

ANNUAL REPORT OF THE POST AND TELEGRAPH DEPARTMENT FOR THE YEAR 1931-32.

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1932.
NEW ZEALAND.

POST AND TELEGRAPH DEPARTMENT

(REPORT OF THE) FOR THE YEAR 1931-32.

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

To His Excellency the Right Honourable Baron Bledisloe, P.C., G.C.M.G.,
K.B.E.

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 on the 31st March, 1932.

RECEIPTS AND PAYMENTS.

The revenue collected during the year exceeded that for the previous year by £7,810. The sum received was £3,715,230, compared with £3,707,420 for 1930-31.

The payments for the year in respect of the working-expenses of the Department, including an amount of £80,029 provided out of the Depreciation Fund, were £2,794,567, and the excess of receipts over payments was £920,663.

The sum of £941,616 was paid to the Consolidated Fund, including £11,616 in respect of the profits for the previous year.

Interest on capital liability, which is included in the working-expenses, totalled £550,000, an increase of £46,000 on the amount paid for the previous year.

SAVING-BANK.

The deposits in the Post Office Savings-bank amounted to £19,463,985, and the interest credited to depositors was £1,611,048.

The withdrawals totalled £25,488,081, compared with £28,063,338 for the previous year.

The total amount at the credit of depositors' accounts on the 31st March, 1932, was £43,255,499, a decrease of £4,413,048, compared with the previous year. The amount accumulated in the Post Office Savings-bank at the 31st March, 1932, represented an average of £28·37 *per capita* for the Dominion.

STAFF.

I assumed the office of Postmaster-General with a high opinion of the Post Office and its staff, and that high opinion has been enhanced by the opportunities that have been afforded me as Postmaster-General of gaining an insight into the Department's organization and methods. I have been impressed with the smooth manner in which the Department handles its huge business, a business which makes contact with every home and business establishment in the land. When one considers the multitude of transactions that are undertaken by the Department on its own behalf and on behalf of the many other Departments, and the large amount of money handled, the almost entire absence of serious complaint is most gratifying. Undoubtedly, the staff has rendered excellent service throughout the year, notwithstanding the difficulties created by the abnormal conditions.

In the existing unprecedented position concerning unemployment, a vast amount of additional work has been thrown upon the Post Office organization. This work has been undertaken by officers most willingly, although in many cases Postmasters and other officers have been required to sacrifice a good deal of their leisure time. Much of the work connected with unemployment requires to be handled with extreme tact; and in this officers have shown themselves not lacking.

On the occasion of the general election in December officers again gave a good account of themselves in undertaking with speed and precision the great volume of additional business, particularly telegraph business, that required to be handled.

RATES AND CHARGES.

In the interests of the smaller country newspapers, a halfpenny rate of postage for newspapers weighing not more than 3 oz. was introduced on the 10th August.

On the 1st June, 1932, as a contribution towards a lowering of costs for the community generally, Government had pleasure in reverting to penny postage for letters, and in effecting appreciable reductions in postage for many other classifications of postal packets, including parcels. The reduction is effected at some sacrifice in revenue; and it is hoped that the business community will show their appreciation of the bold step taken by according full support to the Post Office services. Coincident with the reduction in postage charges, a 50 per cent. reduction, with a minimum rental payment of £10 per annum, was also decided upon in the rentals charged certain isolated country telephone subscribers. It is here pertinent to mention that many requests have been made for other reductions in post and telegraph charges, particularly in the rentals charged for telephones. In view of the reductions that have already been granted and of the contraction of revenue that will result, it is regretted that it is not possible at present to favourably consider any further reductions in rates that are reasonable and compare favourably with those levied in other countries.

COMMERCIAL BRANCH.

The Commercial Branch continues to render good service despite the difficulties of the times. In addition to fostering the growth of the telephone-exchange service and to securing advertisements for the telephone directories, the work has been undertaken of selling advertising-space on blotting-pads used on the public desks at many post-offices.

The Branch serves a most useful purpose, and as conditions improve can be expected to obtain even better results.

BUILDINGS AND LAND.

Owing to the adverse economic position, the Department's building programme has been greatly restricted. Although it was proposed to proceed with the erection of several large buildings, it was found necessary, for financial reasons, to defer the works. Furthermore, the carrying-out of renovations and alterations to a large number of buildings has been deferred until the position improves. The number of new buildings erected during the year was eight—six post-office buildings, an automatic-telephone-exchange building, and a residence for a Postmaster; and a substantial addition was made to the Masterton Post-office building. These works were in progress before the general depression became acute.

The new buildings occupied included the Wellington East Post-office building, which was completed in February. This building now accommodates on the ground floor the former Courtenay Place Post-office and on the seven upper floors three sections of the Accountant's Branch of the Department's Head Office.

It will be remembered that the Westport Post-office building was shaken down by the earthquake which visited the West Coast of the South Island on the 17th June, 1929, and that the Hastings and Napier buildings were very badly damaged

as a result of the Hawke's Bay visitation of the 3rd February, 1931. Since the close of the year the erection of a new building has been completed at Westport, occupation being taken on the 17th June, on the third anniversary of the West Coast earthquake. The reconditioning of the Napier building was completed and occupation taken on the 6th August, 1932, while the reconstruction of the Hastings building, the only building-construction work remaining in progress, is proceeding apace, the Department expecting to gain occupation early in October. In addition, the erection of a new post-office building has been completed at High Street (Christchurch), the improved accommodation being occupied on the 17th June, 1932.

The repair of earthquake damage to the Dannevirke, Waipukurau, Wairoa, and other Post-office buildings in the Hawke's Bay District has been completed.

As a precautionary measure, in case of earthquake, the clock-towers on the Cambridge and Wanganui Post-office buildings have been removed. Action is also being taken in other cases in which it is considered necessary to either strengthen or dismantle the clock-towers on departmental buildings.

INLAND AND OCEAN MAIL-SERVICES.

Except for occasional interruptions caused by floods and snow, inland mail-services have been maintained during the year with the customary regularity. A saving at the rate of £6,500 per annum was effected by the Department as a result of the reletting for a further term of three years from the 1st January of all South Island contract mail-services. Tenders were invited, as usual. The competition was keen.

The contract ocean mail-services operating between Auckland and Vancouver and between Wellington and San Francisco, and the non-contract services operating between Auckland and Sydney and Wellington and Sydney have been maintained without interruption during the year. The contracts for the Vancouver and San Francisco services expired on the 31st March, 1932, and have been renewed on the same conditions for a further period of twelve months.

The year has seen the re-entry into the New Zealand service, after a lapse of twenty-five years, of steamers of the Matson line operated by the Oceanic Steamship Co. of San Francisco, the vessels of the company commencing in July to make Auckland a port of call both ways on the route San Francisco-Sydney.

AIR MAILS.

The year was notable for the number of occasions on which mails were carried in the inland postal-service by air. The flights performed on the 12th and 13th November connected at Wellington and Auckland with the steamers which sailed on the 13th November to connect with the Australia-England Christmas air-mail flight commenced at Sydney on the 20th November. These were followed at varying intervals by eleven other flights over selected inland routes, the most important being four performed on Christmas Eve. Full particulars of the various flights are shown on page 13 of this report.

The flights on each occasion were made by arrangement with the New Zealand Air League. The air-mail fee charged by the Department, in addition to postage, was 3d. an ounce, and payment at this rate, less a deduction of 7½ per cent. to cover the cost of transport of mails to and from aerodromes, was made to the League.

The flights, as the first official air-mail flights over the routes concerned, were well supported, particularly by the stamp-collecting public. It is, however, not considered that there is any need or desire for regular air-mail services of the kind, in view of the speedy transport of mails by land and sea.

POSTAGE-STAMPS.

As mentioned in last year's report, competitive designs were invited for a series of pictorial stamps for the Dominion. Many designs were received, and after review exhaustively by a special Board set up for the purpose (the

Hon. Sir R. Heaton Rhodes, K.C.V.O., K.B.E., Chairman; Mr. Richard Wallwork, A.R.C.A., Christchurch; Mr. Johannes C. Andersen, F.N.Z.Inst., Wellington, and Mr. G. McNamara, Secretary of the Department), fourteen designs representative of New Zealand scenery and life were adopted as suitable. Except in the case of the design accepted for the 6d. stamp, New Zealand competitors were successful in each case. Particulars of the accepted designs and the names of the successful designers are given at page 14 of this report.

Arrangements are now proceeding for the production of the new series of stamps in England by the photogravure process.

Two new series of stamps, one for the Cook Islands and one for Niue, were issued during the year. These two series are intended to replace the four series of postage-stamps for the Cook and other Islands which have been in use for a number of years.

The development of air-mails made it necessary for New Zealand to issue at short notice during the year a series of three air-mail stamps, to which a fourth denomination was later added. Competitive designs have been invited for a new series, and the designs received are now being considered.

Two denominations of "Charity" stamps of new design instead of the usual single denomination were placed on sale for a limited period covering the Christmas season. Notwithstanding the difficult conditions obtaining, the appeal resulted in a sum of about £640 being made available to the Minister of Health for distribution.

DIVISION OF AUCKLAND AND WELLINGTON METROPOLITAN AREAS INTO POSTAL DISTRICTS.

To assist in the quick and accurate sorting of correspondence, arrangements have been completed for the division of the Auckland and Wellington metropolitan areas into postal districts. When the new system is operating the Department will be enabled to proceed further with the system of commencing deliveries at suburban offices, thus effecting a saving in expenditure, without impairing the efficiency of the service.

FACILITIES AT COUNTRY CENTRES FOR EFFECTING SAVINGS-BANK WITHDRAWALS.

With a full appreciation of the convenience that is afforded by its being possible without notice to effect withdrawals from Savings-bank accounts, arrangements were made during the year for Savings-bank ledger offices to be established at Waimate, Marton, Tauranga, and Pukekohe. When the circumstances warrant it, additional country post-offices will be constituted ledger offices.

BROADCASTING SERVICE.

Control of the broadcasting service was assumed on the 1st January by the New Zealand Broadcasting Board, set up under the provisions of the Broadcasting Act of 1931. Following arbitration, the purchase price fixed to be paid by the Minister of Telegraphs for the stations, plant, &c., of the outgoing company was £58,646 6s. 2d. In accordance with the Broadcasting Act, the Board has been required to take over the assets; and the amount has been advanced by the Department to the Board by way of loan, repayable in quarterly instalments over a period of ten years at interest of 5 per cent.

That the broadcasting service is appreciated by the community is evidenced by the fact that listeners continue to increase at a most satisfactory rate. On the 31st March, 1932, the number of licensed listeners was 74,980, an increase of 12,000 on the number licensed twelve months before.

INTERNATIONAL TELEGRAPH AND RADIO-TELEGRAPH CONFERENCE.

Government have appointed Mr. M. B. Esson (formerly Second Assistant Secretary of the Department) to represent New Zealand at the International Conference on Telegraph and Radio-telegraph questions, which is to commence

at Madrid in September, 1932. Mr. Esson is the Dominion's representative on the Advisory Committee of Imperial and International Communications, Ltd., London, the merger company which assumed control in 1929 of various Empire cable and radio services.

TELEPHONE-EXCHANGE SERVICES.

During the year new automatic-telephone exchanges were brought into operation at Hastings and Marton. The Hastings work was proceeding when the Hawke's Bay earthquake occurred on the 3rd February, 1931, and dislocated the telephone-exchange service. Temporary arrangements were made to accommodate a large number of the subscribers, and the work of installing the automatic exchange—an undertaking of magnitude—was accelerated to the extent that complete automatic service was made available on the 31st May, less than four months after the earthquake.

Since the close of the year the new automatic installation has been put into operation at Whangarei (on the 3rd April); while the work of installation of the new automatic exchange at Lower Hutt has proceeded apace, and will be completed in a short time.

The success of a telephone-exchange system depends in periods of economic stress as well as in times of prosperity on concentration on the main objective—a telephone service as free as humanly possible from imperfections, errors, or delays, and one enabling subscribers to obtain efficient communication over the length and breadth of the country quickly and at reasonable cost. The lessening of development work that has been in evidence during the year has enabled close attention to be given to minor problems of service, with the result that the telephone service has never been more satisfactory. The Department, by maintaining and improving the standard of service, hopes that telephone subscribers will realize the fact that the telephone is at all times invaluable.

The loss of subscribers during the year represents between two and three per cent. of the main telephone stations. The small percentage loss would appear to indicate that telephone charges are recognized to be not unreasonable, and that the telephone is indispensable in business and social life. Because of these facts, the reconnection of the subscribers who have relinquished their telephones may be expected as soon as conditions begin to improve.

LONG-DISTANCE TELEPHONE COMMUNICATION.

Owing to the adverse financial situation, with a consequent falling-off in toll traffic, the further extension of the long-distance telephone network within the Dominion has been temporarily suspended. In the meantime attention has been directed to investigational work designed to provide additional carrier-current telephone channels over the existing Cook Strait telegraph cables. Details of the work are given on page 20 of this report.

In view of the temporary cessation of activity in long-distance telephone development it may not be out of place to briefly recapitulate the extent to which the Dominion network for toll communication has been extended and enlarged during the last few years.

Prior to 1926 telephone communication, except at certain hours of the day or night when the inter-island telegraph cables could be made available for telephone purposes, was restricted to the Island in which the caller was situated. The inherent limitations of the telegraph cables as speech-carrying channels made the inter-island service a limited and low-grade one, while the land circuits then in use did not enable speech to be carried on satisfactorily beyond a restricted range. Thus the telephone service available was a restricted one and more or less of local and provincial utility. The installation in 1926 of the telephone cable connecting the North and South Islands was the first step towards the marked increase in

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.

STATEMENT OF FINANCIAL OPERATIONS AND BUSINESS OF THE DEPARTMENT FOR THE YEAR ENDED 31st MARCH, 1932.

RECEIPTS AND PAYMENTS.

The receipts and payments of the Department for the financial year 1931-32 are shown in the following account:—

<i>Receipts.</i>				<i>Payments.</i>			
£ s. d.		£ s. d.		£ s. d.		£ s. d.	
To Balance forward	.. ..			By Salaries	.. 1,580,355 14 4		
Postages	.. 1,395,399 9 8½			Conveyance of ocean mails	.. 78,843 6 9		
Money-order and postal-note commission	.. 60,876 12 9			Conveyance of inland mails	.. 138,827 6 6		
Private box and bag rents and rural delivery fees	.. 45,852 19 10			Conveyance of mails by rail	.. 91,502 8 7		
Miscellaneous re- ceipts	.. 280,657 19 8			Maintenance of telegraph and telephone lines	.. 76,111 6 1		
Paid telegrams	.. 296,576 3 2½			Renewals and re- placements	.. 80,029 5 1		
Paid tolls	.. 417,794 9 5½			Motor services and workshops	.. 12,489 19 4		
Telephone-ex- change rentals	1,218,072 3 1			Miscellaneous	.. 186,407 7 1		
	3,715,229 17 8½			Interest on capital liability	.. 550,000 0 0		
	£3,770,899 15 5			Paid to Consolidated Fund	.. 941,616 6 2		
	£ s. d.			Balance carried down	.. 34,716 15 6		
To Balance brought down	.. .. 34,716 15 6				£3,770,899 15 5		

The total cash value of the transactions of the Department, inclusive of the above, amounted to approximately £169,000,000 for the year.

STAFF.

The current general depression is still adversely affecting the Department's business, and it has been necessary to continue the system of granting "time off" in lieu of making cash payments for overtime. No new appointments to the Service were made during the year notwithstanding that, as will be seen from the return published below, there was a reduction, from retirements, resignations, &c., of over three hundred in the permanent staff establishment, and a total decrease under all headings of 533 employees. In addition, a number of officers of the Department are on loan to Departments under the control of the Public Service Commissioner, notably the Unemployment Department.

