$\begin{array}{cc} & 1947 \\ {\rm N~E~W} & {\rm Z~E~A~L~A~N~D} \end{array}$

POST AND TELEGRAPH DEPARTMENT

(REPORT OF THE) FOR THE YEAR 1946-47

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

To His Excellency Lieutenant-General Sir Bernard Cyril Freyberg, V.C., G.C.M.G., K.C.B., K.B.E., D.S.O.

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 the 31st March, 1947.

I have the honour to be, Your Excellency's most obedient servant, F. HACKETT.

General Post Office, Wellington C. 1, 27th June, 1947.

FINANCIAL

The revenue received during the year ended the 31st March, 1947, was £8,672,640.

Payments in respect of working-expenses (including interest on capital liability

amounting to £738,996 and a sum of £100,000 provided out of Depreciation Fund) totalled £7,374,561. The excess of receipts over payments was £1,298,079.

The total amount of the cash transactions handled by the Department during the year was £661,482,981, compared with £655,515,503 during the previous year.

The following is an analysis of the cash turnover:-

					1945–46 . €	1946–47. €
Departmenta	d working-ex	penses an	id revei	nue	13,547,353	16,047,201
Other depart					324,636,185	287,279,518
Receipts and	l payments i	n respect	of tele	graph		
extension					286,313	1,818,511
Savings-bank	k deposits an	d withdra	wals		123,487,461	135, 127, 636
Work perfor	$oxdrem{med}$ for othe	r Governi	$\mathrm{ment}~\mathrm{D}$	epart-		
ments	• •			• • •	193,558,191	221,210,115
	Total cash	urnover			£655,515,503	£661,482,981

A detailed Receipts and Payments Account in respect of the working of the Post Office is shown in the Appendix (Table No. 1).

STAFF

PERSONAL

Mr. P. N. Cryer, Deputy Director-General, was appointed Director-General on the 1st October, 1946, in succession to Mr. H. M. Patrick, M.V.O., who retired on the 30th September after completing forty-two years' service. Mr. Cryer was succeeded as Deputy Director-General by Mr. C. O. Coad, formerly Second Deputy Director-General, who in turn was replaced by Mr. E. A. Munden, Divisional Director, General Post Office.

During December Mr. Cryer, accompanied by Mr. P. F. Stevens, of the Postal Division, General Post Office, attended at Lake Success, New York, a conference of postal experts convened by the Economic and Social Council of the United Nations Organization for the purpose of considering the best means of bringing the Universal Postal Union into relationship with the United Nations, as a specialized agency of the latter Organization.

- Mr. A. D. Baggs, Deputy Chief Engineer, returned in November from a short visit to Australia which was made for the purpose of investigating and studying the approach in the Commonwealth to post-war telecommunications construction problems and practices.
- Mr. J. G. Young, C.B.E., a former Director-General, has been appointed as New Zealand representative on the Commonwealth Communications Council, which has its headquarters in London. The Council, the main functions of which are to co-ordinate the interests of the countries of the British Commonwealth from the point of view of their external communication services, replaces the Imperial Communications Committee, on which New Zealand was represented for many years by another former officer of the Post Office, Mr. M. B. Esson, who returned recently to New Zealand. Mr. Young left for London in January and was accompanied by Messrs. H. W. Curtis, Divisional Director, and T. R. Clarkson, Divisional Radio Engineer, General Post Office, who took part with him in discussions with the members of the Council. The departmental officers also conferred with delegations from other Commonwealth countries on telecommunications matters generally.

Comparative Return of Persons employed in the Department

T						31st March,	31st March
Permanent staff—						1946.	1947.
Administrative						19	18
First Division						4,189	4,796
Second Division			• •			7,314	6,717
						$\frac{11,522}{}$	11,53F
Temporary and casu	ial staff					4,225	3,916
						*15,747	†15.447
Non-classified and n	on-perma	anent s	staff—			,	, ,
Country postmast				luding R	ailway	•	
officers		••				1,548	1,505
						$\frac{-}{17,295}$	${16,952}$
						1.,200	10,000

^{*} Includes 1,901 serving with Armed Forces. † Includes 385 serving with Armed Forces.

HEALTH OF PERMANENT STAFF

The compilation of statistics covering the incidence of sick-leave taken by members of the permanent staff was discontinued after the year ended the 31st March, 1941, for the duration of the war. The following table shows, in comparison with the figures for the year ended the 31st March, 1941, the average number of days on which officers were absent on sick-leave during the year under review:—

Year e	nded 3	1st Mai	rch, 1947—	1	Number on Staff.	Average Absence for each Sick Officer.	Average Absence for each Officer employed.
M	en				9,802	$13 \cdot 69$	7.85
W	omen				1,485	$13 \cdot 9$	$9 \cdot 85$
Year e	nded 3	1st Mai	rch, 1941—				
Me	en				9,521	$11 \cdot 42$	5.68
W	omen				959	$12 \cdot 69$	$7 \cdot 48$

It is recorded with regret that 21 officers died during the year.

Officers serving with the Armed Forces

As at the 31st March, 116 employees were serving with the New Zealand Forces in Japan and enlistments for the 1947 replacement draft were proceeding. In addition, 16 employees were serving in the Navy, 90 in the Army, and 163 in the Royal New Zealand Air Force on an interim basis. It is expected that these men will be either absorbed into the permanent Forces or released at an early date to return to civil employment.

STAFFING Position

The difficult man-power situation throughout the country is being reflected in the Department's general staffing position, which, over the past year, has somewhat deteriorated. Resignations from both permanent and temporary employees are heavy, and, in consequence, a good deal of difficulty is experienced in maintaining staffs at sufficient strength to ensure that service to the public is kept at a reasonably high standard.

Every avenue is being explored with a view to recruiting new employees. The heavy demands in industry for juvenile labour and the raising of the school leaving age are important factors affecting a continuance of the pre-war basis of staffing when a staff pool was formed of lads who entered the Service on leaving school. In order to offset the dearth of juvenile labour and, at the same time, to enable the Department to play its part in the general rehabilitation scheme, employment in certain branches is being offered to returned servicemen.

