehicles and existing road and steamer services. In addition, the Royal New Zealand Air Force made planes available for the carriage of letter-mails between the more important towns in the North Island affected by the strike.

Serious floods which occurred in the Canterbury, South Canterbury, and Otago districts in February resulted in the disorganization of mail-services by rail and road in those districts. The R.N.Z.A.F. again provided an emergency air service for the despatch of letter-mails between Christchurch, Oamaru, and Dunedin.

POSTAGE-STAMPS

The 1½d. stamps of the Centennial issue were overprinted "Tenpence" and placed on sale on the 1st May, 1944.

Health stamps of two denominations—3d. and 1½d.—depicting Their Royal Highnesses Princess Elizabeth and Princess Margaret Rose, were placed on sale on the 9th October, 1944, and withdrawn from sale on the 28th February, 1945. The stamps were designed and printed by Messrs Bradbury, Wilkinson, and Co. Ltd., New Malden, Surrey, England.

Stamps to the value of £64,428 were sold, and one-third of that amount, representing the health value, together with donations amounting to £6,925 collected by the Post Office, was paid to the New Zealand Federation of Health Camps.

MONEY-ORDERS, POSTAL NOTES, AND BRITISH POSTAL ORDERS

Money-orders issued, postal notes sold, and British postal orders sold and paid during the year were as follows:—

	Number.	Value. £
Money-orders	762,179	5,989,368
Postal notes	2,223,041	951,988
British postal orders sold	24,915	8,959
British postal orders paid	41,448	35,329

SAVINGS-BANK

During the year deposits lodged in the Post Office Savings-bank amounted to £51,585,120 and withdrawals to £42,158,656, an excess of deposits over withdrawals of £12,426,464. The amount at the credit of depositors at the close of the year was £113,492,290, the interest accruing to depositors being £2,451,628.

WORK PERFORMED FOR OTHER DEPARTMENTS

A total of approximately £156,000,000 was handled by the Post Office during the year on behalf of other Departments.

The amount of Social Security Charge and National Security Tax collected by the Department totalled £22,321,676.

MILITARY ALLOTMENT WARRANTS

The number of military allotments and dependants' allowance warrants paid by the Department during the year was 1,634,588.

TELEGRAPH SERVICES

TELEGRAPH TRAFFIC

Telegraph traffic continued at a high level. Compared with the previous year the volume increased by 20,588 messages (0.28 per cent.) and the revenue by £28,405 (5.39 per cent.).

CABLEGRAMS TO AND FROM PRISONERS OF WAR AND CIVILIAN INTERNEES IN JAPANESE HANDS

After very lengthy negotiations between the International Red Cross Society, Geneva, and the Japanese Government, arrangements have been completed for the exchange of telegraphic communications between prisoners of war and civilian internees in Japanese hands and their next-of-kin. Each next-of-kin may send one reply-paid telegram a year. The service is free to both next-of-kin and prisoners of war or civilian internees. The Prisoners of War Inquiry Office, Wellington, attends to the collection and delivery of these messages in New Zealand.

FREE CABLEGRAMS FOR REPATRIATED OR ESCAPED PRISONERS OF WAR

Arrangements have been made whereby each New Zealand repatriated or escaped prisoner of war is afforded the facility of sending a free cablegram to his next-of-kin and of receiving a free message in reply.

TELEPHONE-EXCHANGE SERVICES

TELEPHONE DEVELOPMENT

The number of telephone subscribers increased during the year from 181,717 to 191,189, an increase of 5.2 per cent., compared with an increase of 2.6 per cent. for the previous year. The larger number of new connections recorded for the year just ended is due to the fact that it was possible for a few months to relax slightly the restrictions on the provision of new telephone connections at those exchanges at which switching and line accommodation were available. Unfortunately, however, the relaxation of the restrictions could not be continued owing to the rapidly diminishing stocks of communications materials available for ordinary civilian purposes, and it became necessary to re-impose restrictions early in 1945. The position now is that, apart from connections that can be provided by using subscribers' relinquished equipment, only connections essential to the war effort, or telephones required for other very urgent reasons, are being installed. The Dominion waiting list of applicants for telephone service still numbers many thousands. Most of the applications emanate from the four main centres. Little can be done to relieve the position until the switching and other equipment is obtained from overseas.