There has been no falling-off in the efficiency of the staff, who have assisted whole-heartedly in suggesting new economies in working and in making a success of the economies already introduced. The service given to the public remains on a high plane. Officers have been called upon to make substantial personal sacrifices, but they have accepted the position in excellent spirit and have continued to give good service. In point of fact, it is due largely to the active and intelligent interest of officers in the management and operation of the Service that many economies have been possible.

The work undertaken in connection with the Unemployment Act of 1930 continues to be heavy. During the year the duties were increased by the introduction under the amending Act of 1931 of the special emergency tax on salary and wages, and income derived from other sources. Many of these transactions are completed only with the advice and help of officers, and this is, of course, freely given. A great amount of work continues also to be undertaken most successfully in connection with the Dominion's motor-vehicle registration system and on behalf of other Departments of State generally. An idea of the great volume of business handled by the Department is gained when it is mentioned that the total cash value of the transactions handled in the year was 169 millions sterling. In the previous year the total reached 201½ millions.

COMPARATIVE RETURN OF PERSONS EMPLOYED IN THE DEPARTMENT.

The total number of persons employed on the 1st April, 1931 and 1932, was as under:—

	1st April, 1931.	1st April, 1932.
Permanent staff—		
Administrative Division	4	4
Clerical and Engineering Divisions	3,484	3,342
General Division	5,413	5,239
	8,901	8,585
Temporary staff	53	36
Casual staff	265	83
	9,219	8,704
Non-permanent staff—		
Country Postmasters and Telephonists	1,710	1,692
Postmasters who are Railway officers	83	83
	11,012	10,479

HEALTH OF PERMANENT STAFF.

The following table gives the average absence of officers on sick-leave this year as compared with last :—

		Number on Staff.	Average Absence per Sick Officer.	Average Absence for each Officer employed.
Year ended 31st March, 1932—				
Men	.. ..	7,886	9.14	3.83
Women	.. ..	699	13.6	7.91
Year ended 31st March, 1931—				
Men	.. ..	8,151	10.5	4.22
Women	.. ..	750	14.29	7.9

Thirty-one officers died during the year. One death was the result of an accident on duty.

PERSONAL.

Mr. A. Gibbs, Chief Telegraph Engineer, retired on superannuation from the 14th March, after completing forty years of service. He was succeeded by Mr. C. S. Plank, Deputy Chief Telegraph Engineer.

Mr. A. P. Bennett, Chief Inspector, retired on the 8th October, having served the Department for over forty years. Since Mr. Bennett's retirement, Mr. F. J. Shanks, Chief Postmaster, Christchurch, has acted as Chief Inspector, as required.

Mr. H. P. Donald, Chief Postmaster, Auckland, retired on the 20th October, with over forty year's service. He was succeeded by Mr. S. M. Harrison, Chief Postmaster, Dunedin, Mr. Harrison in turn being succeeded by Mr. J. P. P. Clouston, of the General Post Office staff.

Also on completion of forty years' service, Mr. H. W. Allan, Superintendent of the Wellington Telegraph Office, retired on the 7th September. Mr. Allan's position was not filled, the control of the Wellington Telegraph Office passing to the Chief Postmaster, in accordance with a decision made some time ago to amalgamate under one control the telegraph and postal control of the Department in each of the four centres. All telegraph branches are now controlled by Chief Postmasters.

REDUCTION IN SALARIES.

On the 1st April, 1931, the salaries, wages, and allowances paid to employees of the Department were reduced by 10 per cent. under the provisions of the Finance Act of 1931. The Act permitted officers to continue to contribute to the superannuation fund on the old rate of salary when they so desired, and 1,618 officers took advantage of this provision.

Under the provisions of the National Expenditure Adjustment Act, 1932, a further reduction in Public Service salaries and wages applies from the 1st April, 1932.

APPEAL BOARD.

The Post and Telegraph Appeal Board, under the chairmanship of Mr. E. C. Cutten, the Senior Stipendiary Magistrate at Auckland, sat once during the year. The claims of thirty-five appellants were adjudicated upon. Two appeals were allowed, eighty-four were disallowed, one was judged not to lie, and twenty were withdrawn.

Mr. E. R. Blewett's three-year term as the Service representative of the Postal Branch of the Department on the Board and Mr. J. D. Burns's three-year term as the Service representative of the Telegraph Branch expired during the year. To the postal vacancy Mr. W. G. F. Pinkham, of Blenheim, was elected unopposed, while at an election contested by two officers, Mr. H. V. Ward, of Wellington, was returned as the Telegraph representative for the ensuing triennium.

DEPARTMENTAL CORRESPONDENCE SCHOOL.

The improvement of the general educational standard of junior officers continues to be provided for by the Department's Correspondence School; and during the year 606 juniors enrolled voluntarily for a course of instruction. Tuition is also provided to assist officers to pass various departmental examinations which have for their object the testing of an officer's fitness for promotion. For these courses 357 enrolments were received, making a total for the year of 963 students.

EXAMINATIONS.

Of the 2,276 officers who entered for departmental efficiency examinations held during the year, 1,120 were either wholly or partially successful.

SUGGESTIONS BOARD.

The number of suggestions made by officers for improving the working of the Department was 434. The number of awards was 15, the total sum awarded being £23 10s.

COMMERCIAL BRANCH.

The Commercial Branch has had a severe test during the two years of its existence. The first year's operations resulted in the securing of new business of an annual value of £32,148. Despite the increased difficulties of the year under review—the second year of operation of the Branch—these figures have been improved upon, the annual value of the business obtained being £36,679. Of this amount, £26,360 is made up of telephone business and £10,319 of advertising business and miscellaneous services.

In addition to fostering the development of the telephone-exchange service and to securing orders for advertising-space in telephone directories, the Branch has now taken over the selling of advertising-space on blotting-pads used on the public desks at many post-offices, a work which was previously in the hands of an advertising agent.

The revenue from telephone-directory and blotting-pad advertising considerably relieves the Department in the matter of expenditure involved in printing telephone directories and in providing blotting-pads for use on public desks.

STORES BRANCH.

The following statement indicates the value of stores received and issued in the Auckland, Christchurch, Dunedin, and Wellington storekeeping districts during the year, and the value of stocks held at the end of the year. For the purpose of comparison, the particulars for the previous year are shown also :—

	1931-32.			1930-31.		
	Receipts.*	Issues.*	Stock in hand, 31st March, 1932.	Receipts.*	Issues.*	Stock in hand, 31st March, 1931.
	£	£	£	£	£	£
Auckland ..	129,752	134,894	129,633	234,809	202,600	134,775
Christchurch ..	58,263	59,148	83,082	83,816	93,668	83,967
Dunedin ..	40,010	35,528	59,374	70,641	62,291	54,892
Wellington ..	240,546	242,760	278,879	368,370	391,485	281,093
Dominion totals ..	468,571	472,330	550,968	757,636	750,044	554,727

* Excluding transfers within storekeeping districts.

The total value of orders placed during the year was £124,114. Of this amount, £92,343 represented the cost of stores for supply from within the Dominion, while £31,771 represented the cost of stores for supply from overseas. The total value of orders placed during the previous year was £348,772.

The total value of stores purchased by the Department under contracts arranged by the Stores Control Board was £31,354, including £26,761 for motor-spirit, kerosene, motor-lubricating oils and greases, and £2,632 for twine manufactured in the Dominion.

An amount of £748 was spent in the purchase locally of 833 silver-pine poles and 130 stringy-bark poles. Other New-Zealand-grown timber was obtained at a cost of £463.

Particulars of purchases arranged by the Post and Telegraph Department on account of other Departments under the Stores Control Board Regulations are set out hereunder, the figures for the previous year being shown also :—

Year ended	Requisitions.	Items.	Value of Items purchased.		Total.
			On Indent.	Locally.	
			£	£	£
31st March, 1932 ..	2,825	12,381	21,139	31,743	52,882
31st March, 1931 ..	3,196	13,376	23,560	43,060	66,620

The purchase was arranged during the year of forty-two motor-vehicles for other Departments, and of two motor-vehicles for the Post and Telegraph Department. The figures for the previous year were sixty and fifty-seven respectively.

SALE OF OBSOLETE AND UNSERVICEABLE MATERIAL.

A number of auction sales of obsolete and unserviceable material, including worn-out motor-vehicles from various Departments, was held during the year. The total value of property disposed of was £2,045. This sum includes the value of scrap lead, copper, and other metals.

MARINE INSURANCE FUND.

The insurable value of stores from countries within the Empire and from the United States of America covered under the New Zealand Government Marine Insurance Fund was £118,775.

SIMPLIFICATION OF STORES STOCKS.

The variety of items which it is necessary to hold in stock to meet the working requirements of such a comparatively large organization as the Post and Telegraph Department is necessarily very great, but by careful consideration of the practical circumstances in which each article is used, the

stocking of an unnecessarily large variety of items can be avoided. This is a matter which has been engaging the attention of officers of the Engineering Branch with regard to items used in that section of the Department's work, and as a consequence it has been possible, by standardizing on certain sizes or patterns, to considerably reduce the variety of items stocked. In some cases certain articles which, although of slightly different design due to the variations adopted by different manufacturers, are interchangeable in practice, have been combined under one general description. The standardizing and grouping of articles in this way has considerably simplified the stocking and issue of such articles, and has enabled small stocks of articles of odd design to be expeditiously issued for purposes for which they are suited. When consideration is given to the fact that separate records have to be kept and, to a large extent, separate orders placed in respect of each item of stock, and also to the fact that slow-moving stocks represent idle capital, it will be apparent that a large amount of money can be saved annually by reducing to a minimum the variety of articles stocked and thus speeding up the turnover; and now that the Department's experience enables it to standardize on the most suitable sizes and types of material or equipment, substantial economies will result from this action.

FREIGHT CHARGES ON LEAD-COVERED CABLE.

During the year consideration has been given to standardizing a method of packing lead-covered cable by means of which the heavy freight charges amounting to approximately £20 per drum for the larger cables might be reduced. It has been found that cable-manufacturers employ different sizes of drums and other slightly different methods of packing which, in some cases, very considerably affect the freight charges. A standard method, which secures the utmost economy in this direction, consistent with the safety of the cable, has now been decided upon, and manufacturers have been communicated with with a view to its general adoption. From the replies already to hand, it is anticipated that no difficulty will be encountered in having the Department's future supplies of cable packed in a uniformly economical manner.

WORKSHOPS.

During the year the Department's workshops at the four centres have found it necessary to make an increased effort to meet maintenance requirements owing to the need for reducing to a minimum capital expenditure on new equipment generally. The adaptation of old stock to present requirements has necessitated a considerable amount of new work. A small amount of manufacturing work, primarily to meet immediate needs in respect of telegraph, telephone, and wireless services has been undertaken at Auckland, Wellington, Christchurch, and Dunedin, where suitable plant is available for such purposes.

The activities of the workshops at Hamilton, Napier, Wanganui, Palmerston North, Whangarei, Paeroa, Masterton, Gisborne, Greymouth, Timaru, and Invercargill are confined almost wholly to repairs to motor-vehicles and telephones.

The total value of the work performed in the various workshops during the year amounted to £81,284, of which £7,406 represents the value of services rendered to other Government Departments.

BUILDINGS.

Post-office buildings were erected at Palmerston (Otago), Ruatoria, Upper Symonds Street (Auckland), Urenui, Waitara, and Wellington East. A separate residence for the Postmaster was erected at Ruatoria and an automatic-telephone-exchange building at Lower Hutt.

A substantial addition to the Masterton Post-office building and minor alterations to the Hampden and Russell Post-office buildings were completed. The Hampden building is the former Courthouse, and, together with the site, was acquired in October. It has been adapted to post-office purposes at small cost.

Repairs were effected to the post-office buildings at Dannevirke, Waipukurau, and Wairoa, which were considerably damaged by earthquake in 1931. The clock-towers were removed from the Cambridge and Wanganui Post-office buildings, being regarded as dangerous in case of earthquake.

The small post-office buildings at French Farm and Maungatua were no longer required, and were disposed of.

The erection of new buildings at the following places has been decided upon, but, owing to the financial position, has been deferred meantime: Dunedin, Greymouth (garage and store), Petone, Taumarunui, Te Puke (garage, also alterations to post-office building), Thames, Thornbury.

The following works were in progress at the end of the year: Hastings, reconstruction of post-office building; High Street (Christchurch), new post-office building; Napier, reconditioning of chief post-office building; Westport, new chief post-office building.

Pending the completion of the work of restoring the post-office buildings, the Department continued during the year to occupy temporary post-office accommodation at Hastings and Napier. On the 30th May it was possible at Napier to discontinue the arrangement under which the Department provided bunkhouse accommodation and meals for its officers. Similar facilities at Hastings had been withdrawn on the 27th March, previous.

At Port Ahuriri, where the post-office building was also destroyed by the earthquake and following fire, the Department has not yet been successful in obtaining a suitable site for a new building. The old site is not considered suitable, as it is not very conveniently situated for the general public. In the meantime the temporary building erected on Railway land continues to provide satisfactorily for the needs of the community.

LAND.

Areas of land were acquired for departmental purposes as follow : Hampden, site with building for post-office ; Hastings, extension of post-office site ; Mamaku, extension of post-office site ; Naumai, new site for post-office building ; New Plymouth, site for line depot ; Thornbury, site for post-office building ; while areas of departmental land no longer required were disposed of as follow : Blenheim, portion of storage-site (for street purposes) ; Cheviot, departmental land ; Kamo, portion of post-office site ; Rotorua, portion of post-office site ; Tangitu, old post-office site ; Urenui, old post-office site ; Waiuku, additional portion of old post-office site.

DEPARTMENTAL MOTOR - VEHICLES.

The falling-off in the demand for transport continues. Of forty-three vehicles withdrawn from service only two required to be replaced ; and consequently only two new vehicles were purchased during the year.

At the end of the year the number of departmental motor-vehicles in commission was 557, comprising 451 lorries, trucks, and vans, 100 cars, and 6 motor-cycles.

The decrease in transport activity has been reflected in a reduction of over half a million miles in the distance travelled by the fleet during the year ; the reduced total being 3,821,131 miles.

POST OFFICE.

INLAND MAIL-SERVICES.

The various services performed under contract in the South Island expired on the 31st December. Some months earlier, action had been taken to invite public tenders for the performance of the services for a further term of three years. In many cases alternative services were advertised with a view to ascertaining the cost entailed in effecting improvements. As a result of the reletting, a saving of approximately £6,500 per annum will be made over the three-year period, in addition to improved facilities being provided in a number of cases. A notable feature in connection with the reletting was the increasing number of services tendered for in "blocks" of two or more. In practically all cases, the prices for the services were very finely cut, due to increased competition. The tendency towards centralization in the larger towns of the commencing-points of services to outlying districts was again in evidence this year.

On the 3rd and 4th April, floods interrupted the Nelson-Westport and Nelson-Blenheim services. The Westport mails had to be diverted via Christchurch.

In February, slips on the Gisborne-Napier Road as the result of heavy rain delayed mail communication for a few days.

Exceptionally heavy rain between the 18th and 21st February caused serious floods in South Canterbury. The swelling of the waters of the Pareora and Otaio Rivers resulted in damage to the Pareora Railway-bridge and a washout at an approach to the Otaio Railway-bridge ; and, as a result, railway traffic between Pareora and Otaio was completely interrupted from the afternoon of the 20th February until the afternoon of the 25th February. The approaches to the Pareora Road-traffic Bridge were also flooded to a depth of several feet ; and there was no access by road across the Pareora River between the afternoon of the 20th February and the evening of the 21st February. On Sunday, the 21st February, the services of seven aeroplanes, which were returning to Christchurch from the Invercargill air pageant, were utilized to convey first-class mail-matter from Dunedin and Oamaru to Christchurch. Four bags of letters were carried from Dunedin ; and from Oamaru there were despatched thirty-nine bags of letters, made up principally from mails held there as a result of the dislocation of the railway services. Approximately 13,000 letters, including the whole of the Otago letter-mail for connection with the San Francisco despatch from Wellington on the 23rd February, were conveyed in this way. The aeroplanes reached the Mosgiel aerodrome, near Dunedin, about the middle of the afternoon, on the flight from Invercargill ; and, despite unfavourable weather and poor visibility, the machines arrived at Christchurch, via Oamaru, between 7 and 8 p.m. From the 22nd to the 25th February trains from Timaru and Oamaru ran to Pareora and Otaio respectively, and passengers and mails were transferred between these places, a distance of about eight miles, by motor-lorries. As a result of efficient co-operation between Railway and Postal officials, the work of transferring the mails was carried out expeditiously and without damage to the contents.