Although the majority of the Department's officers who served in the Armed Forces have returned to duty, there were still over 300 in the Services at the end of the year. The privilege extended to returning servicemen who wished to try other employment before returning to the Department of taking up to twelve months' special leave without pay has been availed of by some 579 officers. Of these, 246 are still on special leave, 186 have resigned, and 147 have returned to the Department.

The Department's training-schools in Wellington have been extended during the year and now cover a wide field of activity. Tuition is available at the schools to mechanics, mechanicians, linemen and cable-jointers, and many ex-servicemen have been given the opportunity of attending refresher courses. Instruction in Morse and machine-printing telegraphy is provided at telegraph training-schools in Auckland and Wellington, at which latter place a school for typists has also been established.

APPEAL BOARD

A total of 963 appeals received from 189 officers were adjudicated upon by the Post and Telegraph Appeal Board during the year, with the following results: allowed 25; withdrawn, 279; did not lie, 28; disallowed, 631. In regard to the disallowed appeals: it was recommended by the Board in eighteen cases that the appellants be granted equal grading with the appointees, while in seven cases the Board recommended that consideration be given to according the appellants the same grading as the appointees at the first available opportunity. In eight other cases the appellants, with the Department's consent, were conceded equal grading with the appointees. The number of appeals dealt with was greater than usual, due to the fact that the regrading of the Service took place during the year.

RECLASSIFICATION OF SERVICE

The general regrading of the Service, which was due to have been carried out in 1942 but which was deferred owing to wartime difficulties, was undertaken during the year, with effect from the 1st April, 1946. The regrading, which was the most comprehensive in the history of the Service, has been received favourably by the various sections of the staff, and all officers benefited either by way of promotion or as a result of improvements in the salary schedules.

Two of the most important features of the Service reclassification, were the introduction of a grading plan for all the executive positions in the Department, which places many of these positions on a much better footing than hitherto, and the adoption of improved salary scales. The cost-of-living allowances paid during the war were incorporated in the salary schedules as part of classified salary, and this, together with other adjustments made, had the effect of bringing salaries generally to a level never previously attained.

As a result of the regrading the maximum salary for postmen, postal assistants, exchange clerks, storemen, and chauffeurs has been raised to £335 per annum, and for tradesmen and skilled linemen to £365 per annum, both rates being reached in the sixth year of service. Clerks and telegraphists now receive a maximum salary of £400 per annum in the eleventh year of service, and there is a new provision under which long-service officers who have completed eight years' service on the maximum salary and passed the Controlling Officer's Examination may proceed to a salary of £415 per annum. The basic salary rate for executive officers has been fixed at £435–£460 per annum, and the salary scale for these officers now gives a range from that point up to £1,000 per annum.

Uniform salary rates were brought into operation for male executive officers in both the First and Second Divisions, and in conjunction with the reclassification, the opportunity was taken of grading, with few exceptions, Second Division male executive

officers in the First Division. This removes what has been considered to be an unnecessary distinction in classification as between two groups of officers all of whom function in executive positions.

Improvements were also effected in the salary scales for Second Division female officers such as postmistresses, telephone-exchange supervisors and operators, shorthandwriters, and others.

In addition to the salary improvements already referred to, the promotion to higher-graded positions of some 1,300 officers was arranged.

The wages of temporary and casual employees also were reviewed and increases granted in accord with the improvements made in the salary schedules for the permanent officers of the Service.

PROMOTIONS TO THE FIRST DIVISION

The practice of promoting suitable Second Division officers to First Division positions, which had to be suspended in the war years, was resumed during the year and the promotion of some 450 officers was arranged. It is proposed to make another movement in this direction in the near future, and any appointments authorized will be retrospective to the 1946–47 financial year.

POST OFFICE WELFARE SCHEME

The activities of the welfare scheme administered by the Post Office Welfare Trust Board have continued to expand during the year, and there are now over 10,000 contributing members.

WORKSHOPS

The value of work performed in the various workshops during the year was £436,244. Of this amount, £68,389 represents the value of services rendered to other Government Departments.

REGISTRATION OF MOTOR-VEHICLES AND ASSOCIATED WORK

At the 31st March, 1947, licensed motor-vehicles in the Dominion numbered 329,575 of which 30,032 were new registrations. Motor-registration fees collected amounted to £617,156. 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 £374,600. Mileage-tax amounting to £31,152 was collected in respect of 647 vehicles.

STORES

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

		1945–46. £	1946–47. £
For Post and Telegraph Department-			
From suppliers in New Zealand	 	483,744	784,340
	 	936,294	1,643,645
For other Departments—			
From suppliers in New Zealand	 	164,883	224,658
Ordered for supply from overseas	 	42,583	48,652

The above amounts represent actual or estimated costs, plus freight, Customs duty, and sales tax, where applicable.

The value of the stocks, including stores on-cost, held in the Auckland, Christchurch, Dunedin, and Wellington storekeeping districts at the end of the year, as compared with that of the stocks held on the 31st March, 1946, was as follows:—

District.			31st March, 1946. £	31st March, 1947. £
Auckland	 	 	 525,890	422,014
Christchurch	 	 	 196, 152	186,860
Dunedin	 	 	 142,786	109,165
\mathbf{W} ellington	 	 	 2,027,502	1,868,179
			£2,892,330	£2,586,218

BUILDINGS AND LAND

During the year the following new departmental buildings were completed: a post-office building at Kaikohe; a temporary post-office building at South Dunedin; store-garage buildings at Darfield, Gore, Kaikohe, Papakura, and Wairoa; automatic-telephone-exchange buildings at Anderson's Bay (temporary), Island Bay, and Johnson-ville (temporary); a temporary telephone-exchange building at Levin; repeater-station buildings at Ohakune and Seddon; a cable-hut at Oreti Beach; and residences at Balclutha, Cheviot, Coromandel, Eketahuna, Hataitai, Martinborough, Matamata, New Plymouth, Ohacawai, and Outram.

Additions were made to the post-office buildings at Arrowtown, Roxburgh, and Urenui, and to three staff cottages at Awarua Radio; alterations were made to the post-office buildings at Denniston, Granity, Kilbirnie, Nelson, Plimmerton, Putaruru, Tauranga, and Wellington South; a large residence at Greymouth was converted into two flats, the old post-office quarters at Kaikohe into a residence, and the office portion of the old post-office building at Otorohanga into a flat. As a precaution against earthquake damage, the post-office clock-tower at Gore was demolished.