VISIT OF ENGINEERING OFFICERS OVERSEAS

In order to investigate the possibility of supply of urgently required automatic-telephone-exchange switching-equipment by overseas manufacturers, and to discuss fully the best method of meeting the Department's needs, two Post Office engineering officers visited the principal manufacturers of automatic-exchange equipment in the United States of America, the United Kingdom, and Sweden, which are the chief production countries of this class of apparatus. As a result, the Department has received information which will enable the necessary equipment to be obtained with the least possible delay as soon as the war situation permits.

One of the officers concerned returned to the Dominion in December last, the second officer having remained in England to represent the Department in the discussion of further details and to advise manufacturers on technical matters peculiar to the operation of New Zealand switching systems.

TOLL TRAFFIC

A record number of toll calls was handled during the year. The number was 19,545,441, compared with 18,087,043 for the previous year, an increase of 8.1 per cent.

PUBLIC CALL OFFICES

The number of public call offices (coin-in-the slot) telephones in the Dominion as at the 31st March was 1,406, compared with 1,420 at the corresponding date last year. The decrease is explained by the fact that a number of Military Camp installations were closed during the year. The total collections amounted to £97,321.

INSTALLATION OF CARRIER-CURRENT TELEPHONE EQUIPMENT

In order to meet the demand for additional toll circuits between Auckland and Wellington, the installation of a twelve-channel carrier telephone system to link these two cities was commenced during the year. As a result of the installation of this equipment, which it is anticipated will be ready for service by October, 1945, the present heavy delays on toll traffic between Auckland and Wellington will disappear. It is planned to install similar twelve-channel systems on other important routes throughout the Dominion, while on some routes where the demand for additional toll circuits is not so great, a number of three-channel and single-channel systems will be installed. The equipment necessary to carry out this programme is now in the Dominion.

COOK STRAIT SUBMARINE CABLES

A new cable, approximately 42 miles in length, and of the coaxial type designed for high-frequency operation, has recently been received from England for use across Cook Strait to replace the four-core cable laid in 1926. The lifting of the four-core cable, portions of which will be suitable for use elsewhere, has already been successfully completed, and other preliminary operations for the laying of the new cable are in hand. It is anticipated that the cable will be laid and brought into commission at an early date.

This cable, together with one of similar type laid in 1937, will permit of the ultimate establishment of up to eighty telephone channels and forty telegraph channels between the North and South Islands. There are at present twenty-one telephone channels and eleven telegraph channels between the two Islands.

RADIO SERVICES

ESTABLISHMENT OF RADIO-RECEIVING STATION AT MAKARA

In order to strengthen the Department's resources in regard to radio-receiving services a new station was established in the Makara district. This will permit of the closing-down of the temporary station erected some years ago at Mount Crawford. Makara Radio will provide the receiving facilities for the important long-distance services now being conducted by the Department.

Arrangements were also made at Makara for the receiving side of important services which may require to be established in the event of interruption to the submarine cables connecting New Zealand to Australia and Canada.

NEW ZEALAND - AUSTRALIA RADIO-TELEPHONE SERVICE

The New Zealand - Australia radio-telephone service, which was in use prior to the war, is still suspended. The efficiency of the radio-telephone link has been improved by the installation of a modern 5 kW. transmitter at Wellington to replace the 1 kW. transmitter which had been in use since 1930. This plant is at present being made available for use by the National Broadcasting Service.

INTER-ISLAND VERY-HIGH-FREQUENCY RADIO-TELEPHONE LINK

With a view to supplementing the existing submarine cable facilities in order to meet the demands of the Armed Services for additional communication circuits, and to provide a means of inter-island communication in the event of a disruption of existing facilities, arrangements were made for the establishment of a developmental very-high-frequency radio-telephone link between Wellington and Seddon, which interconnects with existing toll circuits. Communication was first established on the 5th May, 1944, and in March, 1945, experimental communication on a multi-channel system was introduced.

SAMOAN RADIO SERVICES

A commercial radio-station is shortly to be opened at Satana, on the Island of Savaii, Samoa, for communication with Apia.

PRIVATE COMMERCIAL RADIO STATIONS

Additional private commercial radio stations (low power) have been opened in the Kaingaroa and Rotorua Forest areas for use by the Forestry Department in connection with the prevention of fire-spread. Altogether nineteen stations are now operating in these areas. In addition, four similar stations are being operated in the Tapanui (Otago) District.