The supplementary road mail-service between Invercargill and Dunedin continues in operation. Formerly performed by departmental officer, the service has now been let to private contract.

A weekly service by the s.s. "Tamatea" has been arranged for the conveyance of mails between Bluff and Half-moon Bay.

RAILWAY TRAVELLING POST-OFFICES : DISCONTINUANCE.

As an economy measure the running of a number of railway travelling post-offices was discontinued during the year. The post-office established on the express train running between Auckland and Paeroa was discontinued on the 1st October ; while those established on the routes Wellington-

Palmerston North New Plymouth, Palmerston North Napier, and Dunedin-Invercargill were withdrawn on the 1st January. Mails which previously were carried by the railway travelling post-offices concerned are now despatched in guards' vans of trains, or in special wagons if their bulk requires it.

The annual saving to the Department in railway haulage costs is in the vicinity of £20,000, in addition to which a saving in staff has been effected.

OVERSEAS MAILS.

The contracts for the Vancouver and San Francisco ocean mail-services were renewed from the 1st April for a further term of twelve months at reduced subsidies of £18,000 and £22,500 respectively.

There was no interruption in the regular performance of the services. The average times of transmission of mails during the year by these routes were as follow: Auckland to London (via Vancouver), 30·92 days; London to Auckland (via Vancouver), 30·3 days; Wellington to London (via San Francisco), 29 days; London to Wellington (via San Francisco), 31·3 days.

The contracts for the services are to be further renewed for a period of twelve months from the 1st April, 1932.

In July steamers of the Matson line, operated by the Oceanic Steamship Co. of San Francisco, recommenced calling at Auckland *en route* from San Francisco to Sydney and return, after a lapse of twenty-five years. The service maintained has been a three-weekly one operated by the steamers "Sonoma," "Sierra," and "Ventura." Except for the despatch of specially addressed correspondence to North America and Great Britain, very little use has been made of the service for mails from New Zealand in view of the fact that the New Zealand contract steamers to North America provide a regular fortnightly service.

The bulk of letter mails from the United Kingdom and Europe continues to be received via North America, although opportunity is also taken of favourable connections to forward mails via Panama and via Suez. Parcel and newspaper mails from the United Kingdom continue to be received by direct boat via Panama and occasionally via Suez.

It was noticeable during the year in the case of steamers proceeding direct from New Zealand to England that a great number used the Cape Horn route in preference to the Panama route. This has resulted in a much improved mail service connection with South America, correspondence for which has required for some time to be forwarded on most occasions via New York.

Regular services were maintained with the Pacific Islands by the "Maui Pomare" (Samoa and Niue), the "Tofua" (Fiji, Tonga, and Samoa), the Matson steamers (Fiji, Samoa, and Hawaii), and by the Vancouver and San Francisco steamers calling at Fiji and Hawaii and at Rarotonga and Tahiti respectively.

In July the Burns Philp passenger steamer "Morinda," which maintains a service between Sydney and Lord Howe and Norfolk Islands, commenced calling at Auckland, providing throughout the year a regular mail connection between Auckland and Norfolk and Lord Howe Islands.

OVERSEAS PARCEL-POST SERVICE.

From the 15th April, the maximum weight for parcels posted in New Zealand for delivery in Tonga was increased from 11 lb. to 22 lb.

From the 1st May arrangements were made for Customs and other charges on parcels exchanged between New Zealand and the Straits Settlements and between New Zealand and the Federated Malay States to be prepaid by the senders when so desired.

EXCHANGE OF INSURED LETTERS AND BOXES WITH COUNTRIES OVERSEAS.

On the 1st June a direct exchange of insured letters and boxes was established between New Zealand and the Straits Settlements, and through the intermediary of the Straits Settlements with British North Borneo, the Federated Malay States of Negri Sembilan, Pahang, Perak, and Selangor and the Unfederated Malay States of Johore, Kedah, and Kelantan. On the 1st September, a similar exchange was inaugurated with Germany and Italy, the British Post Office acting as intermediary in each case.

EXPORT OF GOLD BY POST.

Under the provisions of the Export Licenses Order of 1931, it has been necessary, since the 1st January, for a license from a Collector of Customs to be presented before gold in any shape or form is accepted for transmission overseas by post.

AIR MAILS.

During the year a number of special air-mail flights were carried out in the Dominion by arrangement with the New Zealand Air League. Disregarding occasions of national emergency, the flights were the first for over a decade to undertake the carriage of mails. In 1920 and 1921 several experimental air-mail services were operated principally between Auckland and the North and between Christchurch and Timaru. These services were not, however, used to a payable extent, and the patronage that was accorded them dropped quickly as soon as the novelty wore off. The experiments at the time, although demonstrating the use of aircraft for the carriage of mails, clearly indicated that, owing to the rapid transport of mails by land and sea, there was no real need for regular air-mail services within the Dominion. This is still the position.

Details of the flights performed during 1931-32 are as under :—

Date.	Route.	Postal Packets carried.		Time occupied in Flights.
		Total Number.	Total Weight.	
1931.			lb. oz.	
12th November	Invercargill-Dunedin-Christchurch-Blenheim-Wellington-Palmerston North-New Plymouth-Auckland	6,201	100 4	3.51 a.m. to 5.56 p.m.
13th November	Auckland-New Plymouth-Wanganui-Wellington ..	671	14 9	6.55 a.m. to 12.16 p.m.
10th December	Auckland-Hamilton-Rotorua-Gisborne	3,114	39 14½	9.3 a.m. to 12.24 p.m.
10th December	Gisborne-Rotorua-Hamilton-Auckland	3,448	48 4½	3.23 p.m. to 6.48 p.m.
24th December	Gisborne-Hastings-Palmerston North	3,966	64 2	3.55 a.m. to 7.35 a.m.
24th December	Palmerston North-Wellington-Blenheim-Christchurch-Timaru-Oamaru-Dunedin-Invercargill	9,304*	179 7	7.47 a.m. to 3.55 p.m.
24th December	Wellington-Palmerston North-Wanganui-Hawera-New Plymouth-Auckland	6,108†	159 9½	7.58 a.m. to 1.35 p.m.
24th December 1932.	Palmerston North-Hastings-Gisborne	1,349‡	31 0	9.45 a.m. to 12.20 p.m.
20th January	Wellington-Nelson-Westport-Hokitika	3,950	52 3½	8 a.m. to 12.10 p.m.
20th January	Hokitika-Westport-Nelson-Wellington	4,872	69 9½	2.11 p.m. to 5.28 p.m.
16th March ..	Wellington-Masterton-Pahiatua-Dannevirke ..	3,481	41 3	9.30 a.m. to 11.32 a.m.
16th March ..	Dannevirke-Woodville-Masterton-Wellington ..	3,554§	44 12	2.28 p.m. to 4.5 p.m.
30th April ..	Auckland-Dargaville-Russell-Whangarei-Auckland	4,979	62 12½	11.7 a.m. to 5.5 p.m.

* Includes 2,076 articles, weighing 32½ lb., carried on Gisborne - Palmerston North flight.

† Includes 1,231 articles, weighing 20 lb. 9 oz., carried on Gisborne - Palmerston North flight.

‡ Includes 393 articles, weighing 15 lb. 2 oz., carried on Wellington - Palmerston North flight.

§ Includes 1,097 articles, weighing 12 lb. 10 oz., carried on outward journey.

The flight on the 30th April was performed outside the year under review, but without it the record of this series of flights would be incomplete.

The number of articles carried by the flights cannot be taken as an indication of the use that would be made of regular services, as special flights are used mainly for the conveyance of letters for philatelic purposes.

The Invercargill-Auckland and Auckland-Wellington flights of the 12th and 13th November had their origin in an invitation extended by the Australian Post Office to the New Zealand Post Office to participate in the despatch of correspondence by the specially arranged Sydney-London Christmas air mail. The New Zealand flights were timed to connect with the steamers "Ulimaroa" and "Marama" leaving Auckland and Wellington respectively, on the 13th November for Sydney, these being the latest departures making the necessary connection at Sydney. The total number of articles despatched from New Zealand for conveyance by the mail was 3,153, of a weight of 63 lb. 10 oz. The mail aeroplane, the "Southern Sun," left Sydney on the 20th November and was due to arrive in England on the 3rd December. It was, however, totally wrecked while taking off from Alor Star (Kedah, Malay States) on the 26th November, and the mail did not reach London until the 16th December, being transferred to and covering the remainder of its journey in the relief aeroplane "Southern Star." The return flight was originally scheduled to commence on the 10th December and to arrive in Sydney on the 23rd December. However, owing to the delay on the outward journey and to a further mishap in England, the return flight was not commenced until the 8th January. The New Zealand portion of the mail arrived in Auckland on the 26th January.

Following the success of the flights of the 12th and 13th November and the 10th December, the New Zealand Air League received permission from the Postmaster-General to perform additional flights on Christmas Eve. These flights were so arranged that all mail-matter arrived at its destination in time for delivery that afternoon. The aeroplane travelling south from Palmerston North was timed to start after the arrival of the express train from Auckland and the mail aeroplane from Gisborne and Hastings; the flight north from Wellington commenced after the receipt of the South Island mails by the ferry steamer; and the return journey from Palmerston North to Gisborne was commenced after the arrival of the aeroplane from Wellington.

A factor contributing much to the success of the whole series of flights was that they were the first official air-mail flights over the routes specified. For this reason requests that the correspondence carried be marked officially by means of special rubber stamps giving particulars of the flight concerned and the date the mail was flown were acceded to, except in the case of the flights of the 12th and 13th November and the 10th December, for which there was not time in which to arrange for the special marking. It was, however, possible to arrange for the correspondence despatched from Auckland and Wellington on the 13th November to connect with the Sydney-London Christmas air mail to be specially marked in the manner mentioned.

Correspondence conveyed in New Zealand by the services described required to bear, in addition to ordinary postage, an air-mail fee at the rate of 3d. per ounce per postal packet. This fee, less 7½ per cent. retained by the Department to cover the cost of conveying mails to and from the starting and landing places, was paid to the New Zealand Air League. The air-mail fee for correspondence posted in New Zealand for conveyance by the Sydney-London Christmas air mail was 1s. per ½ oz. in addition to ordinary postage and the New Zealand air fee if conveyed by air in New Zealand.

During the year the number of letters posted in New Zealand to connect with overseas air mails (including the Sydney-London Christmas air mail already described) was 11,438. Excluding the Sydney-London air mail, the number was 8,285; and of this number by far the greater number was forwarded by the Karachi-London Service.

A further illustration of the suitability of aircraft for mail-carrying purposes in cases of emergency was afforded on the 21st February, when a number of machines returning from Invercargill was made use of for the conveyance of mails from Dunedin and Oamaru to Christchurch, the rail and road routes having been interrupted by floods between Pareora and Otaio.

POSTAGE-STAMPS.

PROPOSED ISSUE OF SERIES OF NEW ZEALAND PICTORIAL STAMPS.

The competition conducted during the year with the object of obtaining designs for a new series of pictorial postage-stamps for New Zealand drew 1,569 designs from 234 competitors situated in various parts of the Empire, the majority resident in New Zealand. The difficult task of adjudicating upon the merits of the designs was entrusted to a Board comprising the Hon. Sir R. Heaton Rhodes, K.C.V.O., K.B.E. (Chairman), Mr. Richard Wallwork, A.R.C.A., Director, School of Art, Canterbury College, Mr. Johannes C. Andersen, F.N.Z.Inst., Librarian, Turnbull Library (expert in Maori art), and Mr. G. McNamara, Secretary of the Department. The Board met in Wellington on the 20th and 21st October, and, after an exhaustive examination of all designs received, recommended the acceptance of the following, which recommendation was approved :—

Denomination for which design selected.	Description of Design.	Designer.
½d.	Fantail in a setting of clematis	James Fitzgerald, Christchurch.
1d.	Kiwi	C. H. and R. J. G. Collins, Christchurch.
1½d.	Maori maiden cooking food	M. Matthews, Wellington.
2d.	Maori whare	H. W. Young, Auckland.
2½d.	Mount Cook with border of mountain lilies	L. C. Mitchell, Wellington.
3d.	Head of Maori girl	L. C. Mitchell, Wellington.
4d.	Mitre Peak	James Fitzgerald, Christchurch.
5d.	Swordfish	R. E. Tripe and W. J. Cooch, Wellington.
6d.	Harvesting scene	T. I. Archer, India.
8d.	Tuatara	L. C. Mitchell, Wellington.
9d.	Maori ornament and decoration	I. F. Calder, Wellington.
1s.	Droving scene	Marcus King, Wellington.
2s.	Landing of Captain Cook	T. H. Jenkin, A.R.C.A., Invercargill.
3s.	Mount Egmont	L. C. Mitchell, Wellington.

In accordance with the conditions, a prize of £25 was paid for each accepted design.

The selected designs cover almost as wide a range of subjects typical of the Dominion as is permitted by the comparatively restricted limits of a series of postage-stamps. They include representations of New Zealand bird and animal life, notable scenic features, Maori art and primary industries, as well as recording an important event in the history of New Zealand, and picturizing a happening connected with a sport which is attracting many visitors from overseas. In the majority of cases, the subjects represented are characteristic of the Dominion alone; and it is confidently anticipated that, when issued, the stamps will very attractively advertise New Zealand.

In order that the new stamps may be of a high standard of production, the selected designs have been forwarded to England, where tenders have been invited for the supply of the necessary printing plates. It is proposed that the stamps be produced by what is known as the "photogravure" process, a process of stamp-production which has been adopted with marked success in recent years by many countries. Machines for the production of stamps by this process are not at present available in New Zealand, and so that the issue of the new stamps may not be delayed unnecessarily, it is proposed to have an initial supply of each denomination printed in England. Thereafter, supplies will be printed in New Zealand with machinery that it is intended as soon as possible to provide. It is expected that the new stamps will be available for issue early in 1933.

STAMPS OF THE COOK ISLANDS AND NIUE.

A recent happening of importance was the issue of two new series of stamps, one for the Cook Islands and one for the Island of Niue. The designs of the stamps in each of the new series are the same, except for the necessary variations in the Island names and consequential alterations in the borders. Furthermore, the colours of the stamps are different in each series. The denominations of the stamps in both series and the central feature of the design of each are as under :—

½d.	..	Landing of Captain Cook in the Cook Islands.
1d.	..	Portrait of Captain Cook with Naval head-dress.
2d.	..	Double Maori canoe, representing the early arrival of the Maoris in New Zealand from the Cook Islands.
2½d.	..	Natives working cargo between the shore and a schooner.
4d.	..	Avarua Harbour, Rarotonga.
6d.	..	R.M.S. "Monowai" at Rarotonga.
1s.	..	Portrait of His Majesty King George V.

All except the 1s. denomination in each series were issued on the 15th March. The 1s. denomination was issued in the following month, the delay being caused by the original design requiring to be redrawn in England.