Surplus Army-type buildings were utilized for additional post-office accommodation at Nelson (chief post-office), Rotorua, and Wellington South; post-offices at Raumati Beach, Springfield, Takanini, and Waikanae Beach; post-offices and quarters at Reporoa and Tokoroa; store-garage buildings at Hamilton; additional garage and workshops buildings at Blenheim; additional garage accommodation at Christchurch; a temporary residence at Putaruru; transit flats for departmental employees at Hamilton (twelve flats), Nelson (four flats), and New Plymouth (eight flats); living accommodation for unmarried officers at Makara Radio, Matiere, Pukeatua, Uruti, and Wellsford; and a social hall at Blenheim.

Land was acquired at Addington (for residence), Ashburton (with residence), Auckland and Auckland East (for residences), Buckland's Beach (for post-office), Christchurch (extension line-store site), Christchurch (for bulk-store), Clinton, Coromandel, and Cromwell (for post-offices), Denniston (building and site for post-office), Dannevirke (for store-garage), Dominion Road South and Eltham (for post-offices), Fairlie (for residence), Gisborne (for suburban post-office), Green Island (for automatic exchange), Half-moon Bay (for post-office), Karori and Kohukohu (for residences), Mangapehi (for post-office), Masterton (extension of line-depot), Meadowbank (for postoffice), Napier and New Plymouth (extension of line-depots), Newton (for residence), Okato and Opawa (for post-offices), Otahuhu (for residence), Palmerston North (for store-garage and workshop), Papatoetoe and Paraparaumu Beach (for post-offices), Patumahoe and Port Chalmers (extension of post-office sites), Pukekohe (for post-office), Reefton (for store-garage), Riccarton (for automatic exchange), Seddon (extension of repeater-station site), St. Heliers (for residence), Taihape (for post-office), Tauranga (extension of workshops site), Takaka (for store-garage), Waitati (for post-office), Te Papapa (for post-office and residence), Timaru (buildings and site for store-garage).

Tuakau (for residence), Waiuku (extension of post-office site), Wanganui East and Wellesley Street (for residences), Wellington (Khandallah) (with residence), Wellington (for radio-telephone station), Whangarei (for chief post-office), and Winchester and Woodlands (for post-offices).

An old residence on the new post-office site at Northland, the postmaster's old residence and site at Opunake, the linemen's old residences and sites at Kaikoura and Waverley, and the Ohariu Radio Station building were disposed of during the year.

Sites no longer required at the following places were also disposed of: Awahuri, Clinton (portion of site), Heriot, Kahutara, Kaihere, Karangahake, Kutarere, Leeston, Mandeville, Mataroa, Onerahi (portion of post-office site), Orepuki, Oterangi Bay, Ratanui, Springburn (portion of site), Taupo, Timaru, Whakapirau, and Whangaparaoa.

At the end of the year the following works were in progress: Blenheim, adapting of Army-type building for three transit flats; Christchurch, erection of line-depot conveniences; Culverden, erection of carrier building; Feilding, erection of post-office building; Inglewood, erection of residence; Karori, erection of automatic-exchange building; Masterton, erection of residence and adapting of Army-type building for additional workshop; Matamata, erection of residence; New Plymouth, adaptation of Army-type buildings for additional Engineering Branch accommodation; Paparoa, erection of staff residence from Army huts; Paraparaumu, erection of residence; Point Chevalier, erection of residence; Riverton, addition to post-office; Te Kuiti, erection of post-office building; Thames, erection of residence; Waikouaiti, erection of residence; Waitati, conversion of Army hut to post-office building; Wyndham, addition to post-office building.

NATIONAL SAVINGS

For the year ended the 31st March, 1947, the investments in national savings through Post Office channels amounted to £5,193,753, compared with £6,422,873 for the previous year. In addition, £457,041 was received from the sale of national savings bonds.

National savings gift coupons to the value of £989 were sold during the year. Sales of national savings stamps amounted to £3,041.

New accounts were opened as follows:—

Opened with the Post Office ... 17,427 (including 10,483 group depositors*)

Opened with trustee savings-banks .. 1,364

18,791

* 259 new groups were established during the year.

(Tables showing (a) the extent of deposits to and withdrawals from national savings investment accounts year by year, and (b) the value of national savings bonds issued and redeemed appear in the Appendix (Tables Nos. 10 and 11).

DEPARTMENTAL MOTOR-VEHICLES

A number of new vehicles have been placed in service during the year, and these comprise 116 cars and 156 commercial vehicles. The fleet now totals 1,186, comprising 352 cars and 834 trucks and vans. The total mileage covered during the year was 8,152,029 miles.

POSTAL SERVICES

INLAND MAIL-SERVICES

MAIL-SERVICE CONTRACTS

Contracts covering the performance of inland mail-services in the South Island expired on the 31st December, 1946, and the majority were renewed for a further term of two years nine months from the 1st January, 1947, whilst the remaining few were renewed for a period of one year only.

RURAL BOXES

The number of rural boxholders continues to increase, and on the 31st December, 1946, there were throughout New Zealand a total of 40,590, an increase of 2,182 on the figures for the previous year.

AIR MAILS

INLAND

The weight of letters carried by air within New Zealand during the twelve months ended the 31st March, 1947, was 252,622 lb. In addition, 48,298 parcels were carried.

During the year the frequency of the services to Auckland, Christchurch, Blenheim, Nelson, Gisborne, and Napier was increased, while on the 20th January the network was extended to include Tauranga, Whangarei, Kaikohe, and Kaitaia.

TRANS-TASMAN SERVICE

The weight of mail-matter despatched from New Zealand by the Trans-Tasman service during the year was 125,522 lb. In the reverse direction the weight of mail-matter carried totalled 139,720 lb.

Early in September the frequency of the service was increased to provide for a daily mail-service, Monday to Saturday inclusive, and this frequency was continued for the remainder of the year.

As from the 1st July, 1946, the payment for mails conveyed on the Trans-Tasman service was changed from a subsidy to a payment per-pound basis. The actual rate per pound which will be paid is still the subject of discussion between the three partner Governments.