The Public Works Department is also making extensive use of portable radio-transmitting stations for communication purposes. Low-powered stations are being operated at the Karapiro Dam site and also by line construction parties working between Karapiro and Hamilton.

VISIT OF ENGINEERING OFFICER TO UNITED STATES OF AMERICA

During the year an engineering officer attended the International Radio Propagation Conference held in Washington. The officer, who spent almost four months in the United States of America, visited several radio establishments in Washington and New York. The information gained as a result of this visit will be of considerable assistance to the Department in the development of radio services with other countries and throughout the Dominion.

RADIO LICENSING

RADIO-RECEIVING LICENSES

The total number of radio-receiving licenses current at the 31st March, 1945, was 379,242 representing an increase of 3,787, or 1 per cent., over the number current at the end of the previous year.

APPENDIX

Table No. 1
RECEIPTS AND PAYMENTS FOR THE YEARS 1943-44 AND 1944-45

Year.	Balance forward.	Receipts.	Payments for Working-expenses.	Balance of Receipts over Working-expenses Payments.	Other Disbursements.			Balance.
					Depreciation Fund Investment, including Expenditure on Renewals, and Replacements of Assets.	Contributions to Post and Telegraph Officers' Sick-benefit Fund.	Interest on Capital Liability.	
1943-1944 ..	£ 39,404	£ 6,251,242	£ 4,344,591	£ 1,906,651	£ 1,208,000	£ 4,911	£ 693,480	£ 39,664
1944-1945 ..	39,664	6,694,901	5,205,969	1,488,932	770,000	5,475	708,800	44,321

Table No. 2
POST OFFICE SAVINGS-BANK.—GENERAL STATEMENT
BUSINESS OF THE POST OFFICE SAVINGS-BANK IN NEW ZEALAND FOR THE YEARS ENDED 31ST MARCH, 1944 AND 1945

Year.	Number of Branches of the Post Office Savings-Bank open at the Close of the Year.	Number of Deposits received during the Year.	Total Amount of Deposits received during the Year.		Average Amount of each Deposit received during the Year.		Total Amount of Withdrawals during the Year.	Average Amount of each Withdrawal during the Year.		Excess of Deposits over Withdrawals during the Year.	Interest for the Year.	Number of Accounts opened during the Year.	Number of Accounts closed during the Year.	Number of Accounts remaining open at Close of the Year.	Total Amount standing to the Credit of all Open Accounts, inclusive of Interest to the Close of the Year.	Average Amount standing to the Credit of each Open Account at the Close of the Year.														
			£	s. d.	£	s. d.		£	s. d.								£	s. d.												
1944	930	2,862,882	47,648,754	3	16	12	11	1,508,603	35	580,165	6	1	23	11	812,068,588	18	22,075,676	8	0	127,173	85,233	1,128,936	98,614,198	5	9	87	7	0		
1945	928	2,811,569	54,585,120	2	9	19	8	31,634,100	42	1,586,656	14	10	25	16	0	12,428,463	17	11	2,451,628	5	2	131,541	98,591	1,161,886	113,492,290	8	10	97	13	7

Table No. 3

PAID TELEGRAMS FORWARDED AND THE REVENUE DERIVED THEREFROM, THE NUMBER AND CLASSIFICATION OF TELEPHONE STATIONS AND THE REVENUE DERIVED THEREFROM, THE NUMBER OF FORWARDED TOLL CALLS AND THE NUMBER OF RADIO-RECEIVING LICENSES

Year ended 31st March,	Paid Telegraph Traffic.		Telephone Service.						Toll Service.		Radio-receiving Licenses.			
	Ordinary.		Subscribers Main Stations (a).	Extension Stations, all Classes (b).	Revenue from (a) and (b).	Service and Privately Owned Phones connected with Public Telephone-offices.	Number of Public Call Offices.	Number of Toll Stations.	Total Telephone-stations.	Telephones per 1,000 of Population.	Number of Calls.	Value.	Number.	Percentage of Households equipped.
	Number.	Value.												
1944	7,068,928	£ 465,028	178,707	55,634	£ 1,820,289	7,010	1,420	1,982	244,753	150.89	18,087,043	£ 1,195,196	375,455	94.0
1945	7,091,799	£ 481,774	188,175	58,120	£ 1,860,196	7,114	1,406	1,911	256,726	153.1	19,545,441	£ 1,301,029	379,242	95.1

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