The designs for the stamps were drawn, from subject-matter supplied by the Cook Islands Department, by Mr. L. C. Mitchell, of Wellington. The design for the 1s. denomination was, however, redrawn in England from a photograph supplied by His Majesty the King. The printing-plates were manufactured in England by Messrs. Perkins, Bacon, and Co., and supplies of the stamps were also printed by that company. Subsequent printings will be made at the Government Printing Office, Wellington.

For many years past there have been separate series of stamps for the Islands of Aitutaki, Niue, Penrhyn, and Rarotonga. The series for Aitutaki, Niue, and Penrhyn respectively were for use in the islands of those names. The Rarotongan series was used not only in the Island of Rarotonga, but also in the remaining islands of the Cook group not provided with special stamps. It is proposed to withdraw these old series from sale at the 31st December next, leaving on sale only one series (the new series) for Niue (which has a separate administration and no means of direct communication with Rarotonga, the headquarters of the Cook Group), and one series (the new series) for the rest of the group.

Other stamp-issues for the islands during the year were denominations of 2d., 2s. 6d., 5s., 10s., and £1, for both Niue and Rarotonga. The 2d. denomination, which was issued in April, was necessitated by the increase in postage rates from the 1st March, 1931; and the means adopted was the overprinting of the words "Two Pence" on 1½d. stamps of Niue and Rarotonga, the 1½d. stamps being no longer required. The other denominations were issued in November, and were provided by overprinting the words "Niue" and "Rarotonga" on the latest issue of "Duty" stamps of the Dominion (New Zealand Coat of Arms).

AIR-MAIL STAMPS.

On account of the development in recent years of the air-mail services of the world and the consequent increase in volume of correspondence posted in New Zealand for conveyance by air while *en route* to destinations abroad, it was decided to introduce a series of air-mail stamps. In accordance with this decision the first series of such stamps to be issued by the Department was placed on sale on the 10th November. The denominations were 3d. (chocolate), 4d. (mauve), and 7d. (cadmium brown), these amounts being the initial air-mail fees then in operation for correspondence carried by the air-mail services abroad most used by New Zealand correspondents. The design of the stamps, which is the same for each denomination, consists of a typical New Zealand lake scene with mountains in the background, native bush in the foreground, and an aeroplane flying over the lake. The design was drawn by Mr. L. C. Mitchell, of Wellington, and the plates were manufactured at the Royal Mint, London.

The issue of the new stamps coincided with the first of a number of special air-mail flights that were performed in New Zealand during the year (see pages 12 and 13). Before the Christmas flights were undertaken, it was decided to issue a 5d. air-mail stamp (combining the initial postage and air-mail charges on a letter sent by air in the inland service). This 5d. stamp was issued on the 18th December, and consisted of the overprint "Five Pence" (in carmine red) on stamps printed in light green from the 3d. air-mail stamp plate.

It is proposed to issue a new series of air-mail stamps, competitive designs for which are now in the possession of the Department.

"CHARITY" STAMPS.

The system of raising money for charitable objects by means of "Charity" stamps was continued during the year. Two denominations of stamps of new design were placed on sale on the 31st October, and withdrawn on the 29th February. The denominations were 2d. and 3d., each including 1d. to be devoted to a charitable object. The total number of stamps sold was 187,931, the gross value being approximately £2,035, compared with £1,730 the previous year. The "Charity" portion of the net proceeds is distributed at the direction of the Minister of Health.

STAMPS OF GOVERNMENT INSURANCE DEPARTMENT.

In November the colour of the 3d. denomination of the special stamps issued for the use of the Government Insurance Department was changed from yellow-brown to chocolate, the colour of the current 3d. stamp of the Dominion. In addition, it has been decided, to avoid confusion between the 1d. and 6d. denominations of insurance stamps, that the 6d. stamp shall in future be printed in cadmium brown, the colour previously used for the 1½d. denomination of the series. The latter denomination, being no longer required, will be withdrawn from sale when present stocks are exhausted.

POSTAL STATIONERY.

Registered-letter envelopes embossed 6d. (postage 2d., registration 4d.) were issued in July, following on the increases made in the postage and registration charges.

POSTAGE ON NEWSPAPERS.

Newspapers printed and published in New Zealand may now be forwarded to Empire countries at a charge of 1d. for each 16 oz., instead of each 6 oz. The amended rate was introduced on the 13th April, closely following the previous alteration of the 1st March, 1931.

On the 10th August an inland postage rate was introduced of ½d. for each newspaper not exceeding 3 oz. in weight.

INTRODUCTION OF REPLY SYSTEM FOR BUSINESS CORRESPONDENCE.

To meet the convenience of the business public, a system known as the "business reply system" was introduced in April enabling firms to pay postage on delivery on correspondence forwarded to them in specially marked envelopes, &c. The system, which covers envelopes, cards, and wrappers, is welcomed by business firms desiring to relieve the addressee of payment of the postage on the reply to a communication issued, and is much preferred to the system of issuing stamped envelopes, many of which were not returned. For the service rendered under the new system, a fee of $\frac{1}{2}$ d. in addition to return postage is collected on each reply envelope, card, or wrapper.

BACK-STAMPING OF LETTERS.

The back-stamping of letters (other than letters for delivery over the counter) has been abolished at all offices in charge of permanent officers of the Department. Previously, exemption from back-stamping was granted only to the larger offices.

AUTOMATIC STAMPING-MACHINES.

The agreement between the Department and the Automatic Franking Machine Co. (N.Z.), Ltd., of Christchurch, governing the use in New Zealand of automatic stamping-machines of the fixed type requiring to be read on the premises of the holder at the Department's expense, expired at the end of 1930, and was superseded by one providing that machines issued thereafter be presented at the post-office for payment, in advance, of the charges involved. Machines already on issue were not affected by the decision, and continue to be read on users' premises.

Following the application of the new agreement, the company introduced in January, 1931, a two-value type of machine, known as the "F" model. This machine, which is of New Zealand manufacture, is provided with a detachable meter, which is presented at the post-office as occasion arises for reading and the making of advance payments. The numbers in the dies of the machine are preceded by the letter "F."

At the same time the "Neopost" machine, an appliance of English manufacture with a range of values up to six, was introduced in New Zealand. This machine is portable, and is presented complete at the post-office for setting on payment of a sum in advance. The introduction of the "Neopost" appliance marked the use in New Zealand of an automatic stamping-machine providing not only an impression on correspondence of a stamp representing the charge, but also an advertising slogan, and a postmark showing the town and date of posting. The letter "N" precedes the number in the die face.

In December, 1931, a portable five-value "slogan"-type automatic stamping-machine of New Zealand manufacture was introduced by the Automatic Franking Machine Co.—the "Rotex" or "G" model. Like the "Neopost" machine, this appliance requires to be presented at post-offices for the payment of charges in advance. Also like the "Neopost," the machine is fitted with slogan and postmarking attachments. The dies of this machine have the distinctive marking "G."

With the new types of machine and the payment of charges in advance, the making of deposits in respect of the use of the machines is not required.

Users of the new types of machine are licensed by the Post Office, the form of license setting out in detail the conditions upon which use of the machines is permitted by the Department.

Correspondence that is postmarked by automatic stamping-machines is required to be handed in over the post-office counter, and must be presented on the date showing in the postmark.

INSPECTION.

During the year 1,362 visits of inspection to post-offices were paid by Inspectors. An audit is made on the occasion of each inspection. Under normal conditions the cash advances held at the various post-offices throughout New Zealand amount to approximately £303,000, while the value of the stamps, postal-notes, and British postal-orders held is £870,000. These figures demonstrate that frequent audits at post-offices are necessary.

During the year under review a deficiency of approximately £600 was disclosed in the official cash at a certain office as the result of an audit, but in no other instances were serious discrepancies found by Inspectors. It is claimed that, speaking generally, the efficiency of the Department is high, and that this satisfactory state of affairs is due to a considerable extent to the efforts of Inspectors. These officers are specially selected for their ability to act as instructors at the various offices visited by them. It is the Department's aim to maintain a high standard of efficiency, and the obtaining and maintaining of this condition is entrusted to Inspectors. They are also required to see that each office is managed as economically as possible and that a minimum staff only is employed.

BURGLARY OF POST-OFFICE PREMISES, ETC.

An unusually large number of burglaries of post-office premises occurred during the year. Most of the offices entered were situated in store or other buildings not owned by the Department.

Thefts from public call offices (slot telephones) and stamp-vending machines have been common during the year. While these depredations provide a very small monetary gain to the offenders, the machines in almost all cases being penny machines, the expenditure incurred by the Department in restoring the damage caused is not inconsiderable.

ARTICLES DELIVERED.

During the year 1931 the estimated number of articles delivered in the Dominion, including those received from places overseas, compared with the number in 1930, was as under:—

	1931.	1930.	Decrease Per Cent.
Letters	137,046,678	160,995,793	14.88
Post-cards	4,152,807	5,242,939	20.80
Parcels	1,817,988	3,317,841	45.20
All other articles	97,440,505	108,526,092	1.03
Totals	240,457,977	278,082,665	

AVERAGE NUMBER OF LETTERS POSTED PER UNIT OF POPULATION,
1931, 90.55.

DEAD LETTER OFFICE.

	1931.	1930.
Letters returned to senders in New Zealand	451,537*	650,546‡
Other articles returned to senders in New Zealand	218,517	257,238
Letters returned to other Administrations	63,843†	101,480§
Other articles returned to other Administrations	64,333	127,156
Letters destroyed (senders unknown and contents of no value)	24,470	36,413
Letters and letter-cards posted without addresses	9,812	12,148
Letters imperfectly or insufficiently addressed	18,095	20,967
Letters intercepted addressed to persons and firms on prohibited list	3,354	1,681
Letters intercepted on account of libellous addresses	67	112
Newspapers received without addresses	3,182	4,183
Other articles received without addresses	3,129	3,970
Newspapers returned to publishers as undeliverable	50,061	46,346
Articles bearing previously used stamps	109	156

* Including 23,183 registered. † Including 653 registered. ‡ Including 34,265 registered. § Including 923 registered.

The proportion of undeliverable letters to the total number of letters delivered was 0.40 per cent. In 1930 the proportion was 0.49 per cent.

MISSING POSTAL PACKETS.

During 1931 6,350 inquiries for missing postal packets were received by the Department. In 3,404 cases, or 53.6 per cent. of the total number, the packets were traced or otherwise accounted for satisfactorily. The position regarding delay in delivery is as follows:—

Sender responsible for delay	844
Addressee responsible for delay	1,216
Post Office responsible for delay	322
No delay, or responsibility not fixed	1,022

In 2,946 cases, the disposal of the packets could not be determined. These cases represent 0.0013 per cent. of the total number of articles posted.

MONEY-ORDERS.

During the year 714,478 orders were issued, of a value of £3,993,035. This represented a decrease compared with the previous year of 119,027 in number and of £1,076,594 in value.

POSTAL-NOTES.

The postal-note service was not so freely used this year as last. The sales were 2,884,654 postal notes, of a value of £952,444, against 3,907,288, of a value of £1,128,807, during the previous year.

The commission totalled £22,704 8s. 8d., a decrease of £3,328 17s. 1d. on the commission earned in the previous year.

On the 1st September a new series of postal notes, comprising thirty-nine denominations, commencing at 1s. and rising in steps of 6d. to 20s., was introduced in replacement of the old issue of nine denominations. The new issue is popular. Previously, three postal notes were sometimes required to make up a remittance for which one postal note now suffices. Under the new arrangement a considerable saving will be made in the cost of printing postal-notes. If the demand for postal notes for the first six months for which the new practice applied had been met by the issue of postal notes of old denomination, the number issued would have been over half a million more than it actually was.

BRITISH POSTAL-ORDERS.

British postal-order business also fell away to some extent, 126,899 orders, of a value of £70,644 4s. 2d. being sold, as against 162,274 orders, of a value of £90,794 19s. 2d., for the previous year. The number of orders paid was 30,084, of a value of £17,029 14s., compared with 32,934, of a value of £19,000, paid during the previous year.

EXCHANGE ON OVERSEAS REMITTANCES.

Owing to the heavy increase in the bank rate of exchange between New Zealand and certain countries overseas, arrangements were made with Great Britain, Northern Ireland, the Irish Free State, and South Africa whereby money-orders and postal-orders issued in those countries for payment in New Zealand are cashed at their face value, plus a premium based on the current selling-rate in those places for demand exchange on New Zealand. A similar agreement was entered into with Great Britain and Northern Ireland in respect of moneys transferred through the Savings-bank.

SAVINGS-BANK.

The deposits in the Post Office Savings-bank amounted to £19,463,985, and the withdrawals to £25,488,081, an excess of withdrawals of £6,024,096. The interest credited to depositors was £1,611,048, and the total amount at the credit of depositors at the end of the year was £43,255,499.

On the 1st August the rate of interest on Savings-bank deposits not exceeding £500 was reduced by $\frac{1}{4}$ per cent., making the interest now allowed as follows: On as much of a deposit as does not exceed £500, $3\frac{3}{4}$ per cent. per annum; on as much as exceeds £500 and does not exceed £2,000, $3\frac{1}{4}$ per cent. per annum.

Savings-bank ledger offices were established during the year at Waimate (1st May), Marton (1st June), Tauranga (1st July), and Pukekohe (1st October). In the coming year it is hoped that it will be possible to provide ledger facilities at an additional number of the more important country offices.

POST OFFICE INVESTMENT CERTIFICATES.

Post Office Investment Certificates provide a regular avenue of investment for people of small means who desire the slightly higher rate of interest offered by a fixed deposit. The total sales since 1st September, 1927, the date on which the issue was made available, amount to £2,848,138, of which certificates costing £404,924 were sold during the year under review.

The certificates are now issued for periods of two and five years currency only, the one-year certificates being withdrawn from sale on the 1st August. From the same date an alteration was made in the selling-price of the other issues, resulting in a slight reduction in the interest returned.

UNEMPLOYMENT ACT, 1930, AND AMENDMENT ACT, 1931.

During the year there was a large increase in the volume of work undertaken on behalf of the Unemployment Board.

Numerous registrations were effected of male persons who had just attained the age of twenty years and of male persons newly arrived in New Zealand.

Quarterly instalments of the general unemployment levy collected during the year amounted to £497,921.

Under the Unemployment Amendment Act of 1931 a relief tax, additional to the unemployment levy, was imposed on salaries and wages and other forms of income. To enable the tax on salaries and wages to be paid without inconvenience, special unemployment relief stamps were issued, and sales of these stamps during the period 1st August to 31st March amounted to £304,823. During the same period wages-tax amounting to £114,600 was received in cash by the Post Office.

All persons not wholly exempt from payment of the general unemployment levy were required to make a declaration of income other than salary or wages. The emergency unemployment charge on such income is payable either to the Post Office or to the Commissioner of Taxes. All women whose total income was in excess of £250 per annum were also required to declare their income other than salary or wages and to pay the emergency charge thereon. The amount of the emergency unemployment charges collected by the Department to 31st March was £157,284.

Vouchers totalling £2,142,751 for wages, &c., due under the different unemployment schemes were paid during the year.

Postmasters who acted as certifying officers and Government representatives on local Unemployment Committees assisted materially in the efficient working of the various relief schemes, and continue to do so.

TELEGRAPH AND TOLL SERVICES.

INTERNATIONAL CONFERENCE ON TELEGRAPH AND RADIO-TELEGRAPH QUESTIONS.

An International Conference for the purpose of reviewing the International Telegraph Convention and revising the regulations made thereunder is to be held at Madrid in September, 1932. In conjunction with this an International Conference will be held for the purpose of reviewing the International Radio-telegraph Convention Regulations. It is proposed at the same time to examine the feasibility of combining the International Telegraph and Radio-telegraph Conventions in a single document.