EMPIRE SERVICE

The thrice-weekly air service by "Lancastrian" planes between Sydney and London has operated regularly throughout the year. The "Lancastrian" service conveys mails for the United Kingdom and Europe only, and the close connection made with this service by the Tasman Empire Airways' flying-boats has made it possible to maintain an average transit time of approximately six days for correspondence for the United Kingdom. Mails for intermediate places such as Malaya, India, Egypt, &c., are sent forward from Sydney by "Hythe" flying-boats, which take six days between Sydney and Cairo. On this account, correspondence sent forward by the fast "Lancastrian" service to the United Kingdom reaches its destination before correspondence posted at the same time for Egypt reaches Cairo.

The weight of air-mail correspondence from New Zealand despatched by the Empire service for the year ended the 31st March was 44,181 lb. The total weight received was 64,270 lb.

TRANS-PACIFIC SERVICES

Air-mail correspondence for North, Central, and South America and the West Indies, which since December, 1945, had been forwarded via Australia to the United Kingdom and thence by the North Atlantic air service to Canada, was forwarded by the Pacific air route as from the 6th June, 1946, when the former direct weekly service between Auckland and San Francisco, operated by Pan-American World Airways, was restored. The postage-rate for correspondence to North America, based on the charge made to New Zealand by the United States authorities for the carriage of mails by this route, was 4s. a half-ounce.

On the 22nd November, 1946, the Post Office commenced the despatch of mails by the fortnightly air service operated by Australian National Airways (on behalf of British Commonwealth Pacific Airways) between Sydney – Fiji – Canton Island – Hawaii –

San Francisco and Vancouver. Initially, on account of the fact that mails for the United States forwarded by this service were not permitted to be landed at San Francisco, such mails had to be carried on to Vancouver. Subsequently, however, this disability was remedied. The postage-rate fixed for correspondence forwarded by this service was 2s. 6d. a half-ounce.

From the 1st January, 1947, as a result of a substantial reduction made in the transport charge for mails conveyed by the Pan-American Pacific service, the postage-rate on air-mail correspondence forwarded by that service was reduced from 4s. to 2s. a half-ounce. From the same date the postage-rate on air-mail correspondence forwarded by the Australian National Airways Pacific service was reduced from 2s. 6d. to 2s. a half-ounce.

Early in February the weekly Pan-American service, which, up to that date, had terminated at Auckland, was extended from Fiji to Sydney via Noumea. This resulted in the weekly direct service to New Zealand being reduced in frequency to one trip in each four weeks. This schedule was observed until the middle of March, when the direct service to New Zealand was increased to fortnightly. During the weeks when there was no direct service from New Zealand air mails for North America were forwarded either via Sydney or via Fiji to connect with the P.A.A. service Sydney to San Francisco.

An increase in frequency from fortnightly to weekly of the Australian National Airways service from Sydney to Vancouver took effect on the 12th February. Thus by using in addition the P.A.A. services—either direct from New Zealand or from Australia—the New Zealand Post Office was enabled to maintain a regular and frequent exchange of air mails with North America. At the end of March at least two despatches were being forwarded each week to the United States and Canada.

Services to Pacific Islands

The regular air services operated by the R.N.Z.A.F. between Auckland and Fiji, Samoa, Cook Islands, Tonga, and Norfolk Island continued to operate satisfactorily throughout the year and the quantity of mail-matter conveyed—at first small—has shown a substantial increase from month to month. For the year ended the 31st March the weights of air mails despatched to the places mentioned were as under:—

Fiji, 5,648 lb.; Samoa, 1,370 lb.; Cook Islands, 793 lb.; Tonga, 325 lb.; and Norfolk Island, 744 lb.

Two flights were made during the year—one in January and one in February—to Bora Bora, in the French Settlements of Oceania. On both occasions mails were despatched to the Settlements.

Opportunity was also taken to forward mails to the Chatham Islands by flying-boats, which visited the islands in October, 1946, and January, 1947.

OVERSEAS SURFACE MAILS

The position in regard to the despatch and receipt of overseas surface mails has shown an improvement. To the United Kingdom and Europe a reasonably good service has been maintained, though it has been affected to some extent by irregular sailings. The absence during the year of regular sailings of passenger-vessels to the Pacific coast of North America necessitated the use of cargo-vessels, the sailings of which also were far from regular, and to overcome the difficulties in this regard it was necessary on several occasions to despatch mails for trans-shipment at the Canal Zone or to forward them by vessels calling at ports on the east coast of North America.

The exchange of surface mails with Australia, and with places in the East and Africa served via Australia, has improved substantially. Although cargo-vessels are still largely used for mails to these parts the frequency of sailings has improved to such an extent that a reasonable service is now provided. With the "Wahine" operating a

regular fortnightly service between Wellington and Sydney since February and cargovessels also making frequent sailings, the mail-service to and from Australia can now

be regarded as almost normal.

In the Pacific regular services have been maintained with Fiji, Tonga, Samoa, and the Cook Islands, while with the French Settlements of Oceania a frequent though irregular service has been provided by using phosphate-vessels trading to and from Makatea.

GIFT PARCELS FOR UNITED KINGDOM AND EUROPE

In October, 1946, following representations made by Government, the British authorities agreed to lift the restrictions that for some years had been imposed on the receipt of gift parcels by civilians in the United Kingdom.

The lifting of the restrictions enabled senders to forward, without limitation as regards contents or frequency, parcels weighing up to a maximum of 22 lb. At the same time the restrictions that had applied in respect of gift parcels for Europe were also lifted, except that the weight limit of any one parcel was fixed at 11 lb.

The number of gift parcels for overseas posted during the year ended the 31st March was 1,015,435, of a total weight of 7,251,412 lb. With the full co-operation of the shipping companies, this large volume of parcel traffic has been cleared with a minimum of delay. Unfortunately, on a few occasions, due to the protracted voyages of the conveying vessels, shipments of parcels suffered some delay in delivery.

