The particular interest of New Zealand in the recommendations which are likely to be adopted by the Governments concerned lies in the fact that the Dominion is a partner in the Pacific cable. The recommendations are outlined at page 27.

INTERNATIONAL TELEGRAPH CONFERENCE.

At the International Telegraph Conference held at Brussels in September, 1928, the Dominion was represented by Mr. F. Strong, a senior officer of the British Post Office. The conference dealt solely with the question of the use of code language in international telegraph correspondence, and its decisions must be deemed satisfactory both to cable-users and to the Department. A full report on the conference appears at page 18.

CONFERENCE OF ENGINEERS.

Telegraph and Telephone Engineers from all parts of the Dominion assembled in Wellington from the 9th to the 18th October, 1928, for the purpose of discussing in conference the matters coming within the province of the Engineering Branch of the Department. The conference was attended by twenty-eight Engineers, and was the most representative of its kind yet held. The main purpose of the conference was to discuss the technical bulletins issued by the Chief Telegraph Engineer in connection with the subjects investigated by him on his recent tour abroad. In addition, the activities of the Engineering Branch were fully covered by papers and discussions, and Engineers were made acquainted with pending developments in the New Zealand communication services.

TELEPHONE AND TELEGRAPH DEVELOPMENT.

The steady development of telephone communication is being maintained. It is the aim of the Department to bring the telephone within reach of all, and, to this end, no effort is spared in keeping telephone communication in the highest state of efficiency and at the lowest possible cost to the users. That the trend towards greater use of the telephone is world-wide is indicated by the great extensions of telephone-lines in recent years in various countries of the world. In particular, constant additions are being made to the countries with which telephone communication is available by the American-Anglo-Continental telephone services. New Zealand, of course, is not favourably placed geographically in respect of establishing communication with other countries, but the Department is doing everything possible to extend the scope of long-distance telephone communications within the Dominion. It is clear that the telegraph is being supplanted to a great extent by the telephone. This is due to the growing ease with which a message may be conveyed by telephone. But, while the telegraph has no doubt suffered a permanent check, it is likely, where long distances are concerned, to remain the main avenue of communication.

CARRIER-CURRENT TELEPHONY.

The Department's Engineers are ever on the alert to adapt to New Zealand telephone conditions any new system or method of operation which is likely to prove beneficial from the point of view of economical and efficient working. As the result of the tour abroad in 1927 of the Chief Telegraph Engineer, there has been adopted in New Zealand telephone practice a system known as "carrier-current" telephony. Application of the new system constitutes perhaps the most remarkable change and progressive move that has taken place in telephone practice for many years. To the layman the working of the system is something akin to sending a wireless message along a wire which is already being used for transmitting other messages without interfering with such messages. Wireless energy is released, but instead of being broadcast it is directed along a telephone circuit. Under carrier-current principles