In view of the importance attached to the Conferences, it is necessary that the Dominion be represented by an officer who is thoroughly acquainted with all phases of telegraph and radio-telegraph matters as affecting New Zealand; and Mr. M. B. Esson, who retired some three years ago from the position of Second Assistant Secretary of the Department, and who is now residing in London, has been appointed as the Dominion's delegate. Mr. Esson is the New Zealand Representative on the Advisory Committee set up in connection with Imperial and International Communications, Ltd., and is particularly well equipped to deal with any matters that may arise at the Conferences.

GENERAL ELECTION, 1931.

The general election which was held on the 2nd December resulted in the usual large accretion of telegraph traffic. Adequate arrangements were made throughout the Dominion for the prompt handling of election returns, and of the great number of other telegrams and telephone calls incidental to the election. The amount of traffic handled was appreciably less than usual on account of the fact that no licensing poll was held.

The traffic, generally, was handled with accuracy and promptitude, and, as usual, the officers responded loyally to the call for long hours of duty and the arduous working-conditions which are unavoidably associated with general elections.

MACHINE-PRINTING TELEGRAPHS.

Fast and reliable service continues to be given by the machine-printing telegraph apparatus installed throughout the Dominion. It is proposed in the near future to extend the use of teleprinter apparatus to the Gisborne, Hastings, and Napier Telegraph-offices with a view to permitting the simultaneous transmission of press telegrams to those offices from Wellington. Napier is at present linked with Wellington by means of the multiplex system, but machine-printing apparatus is not installed in Hastings or Gisborne. The additional facilities will permit of telegraph traffic for the offices concerned being handled with the utmost expedition.

CHRISTMAS GREETINGS TELEGRAMS: REDUCED CHARGE.

Although provision was made last year for an increase in the initial charge for Christmas and New Year Greetings telegrams from 6d. to 9d., the higher charge was not imposed during the 1930-31 holiday period in view of the difficult conditions that faced most members of the community.

DAILY LETTER-TELEGRAM SERVICE: EXTENSION.

The daily letter-telegram service has been extended to the undermentioned countries from the dates and at the rates shown:—

Country.	Date.	Rate.
Holland	1st April	9d. per word, with minimum charge of 15s. for 20 words.
Greece and Islands of Greece ..	15th May	9d. per word, with minimum charge of 15s. for 20 words.
Russia	1st June	10d. per word, with minimum charge of 16s. 8d. for 20 words.
Lettonia	1st June	9½d. per word, with minimum charge of 15s. 10d. for 20 words.
Hong Kong and Macao ..	11th September	11½d. per word, with minimum charge of £1 3s. 11½d. for 25 words.
Shanghai		1s. per word, with minimum charge of £1 5s. for 25 words.
All other places in China ..		1s. 1d. per word, with minimum charge of £1 7s. 1d. for 25 words.
Danzig	1st October	9½d. per word, with minimum charge of 15s. 10d. for 20 words.
Christmas Island	1st January	1s. per word, with minimum charge of £1 for 20 words.

WEEK-END LETTER-TELEGRAM SERVICE: EXTENSION.

The week-end letter-telegram service has been extended to the undermentioned countries from the dates and at the rates shown:—

Country.	Date.	Rate.
Holland	1st April	7½d. per word, with minimum charge of 12s. 6d. for 20 words.
Greece and Islands of Greece ..	15th May	7½d. per word, with minimum charge of 12s. 6d. for 20 words.
Russia	1st June	8½d. per word, with minimum charge of 14s. 2d. for 20 words.
Danzig	1st October	8d. per word, with minimum charge of 13s. 4d. for 20 words.

MAINTENANCE OF TELEGRAPH AND TELEPHONE COMMUNICATION.

Notwithstanding the visitation of a number of storms of exceptional severity which caused disruption in varying degrees of telegraph and telephone services, communication throughout the Dominion was well maintained, and this again testifies to the sound policy pursued by the Department in the construction and maintenance of its lines. In those cases in which disruptions of the service occurred, prompt and efficient steps were taken to restore communication with a minimum of delay.

CARRIER CURRENT TELEPHONE SYSTEMS.

The further extension of the long-distance-telephone network by the installation of carrier systems and voice-frequency repeaters, has been more or less completely suspended since the beginning of the year, but a considerable amount of investigational work has been carried out with a view to providing additional carrier-telephone channels over the Cook Strait single-core telegraph cables. The existing facilities provided by the cables are sufficient for present requirements, but it is desirable, if practicable, to establish several additional channels over alternative routes so that they may be available for use in the event of interruption to the Wellington-Seddon four-core continuously-loaded telephone-cable which yields four of the five inter-island telephone channels now in operation. This investigational work has not yet reached a stage at which the possibilities in this direction can be definitely gauged, but, notwithstanding the fact that the problem presents serious difficulties, it is hoped to complete the establishment during the coming year of the minimum number of additional channels required to provide for the emergency mentioned.

Plans have been prepared for the installation of voice-frequency repeaters on a number of open aerial trunk telephone-lines in various parts of the Dominion in order to improve the speech efficiency of the circuits. Some, if not all, of these will be put into service during the coming year if funds are available.

A modern type of toll test-board, equipped with improved facilities for the testing of lines and equipment and the patching out of faulty units, has been installed at the Central Exchange, Wellington. Test-boards of this kind are essential adjuncts to the carrier-telephone equipment located at the principal toll centres.

EXTENSION OF TOLL AND TELEGRAPH SYSTEMS.

Apart from a few cases in which it was necessary to erect new lines to meet traffic and other conditions, efforts were directed during the year towards reconstructing and rearranging existing lines for the purpose of effecting needed improvements to telegraph and telephone facilities, and incidentally reducing maintenance cost which is necessarily a heavy item of expenditure over the Department's network of toll and telegraph systems. The following are the places between which the efficiency of existing circuits was improved or between which new circuits were provided:—

Okaihau-Mangamuka.	Governor's Bay - Diamond Harbour.
Kerikeri-Okaihau-Kaeo.	Christchurch-Ashburton.
Whangarei-Kirikopuni.	Temuka-Winchester.
Dargaville-Ruawai.	Geraldine - Beautiful Valley.
Auckland-Waimauku.	Timaru-Maungati.
Thames-Paeroa.	Cromwell-Arrowtown.
Tuakau-Onewhero.	Palmerston - Shag Point.
Hamilton-Morrinsville.	Portobello - Taiaroa Heads.
Tauranga-Matamata.	Gore-Lumsden.
Awakino-Mahoenui.	Lumsden-Balfour.
Carterton-Masterton.	Balfour-Riversdale.
Greytown-Masterton.	Riversdale-Gore.
Wellington-Dannevirke.	

In addition to the foregoing, 270 miles of toll and telegraph pole-line were reconstructed during the year. This work also involved the replacement of 560 miles of wire.

Other improvements to the plant and equipment used in connection with the toll and telegraph services included the following:—

- The installation of new test-boards at Raurimu, Clyde, and Henley.
- The installation of a toll and telegraph test-board at the Wellington Central automatic exchange.
- The conversion to central battery or omnibus working of several Morse circuits for the purpose of reducing line batteries.
- The modification of toll circuits at the Dannevirke, Stratford, and Hawera Exchanges.
- The installation of an up-to-date toll-board at the Napier Exchange.
- The installation of a central-battery telegraph circuit between Wanganui and Hawera.
- The extension of the toll-board at the Christchurch Automatic Exchange.
- The installation of equipment at the telephone-exchange, Auckland, to provide accommodation for additional toll lines and to facilitate the more expeditious handling of toll traffic.

POLES AND WIRE.

During the year 7 miles of pole-line and 187 miles of wire were erected for telegraph and telephone (toll) purposes, while 42 miles of pole-line and 147 miles of wire were dismantled, or, in localities where no longer required by the Department, sold to settlers for use as private telephone-lines.

The lengths of pole-line and wire in use for telegraph and telephone toll purposes on the 31st March, 1931 and 1932, respectively, were as follow:—

Pole-line and Wire.	Year ended 31st March, 1931.	Year ended 31st March, 1932.
Miles of pole-line	12,593*	12,558
Miles of wire	63,895*	63,934

* Revised figures.

The telegraph and telephone wire in use on the 31st March, 1932—viz., 63,934 miles—is classified as under:—

	Miles.
Used exclusively for telephone toll traffic	5,142
Used exclusively for telegraph traffic	9,035
Used simultaneously and (or) conjointly for telegraph and telephone toll traffic	49,757

The total length of wire that may be used for telephone toll traffic is 54,899 miles; the total length that may be used for the transmission of telegrams, 58,792 miles; and the length of telephone toll-lines over which telegrams may be transmitted by telephone, 23,533 miles. The total length of Morse circuit derived from the superimposing of telephone circuits is 14,185 miles, and the total length of additional telephone toll circuit improvised from the existing wire circuits by the use of subsidiary apparatus associated therewith (so-called phantom working) is 7,353 miles. In addition, 3,682 channel miles of telephone toll circuit have been obtained from the application of the carrier-current telephone system to telephone trunk lines.

NEW ZEALAND SUBMARINE CABLES.

COOK STRAIT CABLES.

In last year's report reference was made to the fact that the cable-steamer "Iris" (now renamed "Recorder") had been commissioned to repair the Department's interrupted cables in Cook Strait. The vessel arrived at Wellington from Melbourne on the 6th April, and immediately commenced the taking-in of cable from the shore tanks in preparation for the restoration of the faulty cables.

At the time the "Iris" was chartered only two cables were affected, these being Nos. 1 and 2, Oterongu Bay—White Bay single-core telegraph cables, each of which developed a break in July, 1929. While the "Iris" was *en route* from Melbourne a break occurred in the Titahi Bay—Picton cable (No. 6), in consequence of which communication over the third circuit was totally interrupted on the 4th April.

The original break in No. 1 cable, as previously recorded, was located at a point $5\frac{1}{2}$ nautical miles from the Oterongu Bay cable hut; while that in No. 2 cable had been found to be $11\frac{1}{4}$ nautical miles from the same place. The break in No. 6 cable was located at a point $6\frac{1}{2}$ nautical miles from the Titahi Bay cable hut or about 3 nautical miles westward from the northern extremity of Mana Island.

It was decided on account of weather conditions that No. 6 cable should be repaired first. Operations were commenced on the 8th April, and repairs, involving the laying in of 4.103 nautical miles of new cable, were completed on the 10th idem.

The locality in which the breaks occurred in the other two cables happened to be the most unfavourable part of Cook Strait from the point of view of cable-work, operations being greatly hindered as a general rule by the strong prevailing winds, rough seas, and tidal currents. It is for this reason that the time occupied in repairing each of these two cables was greatly in excess of that spent in restoring No. 6. For five days immediately following the completion of repairs to No. 6 the ship was unable to work on the other cables owing to unfavourable conditions. Operations were, however, resumed on the 15th April, and communication was finally restored over No. 1 cable on the 26th idem, while that over No. 2 cable was not restored until the 5th May.

The restoration of No. 1 cable necessitated the laying of 4·355 nautical miles of new cable to bridge over the original break, and a second one which had developed a few days prior to the commencement of the repair.

The work on No. 2 cable developed into one of the most extensive repairs undertaken in Cook Strait for many years past. Grappling operations proved the cable to be buried over a fairly considerable portion of its length and several breaks were discovered before communication was established with the terminals. Finally, to restore this cable to good working-order, it was found necessary to lay in a total length of 16·245 nautical miles of new cable between the Oterongu Bay cable hut and a point 13·74 nautical miles from White Bay.

Since these repairs were effected the whole of the Cook Strait telephone and telegraph cables have remained in good working-condition, except for some minor defects which developed in the trench sections of the Seddon-Wellington four-core continuously-loaded telephone cable, these faults being located and removed while in their incipient stages and before they affected the operation of the cable.

FOVEAUX STRAIT CABLE.

The Bluff-Stewart Island cable became faulty in April, but communication was not totally interrupted until July, when the cable parted in the locality near the Bluff landing where similar troubles have been experienced at various times in previous years. Owing to the urgent need for curtailing expenditure, the repairing of this cable was deferred for some months, telegraphic communication between Stewart Island and the mainland being provided in the interim by a short-wave radio link, the terminals of which were installed at Half-moon Bay and Awarua-Radio respectively. In December it was decided to restore the cable, and repairs, which involved the laying of a length of one mile and three-quarters of new cable, were completed on the 18th December. As interruptions to this cable have been somewhat frequent during recent years, it was decided on the occasion of this repair to remove the cable hut from its original position in Boat Harbour (Bluff) to a new site about a quarter of a mile to the westward of the old position. By this change it was found practicable to lay the new cable on a more favourable part of the sea-bed.

RADIO TELEGRAPH AND TELEPHONE SERVICES.

OVERSEAS RADIO-TELEPHONE SERVICE.

Following the successful completion of the tests referred to in last year's report, the overseas radio-telephone service was extended on the 23rd July to Great Britain, Northern Ireland, and the Irish Free State (Dublin only); on the 21st September to Belgium, Germany, and Holland, and on the 1st January to Austria, Czecho-Slovakia, Danzig, Denmark, Finland, France, Hungary, Latvia, Lithuania, Luxemburg City, Norway, Roumania, Sweden, and Switzerland.

The charge for calls to the United Kingdom (except Northern Ireland) is at the rate of £2 5s. a minute with a minimum payment of £6 15s., and to Northern Ireland and the Irish Free State £2 7s. and £7 1s. respectively. New Zealand shares in these charges at the rate of 6s. a minute, which payment covers also the service rendered on New Zealand toll lines.

For calls to continental countries the charges vary from £2 9s. a minute, with a minimum of £7 7s., in the case of Belgium and Luxemburg City, to £2 17s. a minute, with a minimum of £8 11s., in the case of Roumania.

In the existing difficult conditions, little use is being made of the overseas telephone service. This lull has afforded an excellent opportunity for experimentation by the Department's officers; and, when conditions improve and the service becomes popular, as it no doubt will, the knowledge gained from experience will assist in the smooth and efficient working of the service.

ESTABLISHMENT OF EMERGENCY RADIO-STATIONS.

Brief reference was made in last year's report to the installation of a number of radio-transmitting sets at strategic points throughout New Zealand for emergency use in case of interruption to the normal communications system. The work was completed during the year, equipment consisting of a self-contained portable low-power short-wave radio-telegraph transmitter with receiver—power for the transmitter being obtained from dry batteries—having been supplied to Whangarei, Hamilton, Rotorua, Gisborne, Napier, New Plymouth, Wanganui, and Palmerston North in the North Island; Nelson, Blenheim, Westport, Greymouth, Karamca, Timaru, and Awarua-Radio (near Invercargill) in the South Island; and at Half-moon Bay in Stewart Island. Care has been taken to ensure that the buildings in which the emergency apparatus will normally be housed and operated are reasonably immune from destruction by earthquake or other forces.

In addition, a higher-powered transportable transmitter with engine-driven power generator has been provided at Wellington; and, by the inclusion of suitable existing apparatus at Auckland, Christchurch, and Dunedin, the arrangements made will, it is confidently anticipated, enable emergency contact to be maintained on the main arterial communication routes should telegraph and telephone communication be interrupted.

The regular tests which are being carried out between the various stations concerned indicate that the apparatus is operating efficiently, and ensure that it can be brought into use with a minimum of delay should occasion arise.

TEMPORARY RADIO-TELEGRAPH SERVICE TO STEWART ISLAND.

On the occasion of the interruption to the Foveaux Strait (Bluff—Stewart Island) cable, a public radio-telegraph channel between Awarua-Radio and Half-moon Bay Post-office was inaugurated in July, and was maintained in operation until the cable was repaired in December. The radio channel was also used for a few days as an auxiliary to the cable in the despatch of Christmas telegraph traffic; and it is being retained for use in the event of further interruption to the cable. The apparatus used at each end of the radio channel is of the low-power type manufactured by the Department for use in the emergency service referred to in the preceding paragraph.

DEPARTMENTAL RADIO-STATIONS: OPERATION.

The working of the Department's radio-stations has proceeded smoothly during the year. In view of the necessity for restricting expenditure as much as possible, little work of a developmental nature has been undertaken.