RESTORATION OF POSTAL SERVICES TO LIBERATED AND EX-ENEMY COUNTRIES

The year under review has seen the gradual restoration of postal services to liberated and ex-enemy countries, and normal postal facilities are now available to almost all overseas countries with the exception of Japan, Korea, French Indo-China, Portuguese Timor, and the Dodecanese Islands. To a few countries—ex-enemy countries in particular—parcel-services, although again in operation, are still restricted to the transmission of gift parcels containing food, clothing, and medicinal supplies. Certain supplementary postal services—for example, the "small packet" service, the insurance of letters and parcels, and the forwarding of duty-prepaid parcels—still await restoration to some countries.

MISSING POSTAL PACKETS

During the year 7,472 complaints concerning the non-delivery of postal packets were received by the Department. In 3,954 cases, or more than half the total, the articles were traced or accounted for satisfactorily as follows:—

Sender responsible		 		 1,173
Addressee responsible		 		 987
Post Office responsible for delay o	r loss .	 	• •	 389
Responsibility not fixed		 		 1.405

In 3,518 cases, representing 0.00125 per cent. of the total number of articles posted during the year, the manner of the disposal of the postal packets could not be determined.

POSTAGE-STAMPS

The $\frac{1}{2}$ d. Centennial (ordinary and official) stamps and the $1\frac{1}{2}$ d. Centennial stamp overprinted "Tenpence" were withdrawn from sale on the 31st May, 1946. The $\frac{1}{2}$ d. Centennial official stamp was replaced by the $\frac{1}{2}$ d. King George VI stamp similarly overprinted. The 10d. denomination was not replaced.

Four denominations of the New Zealand Peace stamps—namely, 1d., 2d., 6d., and 8d.—were suitably overprinted for use in the Islands Territories—Niue, Cook Islands,

and Western Samoa. These stamps were placed on sale on the 4th June, 1946.

Health stamps of two denominations, $1\frac{1}{2}d$. and 3d. (1d. for postage plus $\frac{1}{2}d$. for "Health" and 2d. for postage plus 1d. for "Health"), were issued on the 24th October, 1946, and withdrawn from sale on the 28th February, 1947. The stamps were printed in two colours. The original drawing was prepared by Mr. J. Berry, of Wellington, from material supplied to him by the Post Office. The stamps were produced by Messrs. Waterlow and Sons, Ltd., London, England.

Health stamps to the value of £90,387 were sold, and one-third of that amount, representing the health value, together with donations amounting to £1,532 collected by the Post Office, was paid to the New Zealand Federation of Health Camps.

MONEY-ORDER AND SAVINGS-BANK SERVICES

MONEY-ORDERS, POSTAL NOTES, AND BRITISH POSTAL ORDERS

The following table shows the number and value of money-orders issued, postal notes sold, and British postal orders sold and paid during the year:—

				Value.
			Number.	£
*Money-orders		 	 903,369	10,624,440
Postal notes		 	 2,354,477	1,028,111
British postal orders s	old	 	 40,037	15,413
†British postal orders p	oaid	 	 32,355	24,446

^{*}Commencing from the 1st April, 1946, all withdrawals from Savings-bank accounts for payment at sub-post-offices were paid by Savings-bank money-order. The change of procedure accounts for the substantial increase in the number and value of money-orders issued as compared with the previous year's transactions.

SAVINGS-BANK

Deposits lodged in the Post Office Savings-bank during the year amounted to £72,380,543, and withdrawals to £62,747,093, an excess of deposits over withdrawals of £9,633,450. The amount at the credit of depositors at the close of the year was £141,242,267, the interest accruing to depositors being £3,094,491. (See also Tables Nos. 8 and 9 in Appendix.)

MILITARY ALLOTMENT WARRANTS

During the year a total of 407,422 military allotment and dependants' allowance warrants was paid by the Department.

WORK PERFORMED FOR OTHER DEPARTMENTS

A total of approximately £221,000,000 was handled by the Post Office on behalf of other Departments during the year.

TELEGRAPH SERVICES

TELEGRAPH TRAFFIC

During the year the number of telegrams lodged for transmission was 7,908,271, a decrease of 243,912, or 2.99 per cent., on the number handled the previous year. The revenue derived from the messages was £669,510, an increase of £32,067, or 5.03 per cent.

[†] Decrease on previous year's figures due to return of 2nd N.Z.E.F. personnel.

MAORI AND GENERAL ELECTIONS AND LICENSING POLL, 1946

The general election and licensing poll, held on the 27th November, and the Maori election, held the previous day, resulted in the usual large volume of telegraph traffic associated with such occasions. Adequate arrangements were made throughout the country for the expeditious handling of election returns and the large number of other telegrams incidental to the elections.

APIA: INTRODUCTION OF MONEY-ORDER-TELEGRAM SERVICE

On the 1st January a money-order-telegram service was introduced between Apia and New Zealand.

MACHINE-PRINTING TELEGRAPHS

NEW INSTALLATIONS

In pursuance of the policy of the Department to extend the use of machine-printing telegraph apparatus with a view to expediting the handling of telegraph traffic, a teleprinter circuit was brought into operation on the 1st April between Wellington and Kilbirnie, the latter office being made a delivery depot for telegrams addressed to the surrounding area.

On the 12th August a direct teleprinter circuit was established between Palmerston North and Auckland, thus obviating the necessity for circulating via Wellington traffic between these two stations.

A direct circuit between Nelson and Christchurch was brought into operation on the 18th December last.

During November the number of channels on the Wellington-Christchurch voice-frequency telegraph system was increased from three to eleven, and at the same time a new twelve-channel system was installed between Christchurch and Dunedin. With these added facilities it was possible to establish several new telegraph circuits and to arrange for the direct transmission from Wellington of press messages to all the main South Island places at which daily newspapers are published.

SPECIAL FACILITIES PROVIDED FOR INTERNATIONAL FOOTBALL AND CRICKET TOURS

During the tours of the international football and cricket teams which visited New Zealand in the past year, special direct teleprinter circuits were provided between the various grounds at which matches were played and the Telegraph Office, Auckland, for the transmission of overseas press traffic relating to the matches. In all, teleprinter facilities were provided at grounds on twenty-three occasions, and as a result the large volume of press traffic lodged by the various newspaper correspondents was disposed of with a minimum of delay.

