provision of temporary accommodation for various departmental activities, movement of staff, and the undertaking of many special services necessitated by the earthquake. It is fortunate that the cost of renewing and replacing damaged property and equipment can be provided out of the depreciation reserve fund established under the Post and Telegraph Act, 1927.

Immediately news was received of the dislocation of the communication services action was taken to provide emergency telegraph and telephone services. In this connection, the latest developments of the communication art, in the form of shortwave radio-telegraphy, carrier current telephony, and multiplex machine-printing telegraph circuits, were brought into operation as speedily as circumstances permitted.

Details in connection with the disaster, as it affected my Department, are at

pages 11 to 15 of this Report.

STAFF.

The efficiency of the Service has continued unimpaired, notwithstanding that economic conditions made it necessary for expenditure to be cut to a minimum during the year. The existing economic depression first made itself evident in the Department's business for October; and, in furtherance of the strict oversight of all expenditure that was already being observed, steps were taken for the payment of overtime to be discontinued, as a temporary measure, in favour of a system of granting "time off" to officers for extra time worked. This system, which has before been adopted in times of economic strain, affords a means of absorbing the services of permanent officers who would otherwise be supernumerary when business falls away, and makes it unnecessary to consider the terminating of their services, with all the hardship that entails. The falling-off in business later became more pronounced, and the need for economy in general Government expenditure so pressing that, in accordance with a Government decision having application to all Departments of the Public Service, it was necessary to invite the retirement of a number of officers who were eligible to receive superannuation. The need for parting with many efficient officers of long and faithful service and for effecting retirements at short notice is regretted; but it will be recognized that this was an alternative to much more drastic action—the paying-off, from the lower ranks, of officers who are not yet eligible to receive a pension on retiring, many of them officers with families.

Consistent with the paramount need always of providing an efficient service,

every possible avenue of effecting staff savings continues to be explored.

The Department's officers in the area affected by the serious earthquake in Hawke's Bay on the 3rd February (see page 15) were severely tried in the disturbance, and many had terrifying experiences in escaping from buildings which were wholly or partly shaken down by the earth movement. The only casualty suffered by the Department's staff was the death from shock of a Telegraphist at Napier immediately following his escape from the post-office building. It speaks wonderfully for the ideal of service that imbues officers that in terrifying circumstances they so efficiently and so promptly restored departmental facilities, and carried cheerfully the extraordinarily heavy load of business, particularly telegraph business, that obtained for some days. It must be appreciated that officers worked long hours under most adverse conditions at a time when their families in many cases required the father's presence, and in some cases when casualties had been sustained by the family; and my tribute to the self-sacrificing spirit of officers which was evident on all sides is no less a tribute to the wives who carried on alone in the absence of the husbands for long hours on duty. As promptly as possible arrangements were made for the relief and release for a week's special leave of the officers who rendered such excellent service, and transfers to other offices were made when these were desired and could be arranged. In this way the Department was able to give some recognition of the services rendered.

Besides creating an unprecedented volume of traffic, the earthquake most seriously affected the Department's communication systems. To overtake the rush of work and to effect the reconstruction necessary a large relief staff required to be maintained in both Hastings and Napier; and in the confused conditions obtaining it was necessary for the Department to provide bunk-house accommodation and meals for the staff for some time.