Additional aerials for short-wave working to the Pacific Islands have been erected at Wellington-Radio with a view to making greater use of directive transmission.

At the Mount Crawford (Wellington) radio-telephone receiving-station, the temporary receiving-apparatus previously in use has been replaced by new apparatus designed to give the highest possible grade of service. This equipment is specially designed to eliminate interfering noises of all descriptions, with a consequent improvement in the clarity of the received speech.

At other stations only routine maintenance work has been undertaken.

CO-OPERATION OF NEW ZEALAND ASSOCIATION OF AMATEUR RADIO TRANSMITTERS.

Under the Department's regulations governing the operation of amateur radio-stations it is provided that certain frequencies (wave-lengths) may be used by all amateur stations, but that other frequencies generally employed for international communication may be used only by permission of the Postmaster-General. Such permission is given only when the amateur operator possesses the qualifications necessary for efficient operation on these congested wave-bands. During the year the New Zealand Association of Radio Transmitters, a body composed entirely of amateur radio operators, offered its assistance in the matter of supplying information relating to the qualifications of applicants for permission to work on the international wave-lengths mentioned. The offer was accepted, and the arrangement has worked smoothly since its inception in June.

BROADCASTING SERVICE.

Last year's report mentioned that the whole question of broadcasting control in New Zealand was to be reviewed prior to the expiry at the end of 1931 of the agreement with the Radio Broadcasting Co. After fully considering all phases of the question, Government decided to set up a Board for the future control of broadcasting; and this decision was given effect to in the Broadcasting Act of 1931.

The Act provided for the establishment of a Board, to be known as the New Zealand Broadcasting Board, to consist of three persons to be appointed from time to time by the Governor-General in Council. It also made provision for the appointment, to advise the Board in respect of its functions under the Act, of an Advisory Council of eight members; five ordinarily resident in the North Island and three ordinarily resident in the South Island, appointments to be made by the Governor-General in Council on the recommendation of the Minister for a term not exceeding three years at any one appointment; and recognized organizations of listeners to be given an opportunity of nominating persons suitable for membership of the Council. In addition, the Board is authorized to appoint standing or special committees to advise the Board in matters connected with the broadcasting service.

The functions of the Board as defined by the Act are to carry on a broadcasting service within New Zealand and to develop and improve the service from time to time. The Board is authorized to obtain licenses under the Post and Telegraph Act, 1928, for the operation of broadcasting stations, and empowered to enter into agreements with the Minister of Telegraphs for the payment to the Board of portion of the fees received from the licensing of radio-receiving apparatus. The Board has authority under the Act to undertake in connection with the broadcasting service any subsidiary business that, in the opinion of the Minister of Telegraphs, is ancillary to the carrying-on of the service.

The Act required the Board, if and when required by the Minister so to do, to acquire from the Minister at such price and upon such terms and conditions as the Minister thought fit, any broadcasting stations, plant, and other assets that the Minister might acquire from the Radio Broadcasting Co., pursuant to agreements made between the Minister and the company in connection with the broadcasting service provided by the company to the end of 1931.

The undermentioned gentlemen were appointed as members of the first Broadcasting Board: Mr. H. D. Vickery, of Wellington (Chairman), Mr. G. R. Hutchinson, of Auckland, and Mr. L. R. C. Macfarlane, of Culverden. The period of appointment of the Chairman is four years, and of the other members three years.

In accordance with the provisions of the Act, the broadcasting service was taken over by the Board on the 1st January.

The expired agreement between the Department and the Radio Broadcasting Co., required that on termination of the agreement the Department should take over the assets of the company used in connection with the broadcasting service, the purchase-price to be determined by arbitration should the parties to the agreement be unable mutually to agree as to price. The Department and the company were unable to agree on the valuation to be placed on the assets; and accordingly His Honour Mr. Justice Blair was appointed to arbitrate in the matter. The Arbitrator fixed at £58,646 6s. 2d. the price to be paid by the Department for the company's assets; and in terms of the Act the Minister has required the incoming Board to pay this sum for the broadcasting stations and plant taken over by the Board, and also to reimburse the Department with the expenses incurred by it in connection with the arbitration. The total amount has been advanced by the Department to the Board, and is repayable by quarterly instalments over a period of ten years, with interest at the rate of 5 per cent.

The following gentlemen have been appointed to the Advisory Council provided for in the Act, and are already acting with the Board in the capacity intended: Mr. A. B. Chappell, of Auckland; Mr. J. S. Anchor, of Hamilton; Mr. F. T. Davis, of New Plymouth; Mr. W. A. Waters, of Palmerston North; Mr. J. H. Owen, of Wellington; Mr. C. R. Russell, of Christchurch; Mr. H. Booth, of Dunedin; and Mr. A. W. Jones, of Invercargill. In addition, the Board has availed itself of its authority under the Act to appoint district advisory committees.

The fee charged by the Department for the licensing of each radio-receiving set remains at 30s. per annum, and of this amount 25s. is paid to the Board.

On the 31st March, 1932, the number of radio-receiving licenses on issue throughout the Dominion was 74,980, 31,055 in the Wellington Engineering District, 22,475 in the Auckland District, 11,963 in Canterbury, and 9,487 in Otago. Included in the totals are 235 licenses issued free to blind persons. The total number of licensed listeners on the 31st March, 1931, was 62,713. The decided increase in the number of listeners is proof of the ever-increasing popularity of the broadcasting service, a pleasing feature being the fact that growth has been maintained despite the depression.

The staff detailed for radio-inspection duties has continued activity with varying success in connection with the elimination of interference with broadcast reception. At the close of the year extensive investigation was being made with a view to the elimination of further sources of disturbance.

Active steps continue to be taken to detect persons who operate radio-receiving stations without obtaining the required license. During the year 519 persons were successfully prosecuted for this offence, the fines inflicted totalling £426 11s. 6d.

PRIVATE BROADCASTING STATIONS.

Private broadcasting stations continue to render good service, particularly in the case of some which are situated in localities not very satisfactorily served at present by the YA stations. The number of "B" stations now operating is thirty-three.

BROADCASTING STATION FREQUENCIES (WAVE-LENGTHS).

The large number of broadcasting stations now operating has increased the difficulty of accommodating such stations within the band of frequencies (wave-lengths) assigned to the broadcasting service, and has necessitated placing stations closer together in regard to frequencies than would be desirable if the number of channels were unlimited. The result of this congestion is that difficulty is experienced by some listeners who possess older types of receiving-sets in tuning out unwanted stations. With a view to reducing mutual interference to a minimum, stations situated close together geographically are given frequencies as widely separated as possible, while, in general, small stations in the same town are required to share a channel, the hours of service being arranged so that only one station is transmitting at a time.

The Department's policy in the matter of frequency allotment is to give preference—after the A stations—to those stations which, having regard to the power employed, the quality of transmissions, and the class of programme, may be regarded as best serving the greatest number of listeners. The small-power stations with their limited programme facilities are essentially for local reception only.

New Zealand is in the fortunate position of being comparatively free from the heterodyne interference experienced in the more closely settled countries, where the congestion of the ether by high-power stations makes the choice of frequencies for broadcasting stations extremely limited. Consideration has, however, to be given to the Australian stations, many of which are well received in New Zealand; and this is a matter upon which the Administrations of the two countries are in close touch. As the higher waves in the medium-wave band from which the New Zealand A station assignments are made are also in general demand in Australia owing to their transmission characteristics, it will be apparent that it is impossible to avoid a certain amount of interference from heterodyning on portions of the broadcast band.

RADIO-TELEGRAPH SHIP-STATION LICENSES.

The number of radio-telegraph ship-station licenses issued for the year was 63.

TELEPHONE-EXCHANGE SERVICES.

DISCONTINUANCE OF "TIME" SERVICE.

With a view to economy, the service of furnishing "time" to telephone-exchange subscribers was discontinued during the year. The saving in salary costs has justified the action taken. In no country in the world is a service of this nature provided free of charge.

NAPIER TELEPHONE EXCHANGE.

As mentioned in last year's report, the Hawke's Bay earthquake entirely disrupted telephone-exchange service in Napier. At the close of the year a reasonably efficient but not entirely satisfactory manual service was being provided from the building erected near the site of the old telephone-exchange building. This building continues to house the telephone exchange; but at midnight on the 8th July the subscribers were "cut over" to a branching multiple switchboard, which continues to provide a most satisfactory service for the subscribers who have renewed their connections. All phases of the Napier telephone-exchange question will be reviewed, however, when rebuilding in the devastated area has advanced sufficiently to enable the Department to judge future requirements.

DEVELOPMENT OF TELEPHONE-EXCHANGE SYSTEMS.

The telephone business in New Zealand, in common with most other businesses, has been retarded in development by the prevailing economic depression. The adverse effects of the depression did not begin to make themselves felt appreciably until the closing months of last financial year, the month of January, 1931, being the first for a considerable number of years in which there was not a gain in subscribers. The falling-off in new connections and the increase in relinquishments that commenced towards the close of last year has, as was to be expected, been continued this year, although it is a matter for congratulation, in view of the difficult conditions obtaining, that the relinquishments have exceeded the new connections by only 3,700, representing approximately 2.88 per cent. of the paying main-station telephones in use at the beginning of the year. The loss of subscribers is, of course, but another reflex of the decreased purchasing-power brought about by the diminished income of the Dominion. Viewed in relation to the steady progress of telephone development over the past decade, a net loss of some 3,700 subscribers is a retrograde step; but, having regard to the difficult nature of the existing situation, the percentage loss cannot be regarded as serious.

Taking into consideration the telephones of all kinds relinquished as well as new telephone stations connected, the total number of telephone stations at the end of the year was 156,972. If to this number is added the private-line telephones connected with toll stations and non-departmental exchanges (3,807), the number of telephones in service on the 31st March, 1932, was 160,779.

The restoration of telephone service in the Hawke's Bay District has been proceeded with throughout the year, and the temporary loss of approximately three thousand subscribers referred to in last year's report has now been made good to a large extent.

The following is a brief summary of the year's operations in regard to the development and maintenance of the telephone-exchange systems in the Dominion:—

The extension of the switching equipment at six automatic and eight manual exchanges, and the conversion of the manual exchanges at Hastings and Marton to automatic working.

The increase in facilities for direct dialling between a number of exchanges.

The laying of 22 miles of underground cable ducts.

The laying or erecting of 91 miles of lead-covered cable containing 33,589 miles of wire for subscribers' circuits.

The erection of 164 miles of pole-line and 2,282 miles of open aerial wire for telephone-exchange subscribers' circuits.

The reconstruction or partial reconstruction of the open wire systems at twenty-four exchanges.

The installation of twenty-one public call offices, including the restoration at Napier and Hastings of sixteen public call offices destroyed during the earthquake.

The installation of additional secondary batteries at the Miramar and Dunedin automatic exchanges and the replating of the battery at the Khandallah automatic exchange.

The installation of a motor and ringing generator at Invercargill.

The installation of frequency converters at Taumarunui, Te Kuiti, and Te Awamutu Exchanges, in replacement of motor-generator sets or pole-changers, for the purpose of improving ringing facilities.

In addition to the work enumerated in the foregoing summary, a number of extensions to the switching and cabling portion of local telephone-exchange systems was commenced but not completed during the year.

The length of various items of telephone-exchange plant in existence on the 31st March, 1931, and 1932, respectively, was as follows:—

	Pole-line.	Single Duct Line.	Cable.		Wire.			
			Under- ground.	Aerial.	In Under- ground Cable.	In Aerial Cable.	Open Aerial.	Under all Headings.
	Miles.	Chains.	Chains.	Chains.	Miles.	Miles.	Miles.	Miles.
In existence on 31st March, 1931	15,126	41,270*	88,632	44,758	363,065	57,684	107,069*	527,818*
Erected during year	164	1,738	5,241	2,019	31,218	2,371	2,282	35,871
Dismantled during year	27	..	742	2,366	3,291	2,860	803	6,954
In existence on 31st March, 1932	15,263	43,008	93,131	44,411	390,992	57,195	108,548†	556,735

* Revised figures.

† Includes 133 miles of earth-working circuit.

The percentages of the total wire-milage in underground and aerial cables and open aerial wire respectively for the year ended 31st March, 1932, are as under :—

Telephone-exchange wire in underground cables	70 per cent.
Telephone-exchange wire in aerial cables	10 „
Telephone-exchange open aerial wire	20 „

TELEPHONE STATISTICS.

The steady growth of the telephone system is exemplified in the following table, which shows annually since 1923 the number of exchanges, the total wire-milage, the revenue, and the total number of telephone-stations, together with the number of telephones for each 1,000 of population of the Dominion :—

Year.	Number of Exchanges.	Miles of Wire.	Revenue.	Number of Telephone-stations.	
				Total.	Per 1,000 Population.
			£		
1923	320	229,882	595,967	107,036	80·78
1924	327	269,421	830,470	111,441	82·67
1925	340	331,453	867,218	120,097*	87·09
1926	341	402,433	980,281	130,186*	94·40
1927	342	440,253	995,071	137,307*	95·48
1928	344	463,356	1,057,177	144,552*	99·40
1929	351	495,470	1,135,795	152,541*	103·72
1930	349	513,096	1,206,714	161,323*	108·37
1931	349	528,568	1,238,649	161,739*	107·04†
1932	349	556,735	1,218,072	160,779*	105·45

* Includes approximately 4,000 non-exchange stations.

† Decrease owing to temporary loss of subscribers due to Hawke's Bay earthquake.

The manner in which the exchanges are classified, the number of exchanges in each class, and the number of stations connected therewith on the 31st March, 1932, are shown in the following table :—

	Class I. Exchanges or Networks observing Continuous Attendance and having more than 3,500 Paying Subscribers' Main Stations connected therewith.	Class II. Exchanges or Networks observing Continuous Attendance and having 1,001 to 3,500 Paying Subscribers' Main Stations connected therewith.	Class III. Exchanges or Networks observing Continuous Attendance and having 201 to 1,000 Paying Subscribers' Main Stations connected therewith.	Class IV. Exchanges or Networks where the Attendance is restricted.	Dominion Totals.
Subscribers' main stations	44,260	24,929	29,908	26,729	125,826
Toll and service stations	724	516	954	1,770	3,964
Public call offices	556	119	64	6	745
Extension stations—					
P.B.X.	9,559	2,001	728	102	12,390
Ordinary	7,548	3,362	2,196	941	14,047
Telephone-stations: Class totals	62,647	30,927	33,850	29,548	156,972
Number of exchanges in each class	4	13	62	270	349

In addition to the stations shown in the preceding table there were 3,807 stations connected by private telephone-lines directly or indirectly with departmental toll stations, making a grand total of 160,779 telephone-stations on the 31st March, 1932.

The following table shows the number of telephone-stations in each engineering district on the 31st March, 1931 and 1932 respectively, and the percentage of increase in each case :—

Engineering District.	Number of Telephone Stations on 31st March,						Percentage of Increase or Decrease.
	1931.			1932.			
	Main Stations.	Extension Stations.	Total.	Main Stations.	Extension Stations.	Total.	
Auckland ..	41,750	7,459	49,209	40,967	7,626	48,593	1.3 (decrease.)
Wellington ..	52,147	10,358	62,505	52,173	11,058	63,231	1.2 (increase.)
Canterbury ..	20,272	4,531	24,803	19,860	4,585	24,445	1.4 (decrease.)
Otago ..	18,084	3,166	21,250	17,535	3,168	20,703	2.6 (decrease.)
Totals ..	132,253	25,514	157,767	130,535	26,437	156,972	0.5 (decrease.)