Installation in Newspaper Office

On the 23rd November a teleprinter circuit was established between the Wellington Telegraph Office and the office of the $Nelson\ Evening\ Mail$ newspaper for the direct transmission of press messages.

REDUCTIONS IN CHARGES FOR TELEGRAMS TO UNITED STATES OF AMERICA AND POSSESSIONS, NETHERLANDS, AND NETHERLANDS EAST INDIES

As a result of an agreement reached at the Bermuda Telecommunications Conference in 1945 between representatives of the Governments of the United States of America and the British Commonwealth and Empire, the rates on telegrams from New Zealand and its possessions to all parts of the United States of America and its territories were substantially reduced as from the 1st June, 1946, to 1s. 10½d. a word, full rate, with proportionate reductions for messages at the code, deferred, and letter-telegram

rates. The charges previously in force for full-rate messages to the United States were, under a zonal system, from 2s. to 2s. 4d. a word. For messages to United States territories the full-rate charge ranged from 3s. $0\frac{1}{2}$ d. to 3s. 8d. a word.

13

By mutual agreement, similar rates for cablegrams were applied to the Netherlands East Indies as from the 1st February and to the Netherlands as from the 1st March.

NATIONALIZATION OF THE TELECOMMUNICATIONS SYSTEMS OF THE COMMONWEALTH AND EMPIRE

As mentioned in last year's report, a Telecommunications Conference was held in London in 1945 at which all the Governments of the British Commonwealth and Empire were represented—namely, the United Kingdom, Canada, Australia, New Zealand, South Africa, India, Southern Rhodesia, and the British colonies. The Conference was convened for the purpose of reviewing the cable and wireless systems of the Empire, and it recommended the assumption of public ownership of the overseas telecommunications services of the United Kingdom, the Dominions, India, and Southern Rhodesia. The recommendations of the Conference were accepted unanimously by all the Commonwealth Governments.

So far as this country is concerned, the New Zealand assets of Cable and Wireless, Ltd.—viz., cable terminal equipment—will, in due course, be purchased from the United Kingdom Government (who recently acquired the control of all of the shares of Cable and Wireless, Ltd.), and the ownership and operation of the cable-station at Auckland will be transferred to my Department.

TELEPHONE-EXCHANGE SERVICES

NEW ZEALAND TELEPHONE EQUIPMENT SUPPLY AGREEMENT

Arising out of discussions on the question of obtaining automatic-exchange equipment for use in the Dominion, a decision has been reached that henceforward, in telephone matters, New Zealand will follow generally the British Post Office line of development. This decision has been consolidated in the form of an agreement with British manufacturers to obtain from them the major portion of the automatic-exchange equipment required. In return, New Zealand will receive the benefits of the pooling of patents and of the joint developmental efforts of all the British telephone-manufacturers and the British Post Office.

In furtherance of this policy two engineers representing the British telephone manufacturers recently spent six months in this country conferring with the New Zealand Post Office.

TELEPHONE DEVELOPMENT

During the year the number of telephone subscribers increased from 197,513 to 209,505, an increase of 6.7 per cent. compared with the previous year's increase of 3.3 per cent. (See also Table No. 6 in Appendix.)

Every endeavour was made during the year to provide service for the maximum number of new subscribers possible with the equipment and labour available. Owing, however, to the lack of switching-equipment and, in some instances, to congestion in the telephone cables, telephone service cannot be provided for all waiting applicants in the meantime. This applies particularly to the four main centres.

Approximately 72 per cent. of the 34,800 applications on hand for telephone connections are in respect of service at automatic exchanges at which switching-equipment is congested. Every possible step is being taken to relieve the position at these

exchanges, but in view of the world-wide demand for automatic-exchange plant it is likely to be some years before all the necessary switching-equipment can be obtained and installed.

During the year manual switchboards were installed at Island Bay (Wellington) and Wanganui East. The installation of this equipment has enabled many applicants for telephones in the areas served by the exchanges to be given service. In addition, by the diversion of local automatic subscribers to the manual exchanges, congestion in the automatic exchanges which previously served the areas concerned was relieved.

The Lower Hutt manual system was considerably extended during the year, thus permitting the provision of telephones to over 600 new subscribers, many of whom had been waiting for telephones for a considerable time.

Extensions of the automatic systems at Dunedin and Wellington are to be made shortly by installing new automatic exchanges at Anderson's Bay and Johnsonville respectively. These exchanges will provide for new connections in the respective localities and will also afford relief to the adjacent exchanges at South Dunedin and Khandallah.

In order to provide temporary relief pending the installation of new automatic equipment, manual switchboards are to be installed at Karori (Wellington) and Northeast Valley (Dunedin). A manual system has also been authorized for installation at Palmerston North to provide for new connections at that place until equipment for extending the automatic system is received and installed. In addition, it is proposed to establish temporary manual exchanges at Auckland, Christchurch, and Hamilton for the same purpose.

NEW EXCHANGES

A new manual telephone exchange with 55 subscribers was opened on the 3rd December, 1946, at Reporoa, in the Taupo County. Authority has also been given for the installation of manual exchanges at Tokoroa, in the Matamata County; at Oparau, in the Kawhia County; and at Glen Murray, in the Raglan County; and for the establishment of a rural automatic exchange at Ngatimoti, in the Nelson district.

AUTOMATIC-EXCHANGE EQUIPMENT

In automatic-exchange areas the following additional switching-equipment is being installed to provide for the connection of waiting subscribers:—

Location.	Capacity.	Expected Date of Completion.
Anderson's Bay	540 individual and 50 four-party lines	June, 1947.
Blenheim	200 individual lines	May, 1947.
${f Johnson ville}$	200 individual and 100 four-party lines	July, 1947.
Karori	320 lines manual (temporary relief)	Sept., 1947.
Khandallah	400 individual lines	May, 1947.
North-east Valley	320 lines manual (temporary relief)	June, 1947.
Oamaru	200 individual lines	May, 1947.
Palmerston North	600 lines manual (temporary relief)	May, 1947.
\mathbf{Roslyn}	200 individual and 100 two-party lines	June, 1947.

TOLL TRAFFIC

The number of toll calls handled continues to increase. During the year 22,696,474 calls were dealt with, compared with 20,970,161 for the previous year, an increase of 13 per cent. (See also Table No. 7 in Appendix.)

