The cable from Wanganui to Wakapuaka (108 knots) had been showing signs of weakness for some months, and during the repairs to the Oterangi Bay-White's Bay cables had become so much worse that it became necessary to repair it also. The fault, which, however, had not affected communication, was localised at 48 knots from Wanganui, and the repairing-steamer sailed on the 27th February to remove it. Repairs were effected on 3rd March. This cable had been laid for twenty-three years and had not previously developed any fault. From the sound appearance of the armour it is probable that a long period of usefulness may still be expected from

On the 31st March a break again occurred in No. 1 Oterangi Bay, which fault, on being tested, was found to be close to the Oterangi Bay beach. The "Tutanekai" left on the 1st May to effect repairs, and the work was successfully completed on the 5th May, a new shore end being

All cables are now in good order.

Telephone Exchanges.

Five new exchanges were opened during the year-viz., Dannevirke, Greytown North, Okiawa, Waverley, and Weber-with subscribers aggregating 60.

Wanganui.—The exchange was transferred to the new office, occasioning the erection of a

new terminal and other heavy poles and a number of new cables.

Manaia.—This exchange has been practically reconstructed and separated from the telegraph line.

Gisborne.—The transfer of the exchange to the new office necessitated a large amount of reconstruction. Cables aggregating one mile and a half have replaced many of the aerial wires,

which were overloading the poles.

Wellington.—The switchboard-room has been enlarged and the board increased by 600 numbers, bringing the capacity of this exchange up to 2,400. The total number of subscribers on the 31st March was 1902, an increase of 171 for the year. Of this number 1,810 are paying connections, 44 free, and 48 bureaux. The total number of telephones connected with this exchange is 2,302.

Telegraph Manufacturing Company's 50-number annunciators have been fitted up at Carter-

ton, Greytown North, Woodville, Eketahuna, and Waverley.

There are now 28 exchanges in the district, all of which are working satisfactorily.

The subscribers connected with the various exchanges in this district total 4,296, an increase of 535 during the year. The aggregate number of telephones connected with the several exchanges is 4,862. There are 233 miles 11 chains of poles and 3,094 miles 22 chains of wire connected with the exchanges in this district.

Railway Department's Lines.

Railway Department's lines, alongside the railway, which ceased to be maintained by the Post and Telegraph Department:-

Te Aro to Featherston Section—			Miles of Poles.		Miles of Wire.
Lower Hutt to Upper Hutt			•••	11 3	$34\frac{1}{2}$
Kaitoke to Featherston				17	52^{-}
Wanganui Section—					
Wanganui to Hawera		•••	•••		60
Aramoho to Wanganui			• • •	3	$9\frac{1}{2}$
Aramoho to Kai Iwi				9 1)	
Kai Iwi to Waverley				$20\frac{1}{4}$	120
Waverley to Manutahi				$16\frac{1}{2}$	140
Manutahi to Hawera	•••			10)	
Aramoho to Fordell	•••		•••	6	
Fordell to Wangaehu		•••	•••	9 }	41
Wangaehu to Turakina	•••	•••	••	$5\frac{1}{2}$)	
				108 1	317

NELSON.

Construction.

The following lines and wires were erected during the year:—

Ngahere to Stillwater, 6 miles, to bring the following offices into direct communication with Greymouth: Little Grey Junction, Totara Flat, Nelson Creek, Brunnerton, and Ngahere.

Marsden to Kumara, 11 miles, to enable Hokitika and Kumara to have bureau communication

with Greymouth.

The Westport to Granity wire, formerly owned by the Cardiff Coal Company, has been taken over by the Department and extended to Seddonville. It is used conjointly with the Railway Department, and between Westport and Granity is worked by means of Morse instruments.

New offices were opened at Golden Downs, Motupipi, Nelson Lighthouse, Newton Flat, Okaramio, St. Helen's, and Waimaha; and the following places in the Pelorus Sound were also brought into telephonic connection with the main system: Mahau, Portage, Kenepuru Head, Waitaria, Manaroa, and Hopai. This line is being extended to include Eli Bay, Crail Bay, and $\mathbf{Homewood}$.

The Waiho River was spanned with 1 mile 10 chains of line, and connected by bells for

signalling purposes.

The total mileage of poles and wire erected in connection with the above extensions was 44 miles and 103 miles respectively, making a grand total of 992 miles 45 chains of poles and 2,802 miles 15 chains of wire in the district.