The number of telephone stations (main and extension) connected with each of the fourteen principal exchanges on the 31st March, 1932, was : Auckland, 21,400 ; Wellington, 19,447 ; Christchurch, 12,744 ; Dunedin, 8,333 ; Wanganui, 3,616 ; Palmerston North, 3,308 ; Hamilton, 3,175 ; Invercargill, 2,845 ; Gisborne, 2,616 ; Hastings, 2,494 ; Timaru, 2,124 ; New Plymouth, 2,172 ; Masterton, 2,031 ; Nelson, 1,734.

The number of party and rural lines on the 31st March, 1932, was 11,353, to which were connected 45,196 main stations—an increase of 96 and 225 respectively on the figures for the previous year.

The following table shows, for each class of exchange, the respective percentages of business and residential stations, also the respective percentages of individual- and party-line stations, on the 31st March, 1932 :—

Percentage of	Class I Exchanges.	Class II Exchanges.	Class III Exchanges.	Class IV Exchanges.	Dominion Percentages.
Business stations	37	32	26	19	30
Residential stations	63	68	74	81	70
	100	100	100	100	100
Individual-line stations	88	74	51	32	64
Party- and rural-line stations ..	12	26	49	68	36
	100	100	100	100	100

AUTOMATIC TELEPHONE EXCHANGES.

EXISTING SYSTEMS.

The existing automatic telephone exchanges have given satisfactory service during the year, and no special comment is called for.

CONVERSION TO AUTOMATIC WORKING OF HASTINGS TELEPHONE EXCHANGE.

On the 31st May a step-by-step automatic-telephone switching-system, comprising 2,400 subscribers' lines, was cut into service at Hastings. Owing to the partial destruction by earthquake of the old central-battery system at Hastings, the installation of the automatic plant was a matter of urgency, and every effort was made to complete the work as early as possible. The Department's efforts in this direction enabled Hastings to be provided with a high-grade automatic telephone-exchange system some four months after the earthquake. In the meantime a temporary service was furnished by means of magneto switch-boards.

CONVERSION TO AUTOMATIC WORKING OF MARTON TELEPHONE EXCHANGE.

The installation of the automatic telephone-exchange switching-apparatus at Marton was completed, and the exchange converted to automatic working on the 26th July. The change-over was effected with a minimum of trouble, and no faults developed beyond those usually associated with an operation of this nature. The town of Marton now possesses an up-to-date and reliable automatic-telephone-exchange system comprising nine hundred subscribers' lines, and capable of providing high-grade service for many years.

CONVERSION TO AUTOMATIC WORKING OF WHANGAREI TELEPHONE EXCHANGE.

During the year a commencement was made with the work of installing automatic telephone-exchange switching-apparatus at Whangarei. Excellent progress has been made with the work; and it is expected that the change-over to automatic working will take place at an early date. The equipment that is being installed at Whangarei consists of 1,100 subscribers' lines, and is similar to that provided at Marton.

CONVERSION TO AUTOMATIC WORKING OF LOWER HUTT TELEPHONE EXCHANGE.

Good progress has been made with the work of installing the new automatic switching-equipment at Lower Hutt. In October the new exchange building, which occupies a site at the corner of Laing's and Knight's Roads, was completed and handed over to the Department, and a commencement was made immediately with the preliminary work necessary in connection with the installation of the automatic switching-apparatus. Owing to the relative geographical position of the Lower Hutt telephone-exchange area to the Wellington metropolitan-exchange area, and to the social relationship existing between telephone subscribers in the two areas, it has been necessary to incorporate in the new system certain features not hitherto necessary in plants purchased for installation in the Dominion. Details of the equipment were given in the report for 1929-30. No difficulty is being experienced with the installation of the plant, which is being undertaken by the Department's technical staff. It is expected that the conversion to automatic working at Lower Hutt will take place within the next few months.

RURAL AUTOMATIC TELEPHONE EXCHANGES.

A rural automatic telephone-exchange unit was installed at Heretaunga in November. In addition to the general suitability of the area for the purpose, the decision to install such a unit at Heretaunga was influenced by three major considerations—namely, the existence of ample accommodation in the post-office building, the desirability of having the unit installed in close proximity to a large automatic-exchange area, thereby enabling a close watch to be kept on its operation, and the avoidance of expenditure in the carrying-out of expensive cabling work which would otherwise have been necessary between Heretaunga and Upper Hutt. The unit is functioning perfectly, and is meeting all the demands made upon it. The performance of the equipment will be observed, with a view to determining the extent to which this class of apparatus is capable of meeting certain telephone conditions in the Dominion.

PRIVATE-BRANCH EXCHANGES.

Twenty-one private-branch exchange installations, accommodating a total of 122 trunk and 786 extension lines, were brought into service during the year. The demand for this type of service, especially from business houses, is well maintained, but, unfortunately, the existing financial position renders it necessary to defer for the time being the purchase and installation of the additional units necessary to meet the demand.

GENERAL ENGINEERING.

DUCT SPLICING OF UNDERGROUND TELEPHONE CABLES.

In the past years the economical utilization of remnants or recovered lengths of the larger-sized underground cables has presented a difficult problem, as the standard size of duct used will not accommodate the comparatively large-sized joints which have hitherto been made on such cables, and recovered pieces were frequently unsuitable in length for use in new duct sections. A search for a means of utilizing these odd lengths was made by the Department's Laboratory. The result has been a new type of joint of such reduced size that joined cables of the largest size used by the Department can be drawn into the ducts. The principle of the new type of joint is to extend the length and to reduce the diameter by "staggering" the joints of the individual wires. Owing to the longer lead sleeves required in such cases, and the fact that the joint requires to be strong enough to withstand the stresses involved when being drawn into the duct, the usual method of attaching the sleeve by means of plumbers' wiped joints was unsuitable, and lead burning had to be resorted to.

The method adopted has now been fully tested in practice, and has been found to be eminently satisfactory. As a result, short lengths of cable, many of which previously possessed only a scrap value, can be economically made up to any required length and brought into use at their full value. In addition to the economies that will result from time to time, the present financial position of the Department was eased by deferring the ordering of a large quantity of cable, to the value of £1,500, that was required for immediate use.

So far as the Department is aware, this method has not previously been used by any other Administration in connection with telephone cables.

TELEPHONE-EXCHANGE POWER PLANT.

With the greater reliability of the electric-power supply in the various exchange areas in New Zealand, it has been found possible, by operating exchanges as far as possible directly from the electric mains, to improve the power-supply arrangements in many exchanges, and so minimize the size of batteries required for reserve purposes and increase the life of existing batteries. With this in view, much greater use has been made of supplementary A.C.-D.C. conversion equipment such as rectifiers; and it has been found possible during periods when the exchange is unattended to relieve the load on the exchange battery by the use of such equipment. It is expected that this policy will result in

much reduced maintenance costs and increased life in battery equipment. As batteries fall due for replatal, the economics of each exchange are examined in order to determine the most advantageous method of purchasing power. It has been found in some cases more desirable to use the storage battery as an integral portion of the conversion equipment, taking the current-supply from the mains during the night hours when the load-factor of the supply authority is lowest. In such cases the increased battery depreciation is more than offset by the reduced charges for power supplied during these hours. In other cases, however, it has been found advantageous to take the power as required from the mains, leaving the battery floating across the exchange bus-bar as the reserve in case of power failure. Some of the smaller exchanges can be more economically operated in this condition, and the tendency has been to provide smaller batteries and more versatile power equipment in new urban and suburban exchanges. The case of the new Lower Hutt Exchange at present being installed may be cited as an example of more modern telephone-exchange power equipment; and it is expected that, with the facilities so provided, the cost of supplying power in this case will be minimized.

Many new developments in A.C.-D.C. conversion apparatus have occurred during the past few years, and the Department has taken every opportunity of utilizing these as a means of giving more economic and effective power-supply to its exchanges. Examples of such developments are: the introduction of copper oxide rectifiers, the introduction of electrolytic condensers and smoothing filters, the use of mercury-vapour rectifiers, the automatic control of charging-equipment, and the installation of condensers to improve the power-factor where induction motor-generators are in use.

SUPERCESSION OF WET-TYPE PRIMARY CELLS.

For many years the use of wet-type primary cells has been closely associated with the activities of the Department. However, with the almost complete reticulation of the Dominion by electric-power supply, and with the development of rectifying equipment giving long life and requiring negligible maintenance, it has become possible to provide even the smaller telegraph offices with conversion equipment suitable for providing the necessary direct current for telegraph purposes. In the larger offices, this has been supplemented by the use of large-capacity accumulators to provide the necessary reserve in case of power failure; but in the smaller offices it has been found that the provision of a standby battery of dry cells is the best method to provide this reserve. It may be said, in general, that wet cells are becoming an obsolescent item in the Department. The large expenditure required to maintain these cells in good condition has been a determining factor in the decision arrived at to standardize on dry cells in all subscribers' telephones in other than common battery exchange areas.

APPENDIX.

Table No. 1.

RECEIPTS AND PAYMENTS FOR THE YEARS 1881-82, 1891-92, 1901-2, 1911-12, 1921-22, AND FOLLOWING YEARS.

Year.	Balance forward.	Receipts.	Payments for Working-expenses.	Balance of Receipts over Working-expenses Payments.	Other Disbursements.		Payment to Consolidated Fund.	Balance.
					Depreciation Fund Investment, including Expenditure on Renewals, and Replacements of Assets.	Interest on Capital, Liability.		
1881-1882	234,529	233,291	1,238	..	..	..	*
1891-1892	320,058	268,343	51,715	..	..	..	*
1901-1902	488,573	465,756	22,817	..	..	..	*
1911-1912	1,087,710	988,911	98,799	..	..	..	*
1921-1922	2,811,535	2,451,571	359,964	..	..	..	†
1922-1923	2,687,768	2,114,994	572,774	..	..	..	†
1923-1924	2,688,954	2,120,584	568,370	..	..	..	†
1924-1925	2,889,450	2,416,257	473,193	..	..	..	†
1925-1926	3,100,396	2,409,556	690,840	..	..	..	†
1926-1927	3,220,666	2,346,274	874,392	..	..	..	†
1927-1928	3,329,511	2,299,571	1,029,940	..	..	..	†
1928-1929	3,445,545	2,445,068	1,000,477	550,000	428,000	..	22,477‡
1929-1930 ..	22,477	3,641,620	2,560,199	1,081,421	570,000	481,000	..	52,898
1930-1931 ..	52,898	3,707,420	2,642,400	1,065,020	558,248	504,000	..	55,670
1931-1932 ..	55,670	3,715,230	2,164,538	1,550,692	80,029	550,000	941,616*§	34,717

* Revenue paid to Consolidated Fund. † Revenue paid to Consolidated Fund and utilized in payment of working-expenses, interest on loan capital, and reduction of capital liability. ‡ Post Office Account separated from Consolidated Fund, 1st April, 1928. § Section 4, Finance Act, 1931 (No. 2), Depreciation rates revised and adjustment made in amount paid to Consolidated Fund.

Table No. 2.

TABLE SHOWING THE NUMBER AND AMOUNT OF MONEY-ORDERS ISSUED AND OF MONEY-ORDERS PAYABLE IN NEW ZEALAND SINCE THE YEAR 1863.

Issued in the Dominion.

Year.	Com- mission received.	Where payable.								Total.	
		In the Dominion.		United Kingdom.*		Australia and other British Possessions.		Foreign Countries.†		No.	Amount.
		No.	Amount.	No.	Amount.	No.	Amount.	No.	Amount.		
1863	£ 1,057	2,201	£ 9,614	4,740	£ 21,944	4,645	£ 24,145	..	£ ..	11,586	£ 55,703
1873	3,562	34,288	142,642	11,913	48,548	6,150	28,068	..	..	52,351	219,258
1883	9,023	132,232	402,559	26,211	91,634	14,113	46,940	..	..	172,556	541,133
1893	10,249	146,133	576,359	29,616	86,545	35,208	88,025	..	..	210,957	750,929
1903	15,882	273,535	1,108,067	63,309	157,790	59,468	150,368	..	..	396,312	1,416,225
1913	16,872	516,536	2,821,624	100,634	336,992	73,575	199,158	..	..	690,745	3,357,774
1923	28,357	545,605	3,849,423	54,461	223,143	68,044	284,778	16,869	32,815	684,979	4,390,159
1924	28,542	580,569	4,113,813	57,175	232,436	75,743	312,624	18,024	34,056	731,511	4,692,929
1925	28,843	610,972	4,406,461	64,777	259,439	72,519	278,050	18,421	33,280	766,689	4,977,230
1926	24,746	635,078	4,453,878	67,570	273,758	70,774	270,065	19,688	35,426	793,110	5,033,127
1927	24,775	639,889	4,416,182	69,764	276,747	73,021	265,752	20,807	36,409	803,481	4,995,090
1928	24,884	642,136	4,406,187	69,366	266,072	73,786	267,411	22,597	37,852	807,885	4,977,522
1929	25,673	664,049	4,609,226	70,540	274,672	76,230	263,929	24,539	39,726	835,358	5,187,553
1930	35,603	669,484	4,497,547	61,611	251,730	80,303	283,973	22,107	36,379	833,505	5,069,629
1931	40,704	608,706	3,667,683	36,938	159,347	54,191	143,136	14,643	22,869	714,478	3,993,035

Table No. 2—continued.

TABLE SHOWING THE NUMBER AND AMOUNT OF MONEY-ORDERS ISSUED, ETC.—continued.

Drawn on the Dominion.

Year.	Where issued.								Total.	
	In the Dominion.		United Kingdom.*		Australia and other British Possessions.		Foreign Countries.†			
	No.	Amount.	No.	Amount.	No.	Amount.	No.	Amount.	No.	Amount.
1863	2,067	£ 9,169	415	£ 1,824	558	£ 3,078	..	..	3,040	£ 14,071
1873	34,288	142,642	1,482	6,626	1,668	7,689	..	..	37,438	156,957
1883	132,232	402,559	3,725	15,553	5,697	23,300	..	..	141,654	441,411
1893	146,133	576,359	8,746	32,617	10,679	40,929	..	..	165,558	649,905
1903	273,535	1,108,067	13,035	49,181	17,777	68,340	..	..	304,347	1,225,589
1913	516,536	2,821,624	12,693	70,084	31,450	110,487	..	..	560,679	3,002,194
1923	545,605	3,849,423	11,042	63,313	26,042	123,703	1,813	8,669	584,502	4,045,108
1924	580,569	4,113,813	8,310	60,862	28,543	127,350	2,348	10,309	619,770	4,312,334
1925	610,972	4,406,461	9,857	69,098	27,318	119,073	2,140	8,391	650,287	4,603,023
1926	635,078	4,453,878	10,047	70,948	28,935	124,952	2,334	10,326	676,394	4,660,104
1927	639,889	4,416,182	11,646	80,015	32,791	136,763	2,428	9,301	686,804	4,642,261
1928	642,136	4,406,187	10,607	70,151	32,650	138,068	2,636	9,358	688,029	4,623,764
1929	664,049	4,609,226	10,953	68,273	32,973	129,798	2,923	10,875	710,898	4,818,172
1930	669,483	4,497,547	10,046	62,617	30,776	126,051	2,650	9,270	712,955	4,695,485
1931	611,165	3,682,333	10,276	60,631	17,458	87,071	2,609	8,794	641,508	3,838,829

* Includes foreign offices to year 1915.

† In previous years included in United Kingdom and foreign offices.

Table No. 3.

TABLE SHOWING THE NUMBER AND WEIGHT OF PARCELS EXCHANGED WITH OTHER COUNTRIES DURING THE YEARS 1930 AND 1931.