PROVISION OF ADDITIONAL CIRCUITS

Twelve-channel carrier-telephone systems were provided on each of the following routes: Auckland-Whangarei, Auckland-Hamilton, Wellington-Palmerston North, Wellington-Napier, and Wellington-Christchurch. In addition, fifteen three-channel and seventeen single-channel carrier-telephone systems were installed on other routes throughout the Dominion. The total of 122 additional long-distance circuits made available as a result of these installations has resulted in a marked improvement in the toll service both as regards the grade of transmission and the speed of service.

TOLL EQUIPMENT

As a means of reducing the delay on toll traffic, additional operating positions are being provided at the following automatic exchanges:—

Location.	Capacity.			Expected Date of Completion.
${f Auckland}$	 14 positions			June, 1947.
Wellington	 14 positions			Partly in use already, June, 1947.
Christchurch	 8 positions			Partly in use already, June, 1947.
Oamaru	 New switchboard	of 4 position	ns	August, 1947.

PUBLIC CALL OFFICES

At the 31st March there were 1,456 public call office (coin-in-the-slot) telephones installed in New Zealand. The total collections amounted to £107,813. (See also Table No. 6 in Appendix.)

RADIO SERVICES

CONTROL OF AERADIO STATIONS

By agreement with the Air Department, the operation and maintenance of aeradio stations are to become a function of that Department, except that at the Musick, Wellington, Awarua, Rarotonga, and Apia stations, where the aeradio service is operated in conjunction with the Post Office service, the present arrangement will continue. The control of Suva Aeradio has already been handed over, and also the operational side of the service as far as the remainder of the inland stations are concerned. It is anticipated that the technical maintenance of these inland stations will be transferred to the Air Department at an early date. Post Office engineering and installation service will, however, be available to the Air Department, as formerly.

OPENING OF RADIO-STATIONS AT ISLANDS OFF MAINLAND

During the year radio-stations were opened at Motiti Island, Little Barrier Island, and Rakino Island for communication with the mainland.

RADIO-TELEPHONE SERVICES

Considerable use has been made during the year of the radio-telephone service to Australia and to the United States of America. Owing to technical difficulties and the necessity for calls to be relayed by Australia, the service to the United Kingdom has not been entirely satisfactory, and negotiations are proceeding with a view to obtaining equipment to provide a direct radio-telephone channel to Great Britain.

On the 1st January, 1947, the radio-telephone service was extended to Eire and France.

A ship-to-shore radio-telephone service between the inter-island steamer-express "Hinemoa" and the mainland was brought into operation on the 17th February. It is planned to arrange a similar service later in the year between the mainland and the steamer "Monowai" when that vessel resumes the New Zealand – Australia service.

In view of the congestion being experienced on toll traffic between Wellington and its cross-harbour suburb of Eastbourne three radio-telephone channels are to be provided in May, 1947, to relieve the position. The channels will be used for ordinary toll purposes and will be capable of being linked to the Dominion's telephone-exchange and toll-line networks. This installation will constitute the first instance in New Zealand in which a radio channel will be used for normal toll service in place of land lines, and is being provided largely for developmental purposes. The terminal stations will be located at Wellington Radio and in the township of Eastbourne respectively, between which points there exists a direct optical path of approximately seven miles.

PRIVATE COMMERCIAL RADIO-TELEPHONE STATIONS

As a result of the lifting of wartime restrictions, a number of applications have been received for the establishment of private commercial radio-telephone stations. To meet these cases, licenses have been issued to—

- (1) Power Boards, fire brigades, and ambulance concerns to establish communication between fixed stations and mobile vehicles;
- (2) Owners of remote cattle and sheep stations for communication between station and outpost; and
- (3) Organizations or persons concerned in the operation of small marine craft.

In the last-mentioned connection the licenses are granted mainly as a safety factor, and licenses are issued only in respect of areas which are not adequately covered by the Department's coast stations. It is anticipated that this class of private station will be in increasing demand, gradually providing a safety radio service for all small vessels suitably equipped and not otherwise catered for.

PRIVATE EXPERIMENTAL (AMATEUR) STATIONS

At the 31st March, the number of private experimental (amateur) stations licensed was 1,260, an increase of 415 over the previous year.

RADIO-DEALERS' LICENSES

Radio-dealers' licenses in force at the 31st March numbered 1,485, an increase of 245 as compared with the number current at the end of the previous year.

RADIO-RECEIVING LICENSES

Radio-receiving licenses continue to increase. At the 31st March the total was 415,281 representing an increase of 22,227, or 5.65 per cent., over the number in force a year earlier.

APPENDIX

Table No. 1.—Receipts and Payments Account (Post Office Working-expenses)

FOR THE YEAR ENDED 31ST MARCH, 1947

Recei			Paym	ents	
	£	£		£	£
Balance forward		29,762	Salaries	3,445,748	5
Postages	3,062,538		Conveyance of ocean and		
Money-order and postal-			air mails	294,862	2
note commission	76,365		Conveyance of inland		
Private box and bag			mails	198,965	•
rents and rural delivery			Conveyance of mails by		
fees	75,930		rail	132, 131	
Miscellaneous receipts	1,149,823		Maintenance of telegraph		
Paid telegrams	669,511		and telephone lines	505,110)
Paid tolls	1,588,160		Renewals and replace-	100 000	
Telephone-exchange	2 070 010		ments	100,000	•
receipts	2,050,313	0.450.440	Motor services and work-	943 000	
		8,672,640	shops	342,906	
			Maintenance of Post and	100 200	
		İ	Telegraph buildings	100,290	
			Miscellaneous	1,504,387	
			Interest on capital	700.00 //	
			liability	738,996	
			Sick Benefit Fund	11,169	
			U1		7,374,561
			Surplus available for d		
			and other reserves and profit (when ascertained)		
		1	dated Fund		1 909 550
		1			
			Dataffee carried flown		29,271
		£8,702,402			£8,702,402

Table No. 2.—Receipts and Payments on account of Telegraph Extension for the Year ended 31st March, 1947

