

1926.

NEW ZEALAND.

POST AND TELEGRAPH DEPARTMENT

(REPORT OF THE) FOR THE YEAR 1925-26.

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

To His Excellency the Right Honourable Charles Fergusson, Baronet; General on the Retired List and in the Reserve of Officers of His Majesty's Army; Doctor of Laws; Knight Grand Cross of the Most Distinguished Order of Saint Michael and Saint George; Knight Commander of the Most Honourable Order of the Bath; Companion of the Distinguished Service Order; Member of the Royal Victorian Order.

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 31st March, 1926.

RECEIPTS AND PAYMENTS.

The business of the Department has reached the highest point on record. The excess of receipts over expenditure was £690,840. The income from postages exceeded that of the previous year by £89,214, while the telephone receipts show an increase of £113,065. The abnormal increase in telephone revenue is due to two causes: firstly, to a change in the method of collection of telephone subscriptions; and, secondly, to the creation of the new postal district of Palmerston North. Had the new district not been created, the telephone subscriptions in the Palmerston North district would not have been collected until April. With the creation of the new district the telephone subscriptions became due on the 1st January. The expenditure has been very closely watched during the year, and, where possible, economies have been effected. The result is decidedly satisfactory, the expenditure for the year being £6,701 less than that for the previous year. That there has been a decrease in expenditure despite the marked increase in business indicates the extent to which business methods are applied in one of the largest organizations in the Government service.

TELEPHONE SERVICES.

The remarkable expansion of the telephone-exchange system, which was referred to in last year's report, continues in evidence. To provide for the 13,368 new subscribers joined up during the year extensive construction work was necessary. Last year mention was made of the fact that the 13,304 new connections made during the year ended the 31st March, 1925, constituted a record. It will be seen that the figures for the year just past constitute a fresh record. Perhaps the most popular feature of the present rating-system is its operation in suburban and rural areas, where the reasonable charges for residential telephone connections encourage