

the range of inland communication which is available to-day. The laying of the cable, together with the subsequent installation of carrier-current systems and repeater apparatus, commenced in 1928, has had the effect of transforming the telephone service from what might be termed a facility of restricted usefulness to one of Dominion-wide extent with all the resultant benefits to the telephone public.

In the North Island the stage has already been reached where any exchange subscriber is available to any other exchange subscriber within the Island. In the South Island, this desirable condition has almost been achieved, but its entire accomplishment is militated against, principally, by the excessive number of switching-stations at present necessary for the inter-connection of certain extreme localities. In this respect the geographical features of the South Island, and its smaller population, render an unrestricted range less practicable from an economic aspect than is the case in the North Island. In respect of inter-island communication the restrictive factors applying in the South Island are intensified, particularly on account of the extremely longitudinal character of the Dominion. With the exception of some of the more outlying exchanges in Otago and Southland in the South Island, and in the East Cape and North Auckland districts in the North Island, every exchange in New Zealand can, however, communicate with at least some of the exchanges in the other Island. Inter-connection between any of the principal centres and most other towns is available continuously, while in a few instances connection is permitted only between 10 p.m. and 7 a.m. and on Sundays.

In addition to inland communication, the overseas radio-telephone service, referred to hereunder, is available to most telephone subscribers in New Zealand. For overseas communication, no definite restriction is placed on the exchanges at which calls may be originated or received, as conditions vary due to certain unstable factors such as the length of radio-telephone channel involved and the voice of the speaker. Applications are therefore accepted for calls to or from almost any exchange in New Zealand, and by actual test in each case it is determined whether satisfactory conditions are likely to prevail for the desired call.

RADIO TELEGRAPH AND TELEPHONE SERVICES.

The overseas radio-telephone service between New Zealand and Australia, the inauguration of which was reported last year, has been considerably extended by the linking-up of the Australia-United Kingdom radio-telephone channel, the necessary switching being performed at Sydney. This has enabled communication to be obtained with telephone subscribers in the United Kingdom, and by further switching at London communication is available with subscribers in most of the countries of Europe. It will thus be seen that the ultimate aim, as expressed last year—namely, to bring the great majority of the world's telephone subscribers within telephonic reach of New Zealand users—has to some extent already been realized. New Zealand subscribers who have taken advantage of the facilities for communicating with some of the countries on the other side of the world bear testimony to the excellence of the service.

OFFICE OF POSTMASTER-GENERAL.

The Hon. Jas. B. Donald vacated the office of Postmaster-General and Minister of Telegraphs on the 22nd September, 1931, and was succeeded by myself.

I have the honour to be,
Your Excellency's most obedient servant,
ADAM HAMILTON.

General Post Office, Wellington C1.
19th September, 1932.