Receipts		l Pag	yments	
-	£			£
Amount made available from National		Capital expenditure—		
Development Loans Account and		(a) Materials		 790,845
revenue contribution to capital		(b) Freight		 58,547
outlay	1,218,511	(c) Travelling		 1,641
·		(d) Camp allowances		 3,366
	i	(e) Labour		 364,112
	£1,218,511			£1,218,511

POSTAL SERVICES

Table No. 3.—Postings

Year ended	Letters, Letter-cards, Post-cards.	Accounts, Packets, Newspapers.	Parcels.	Total Articles posted.	Postage Receipts.
1939 (31st December)	158,587,000 142,996,000 140,355,000 160,680,000	124,307,000 113,090,000 89,852,000 126,044,000	4,663,000 5,784,000 6,637,000 7,602,000	287,557,000 261,870,000 236,844,000 294,326,000	$\begin{array}{c} \pounds \\ 1,317,628 \\ 1,436,959 \\ 1,780,052 \\ 3,062,538 \end{array}$

TELEGRAPH SERVICES

Table No. 4.—Telegrams and Cablegrams

		Inland Te	elegrams.		Cablegr	ams.		
Year ended 31st	Ordin	nary.	Pre	ess.	For	warded.	Rece	ived.
March,	Number.	Revenue.	Number.	Revenue.	Number.	Revenue (New Zealand Portion).	Number.	Revenue (New Zealand Portion.)
	7,296,916 7,109,613	£ 480,885 495,463	351,425 409,693	£ 79,708 90,197	476,087 361,253	£ 17,148 17,934	454,751 324,699	£ 19,059 16,895

Table No. 5.—Radio Telegrams

_	37aan an dad	Forwa	arded.	Received.		
	Year ended 31st March	Number.	Revenue (New Zealand Portion).	Number.	Revenue (New Zealand Portion).	
	1946 1947	 25,585 27,712	£ 11,904 10,742	46,931 60,860	£ 22,470 28,050	

TELEPHONE SERVICES

Table No. 6.—Telephones connected, etc.

Year ended 31st March,	Subscribers' Main Stations (a) .	Service Phones (b).	Extension Stations, all Classes (°).	Number of Public Call Offices (d).	Revenue from $(a), (c),$ and $(d).$	Privately Owned Phones connected with Public Telephone- offices.	Number of Toll Stations.	Total Telephone- stations.	Telephones per 1,000 of Population.
1946 1947	194,508 206,337	3,005 3,168	60,783 65, 251	$1,413 \\ 1,456$	£ 2,062,355 2,050,313	4,200 4,300	1,854 1,829	265,763 282,341	$151 \cdot 2 \\ 158 \cdot 2$

Table No. 7.—Toll Calls

				Inland T	'oll Service.	Radio-telephone Service.					
	Year ende	d 31st March				Forw	arded.	Rec	eived.		
				Number of Calls.	Revenue from Paid Tolls.	Number of Calls	Revenue (New Zealand portion).	Number of Calls.	Revenue (New Zealand portion).		
					£		£		£		
1946				20,970,161	1,425,020	2,170	3,349	1,871	2,920		
1947	• •	••	• •	22,692,113	1,588,160	4,361	5,403	3,803	4,827		

SAVINGS-BANK SERVICES

Table No. 8.—Deposits and Withdrawals

Year ended 31st March,	Number of Deposits received.	Total Amount of Deposits.	Average Amount of each Deposit.	Number of Withdrawals	Total Amount of Withdrawals.	Average Amount of each Withdrawal.	Excess of Deposits over Withdrawals.	Interest credited.
	2,825,523 3,123,503		£ 24 23	1,885,514 2,220,522		£ 29 28	£ 12,234,623 9,633,450	

Table No. 9.—ACCOUNTS OPENED AND CLOSED, ETC.

Year en 31st Ma		Number of Branches of the Post Office Savings-bank open at the Close of the Year.	Number of Accounts opened.	Number of Accounts closed.	Number of Open Accounts as at 31st March.	Total Amount of all Accounts, inclusive of Interest, as at 31st March.	Average Amount of each Account as at 31st March.
1946 1947	••	923 933	161,272 163,837	119,977 127,070	1,203,181 $1,239,948$	$\begin{smallmatrix} £ \\ 128,514,326 \\ 141,242,267 \end{smallmatrix}$	£ 107 114

NATIONAL SAVINGS

Table No. 10.—Deposits, etc., Years ended 31st March, 1941 to 1947

	Total Amount at Credit of Post Office and Trustee Savings-banks.	43	717,617	3,194,439	5,666,063	13,010,261	20,456,947	26,917,381	31,559,845
	Amount at Credit of Depositors.	ડ મે	80,115	390,625	739,880	1,711,077	2,910,930	3,864,984	4,581,851
Prustee Savings-banks.	Interest to 30th June, Previous Year.	વ્ય	:	1,202	10,057	22,789	47,155	79,980	111,381
Truste	Withdrawals.	ુ	295	5,385	11,420	24,564	53,073	310,466	376,129
	Deposits.						1,205,771	_	
	Amount at Credit of Depositors.	÷	637,502	2,803,814	4,926,183	11,299,184	17,546,017	23,052,397	26,977,994
fice.	Interest to 30th June, Previous Year.	ಈ	:				310,578		
Post Office.	Withdrawals.	3 3	165	4,063	13,835	39,251	125,372	1,396,288	1,930,035
	Deposits.	¥	637,667	2,161,514	2,074,586	6,284,566	6,061,627	6,422,873	5,193,753
	.ch,		:	:	:	:	:	:	:
	Year ended 31st March		:	:	:	:	:	:	:
	Year		1941	1942	1943	1944	1945	1946	1947

NATIONAL SAVINGS BONDS

20

Table No. ii.—Bonds sold and redeemed, Years ended 31st March, 1941 to 1947

onds Value of Bonds redeemed.*	33	602	662	301	359		723 520,596	Ċ.
Value of Bonds sold.	3	611,709	2,786,2	1,356,3	3,121,8	2,609,1	1,313,7	457 0
March,		:	:	;	:	:	:	
Year ended 31st March	-	:	:	:	:	:	:	
Year		1941	1942	1943	1944	1945	1946	1947

* Redeemable 5 years from date of issue.

Approximate Cost of Paper.—Preparation, not given; printing (688 copies), £43.

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