Places.	Received.				Despatched.			
	1930.		1931.		1930.		1931.	
	Number.	Weight.	Number.	Weight.	Number.	Weight.	Number.	Weight.
Great Britain and Northern Ireland and foreign countries via London	145,351	lb. 1,257,156	98,479	lb. 811,440	23,261	lb. 105,344	17,773	lb. 70,069
United States of America and possessions	52,295	317,411	32,393	184,121	4,634	18,535	3,624	13,771
Canada	16,015	191,160	9,838	114,097	1,799	6,443	1,634	6,241
New South Wales	32,993	142,509	25,254	104,219	11,368	36,427	9,257	27,649
Victoria	16,429	75,352	11,846	59,625	5,214	15,953	4,541	14,792
Queensland	1,529	3,016	1,131	2,233	1,433	4,050	1,066	2,744
South Australia	915	2,917	819	2,848	699	2,313	536	1,375
Western Australia	540	1,527	398	1,076	779	2,144	623	1,661
Tasmania	380	1,086	300	885	650	1,758	612	1,751
Norfolk Island	61	152	84	216	605	1,848	562	1,530
Union of South Africa	1,088	2,301	969	2,111	522	1,589	497	1,376
Egypt	294	1,982	211	1,409	64	336	32	143
Aden	1,530	11,060	877	6,319	..	..	..	..
India	4,558	35,529	3,090	22,078	1,148	6,072	865	4,234
Ceylon	596	2,650	419	1,885	118	441	92	339
Straits Settlements	661	2,036	652	2,215	441	1,971	309	1,234
Hong Kong	1,836	12,727	1,496	10,707	689	3,542	502	2,175
Fiji	977	2,142	763	1,782	2,149	7,603	1,800	6,112
Tonga	108	395	121	411	1,408	7,455	1,098	5,319
Tahiti	226	2,016	80	566	236	1,345	172	1,022
Uruguay .. .. .	..	..	..	..	36	197	20	99
Others .. .. .	..	..	..	..	23	90	14	49
Totals	278,382	2,065,124	189,220	1,330,243	57,276	225,456	45,629	163,685

Table No. 4.

POST OFFICE SAVINGS-BANK.—GENERAL STATEMENT.

TABLE SHOWING THE BUSINESS OF THE POST OFFICE SAVINGS-BANK IN THE VARIOUS POSTAL DISTRICTS OF NEW ZEALAND DURING THE YEAR ENDED 31ST MARCH, 1932.

Postal Districts.	Number of Branches at the Close of the Period.	Number of Deposits received during the Period.	Total Amount of Deposits received during the Period.			Average Amount of each Deposit received during the Period.	Number of Withdrawals during the Period.	Total Amount of Withdrawals during the Period.			Average Amount of each Withdrawal during the Period.	Excess of Deposits over Withdrawals during the Period.	Excess of Withdrawals over Deposits during the Period.	Interest for the Period.			Number of Accounts opened during the Period.	Number of Accounts closed during the Period.	Number of Accounts remaining open at close of the Period.	Total Amount standing to the Credit of all Open Accounts, inclusive of Interest to the Close of the Period.	Average Amount standing to the Credit of each Open Account at the Close of the Period.								
			£	s.	d.			£	s.	d.				£	s.	d.						£	s.	d.	£	s.	d.		
Auckland ..	182	223,390	3,089,305	12	4	13	16	7	4,086,567	15	11	15	8	1	997,262	3	7	251,130	9	7	13,205	13,975	145,163	6,807,860	6	4	46	18	0
Blenheim ..	16	14,877	212,641	18	11	14	5	11	266,275	11	4	15	16	1	53,633	12	5	20,901	3	9	826	792	11,527	563,616	8	11	48	17	11
Christchurch ..	73	221,126	3,064,546	1	0	13	17	2	4,026,180	13	7	15	10	8	961,634	12	7	265,413	15	1	8,398	8,419	136,743	7,113,151	1	2	54	8	1
Dunedin ..	80	89,474	1,301,618	1	11	14	11	0	1,894,795	19	8	17	16	8	533,177	17	9	141,132	2	10	4,347	5,408	74,682	3,742,407	16	7	50	10	4
Gisborne ..	26	31,177	419,382	12	10	13	9	0	542,676	4	4	16	5	7	123,293	11	6	37,685	12	4	1,783	1,770	22,322	1,024,634	5	7	45	9	11
Greymouth ..	25	16,261	224,983	19	10	13	16	9	342,187	7	0	18	18	6	117,203	7	2	27,858	1	4	1,127	1,166	14,511	729,933	17	1	50	6	1
Hamilton ..	91	88,402	1,085,225	14	5	12	5	6	1,379,659	7	11	16	12	11	294,433	13	6	81,210	8	2	6,501	5,601	47,804	2,214,985	2	8	46	6	9
Invercargill ..	38	31,519	418,182	17	5	13	5	4	608,814	3	2	16	8	5	190,631	5	9	54,518	18	2	2,093	2,321	31,424	1,457,576	2	10	46	7	9
Napier ..	43	68,518	1,105,495	2	10	16	2	8	1,316,701	3	10	17	13	6	211,206	1	0	76,227	7	3	5,222	4,415	42,603	2,083,781	4	7	48	18	3
Nelson ..	30	27,410	373,289	1	1	13	12	5	494,090	0	5	17	8	10	120,800	19	4	35,212	6	9	1,571	1,317	19,355	942,561	6	9	48	13	11
New Plymouth ..	37	54,009	711,843	19	9	13	3	7	945,101	11	6	18	3	11	233,257	11	9	58,873	7	3	3,281	3,170	34,327	1,606,304	6	1	46	15	11
Oamaru ..	12	16,165	257,474	9	10	15	18	7	325,329	0	11	17	18	8	67,854	11	1	23,094	0	7	912	861	10,861	618,389	16	0	56	18	9
Palmerston North ..	41	81,275	1,045,985	14	10	12	17	5	1,334,687	9	1	16	6	1	288,701	14	3	80,876	19	2	4,506	4,206	37,842	2,173,008	17	9	57	8	6
Thames ..	42	32,356	533,964	10	2	16	10	1	648,749	0	8	24	16	4	114,784	10	6	35,716	12	6	4,250	3,783	25,750	972,528	15	5	37	15	5
Timaru ..	18	38,976	742,917	6	5	19	1	2	921,776	2	6	20	14	6	178,858	16	1	55,497	8	1	3,537	3,410	25,337	1,475,613	12	2	58	4	10
Wanganui ..	41	56,285	886,611	4	2	15	15	1	1,102,872	3	11	19	8	9	216,260	19	9	61,225	5	9	4,520	4,561	37,728	1,659,191	2	7	43	19	7
Wellington ..	61	317,849	3,846,100	10	0	12	2	0	5,106,863	14	10	15	12	11	1,260,763	4	10	289,230	11	7	11,856	13,604	155,751	7,670,139	17	1	49	5	0
Westport ..	19	6,525	107,091	13	4	16	8	3	161,724	13	1	19	17	8	54,632	19	9	13,095	8	6	450	630	7,099	342,256	16	11	48	4	3
Western Samoa ..	2	1,833	22,508	9	3	12	5	7	27,733	4	5	15	14	3	5,224	15	2	1,318	16	9	186	163	1,498	35,048	3	5	23	7	11
Rarotonga ..	5	823	14,816	10	2	18	0	1	15,295	15	11	11	18	3	479	5	9	828	17	11	103	55	1,163	22,570	1	0	19	8	2
Totals for year ended 31st March, 1932	882	1,418,250	19,463,985	10	6	13	14	6	1,535,368	25,488,081	4	0	16	12	0	6,024,095	13	61,611,047	13	4	78,674	79,627	877,080	43,255,499	0	11	49	6	4
Totals for year ended 31st March, 1931.	884	1,695,143	24,531,569	1	3	14	9	5	1,473,027	28,063,338	6	0	19	1	0	3,531,769	4	91,763,824	17	3	98,298	73,012	878,043	47,668,547	1	1	54	5	9

Table No. 5.

POST OFFICE SAVINGS-BANK.—GENERAL STATEMENT.
 POST OFFICE SAVINGS-BANK IN NEW ZEALAND, BY TEN-YEAR PERIODS, FROM 1868 TO THE 31ST DECEMBER, 1918, AND YEARLY PERIODS
 THEREAFTER TO THE YEAR ENDED 31ST MARCH, 1932.

Year.	Number of Branches of the Post Office Savings-bank open at the Close of the Year.	Number of Deposits received during the Year.	Total Amount of Deposits received during the Year.			Average Amount of each Deposit received during the Year.	Number of Withdrawals during the Year.	Total Amount of Withdrawals during the Year.			Average Amount of each Withdrawal during the Year.	Excess of Deposits over Withdrawals during the Year.		Excess of Withdrawals over Deposits during the Year.	Interest for the Year.	Number of Accounts opened during the Year.	Number of Accounts closed during the Year.	Number of Accounts remaining open at the Close of the Year.	Total Amount standing to the Credit of all Open Accounts, inclusive of Interest to the Close of the Year.			Average Amount standing to the Credit of each Open Account at the Close of the Year.		
			£	s.	d.			£	s.	d.		£	s.						d.	£	s.	d.	£	s.	d.	£	s.	d.
Year ended 31st Mar., 1932	882	1,418,250	19,463,985	10 6	13 14 6	1,535,368	25,488,081	4 0	16 12 0	..	..	6,024,095	13 6	1,611,047	13 4	78,674	79,627	877,090	49,255,499	0 11 4	49 6 4	
Year ended 31st Mar., 1931	884	1,695,143	24,531,569	1 3	14 9 5	1,473,027	28,063,338	6 0	19 1 0	..	..	3,531,769	4 9	1,763,824	17 3	98,298	73,012	878,043	47,668,547	1 1 5	54 5 9	
Year ended 31st Mar., 1930	882	1,700,460	28,561,854	4 10	16 15 1	1,342,113	29,575,993	16 10	22 0 9	..	..	1,014,139	12 0	1,806,414	0 1	97,932	73,471	852,757	49,436,491	8 7 5	57 19 5	
Year ended 31st Mar., 1929	879	1,618,656	27,252,381	9 0	16 16 9	1,285,256	28,111,940	16 9	21 17 6	..	..	859,559	7 9	1,745,050	5 4	93,111	69,540	828,296	48,644,217	0 6 5	58 14 7	
Year ended 31st Mar., 1928	870	1,570,493	27,611,066	5 1	17 11 7	1,274,906	30,584,997	14 4	23 19 10	..	..	2,973,931	9 3	1,747,155	13 9	93,331	72,433	804,725	47,758,726	2 11 5	59 6 11	
Year ended 31st Mar., 1927	875	1,509,909	29,456,383	2 7	19 10 2	1,224,764	30,149,628	17 3	24 12 4	..	..	693,245	14 8	1,767,426	2 8	97,713	72,041	783,827	48,985,501	18 5 6	62 9 11	
Year ended 31st Mar., 1926	870	1,446,530	31,833,621	9 5	22 0 1	1,197,985	32,602,505	17 2	27 4 3	..	..	768,884	7 9	1,731,577	17 2	104,447	81,440	758,155	47,911,321	10 5 6	63 3 11	
Year ended 31st Mar., 1925	855	1,371,009	29,582,897	2 9	21 11 7	1,108,291	30,413,609	3 11	27 8 10	..	..	830,712	1 2	1,680,919	10 10	95,595	70,604	735,148	46,948,628	1 0 6	63 17 3	
Year ended 31st Mar., 1924	846	1,261,141	29,598,372	4 8	23 9 4	1,075,037	29,510,320	19 6	27 9 0	88,051	5 2	..	..	1,649,976	4 8	92,465	73,098	710,157	46,098,420	11 4 6	64 18 3	
Year ended 31st Mar., 1923	840	1,175,104	26,682,426	11 4	22 14 2	1,081,300	27,769,262	16 3	25 13 8	..	..	1,086,836	4 11	1,605,525	1 10	78,490	66,630	690,790	44,360,393	1 6 6	64 4 4	
Year ended 31st Mar., 1922	831	1,227,591	29,125,997	10 0	23 14 6	1,119,662	30,236,231	6 5	27 0 0	..	..	1,110,233	16 5	1,599,907	2 0	89,859	75,748	678,930	43,841,704	4 7 6	64 11 6	
*Fifteen months ended 31st March, 1921	819	1,664,206	44,302,852	5 4	26 12 5	1,458,008	41,162,486	9 10	28 4 8	83,140,365	15 6	..	..	1,818,584	5 2	152,930	118,894	664,819	43,352,030	19 0 6	65 4 2	
Totals for 1919	794	1,289,161	29,758,448	9 7	23 1 8	994,247	25,962,378	2 6	26 2 3	796,070	7 1	..	..	1,178,935	6 6	118,109	77,531	630,783	38,393,130	18 4 4	60 17 4	
" 1918	786	1,213,353	18,101,104	18 1	14 18 4	727,729	14,938,841	10 0	20 10 7	162,263	8 1	..	..	1,059,471	17 8	76,869	53,015	590,205	33,418,125	4 9 5	56 12 5	
" 1908	593	706,101	9,674,075	4 0	13 14 0	484,672	9,417,820	10 3	19 8 8	256,254	13 9	..	..	379,808	6 7	80,133	57,829	342,077	12,159,293	18 1 3	35 10 11	
" 1898	409	281,749	3,279,611	7 5	11 12 10	196,764	3,194,893	16 7	16 4 9	84,717	10 10	..	..	128,128	16 6	37,265	26,628	169,968	4,957,771	5 5 2	29 3 5	
" 1888	290	145,355	1,544,747	7 11	10 12 6	96,204	1,387,471	1 10	14 8 5	157,276	6 1	..	..	78,080	6 0	21,307	16,543	84,488	2,048,441	10 9 2	24 4 10	
" 1878	147	69,908	762,084	12 0	10 18 0	42,746	742,053	14 3	17 7 2	20,030	17 9	..	..	31,664	12 9	13,005	9,634	32,132	819,071	8 2 2	25 9 9	
" 1868	55	13,014	194,535	11 6	14 18 11	6,365	107,094	17 3	16 16 6	87,440	14 3	..	..	4,880	7 3	3,282	1,186	4,252	163,518	15 7 3	38 0 1	
†Totals from 1st Feb. to 31st Dec., 1867	46	6,977	96,372	7 10	13 16 3	1,919	26,415	18 9	13 15 3	69,956	9 1	..	..	1,241	5 0	2,520	364	2,156	71,197	14 1 3	33 0 5	

* Termination of savings-bank year altered from 31st December to 31st March, with effect from 31st March, 1921.

† The Post Office Savings-bank was established in the Dominion in February, 1867.

Table No. 6.

TABLE SHOWING THE ESTIMATED NUMBER OF LETTERS AND LETTER-CARDS, POST-CARDS, BOOK-PACKETS, NEWSPAPERS, AND PARCELS POSTED AND DELIVERED IN THE SEVERAL POSTAL DISTRICTS OF NEW ZEALAND DURING THE YEAR ENDED 31ST DECEMBER, 1931.

Postal District.	Posted in the Dominion.					Delivered in the Dominion.					Total posted and delivered in the Dominion.				
	Letters and Letter-cards.	Post-cards.	Books, &c.	Newspapers.	Parcels.	Letters and Letter-cards.	Post-cards.	Books, &c.	Newspapers.	Parcels.	Letters and Letter-cards.	Post-cards.	Books, &c.	News-paper s.	Parcels.
Auckland	25,206,705	773,383	19,147,449	5,047,876	387,452	28,651,415	726,388	15,660,398	3,677,817	315,263	53,858,120	1,499,771	34,807,847	8,725,693	702,715
Blenheim	1,414,181	23,543	450,621	181,259	11,609	1,453,595	40,430	829,244	368,030	34,710	2,867,776	63,973	1,279,865	549,289	46,319
Christchurch	15,098,757	639,353	12,406,640	1,368,936	215,137	17,795,284	793,442	11,025,690	2,568,033	185,484	32,894,041	1,432,795	23,432,330	3,936,969	400,621
Dunedin	10,164,404	409,968	6,721,890	1,532,120	145,509	10,537,124	438,685	6,949,982	1,771,375	152,425	20,701,528	848,653	13,671,872	3,303,695	297,934
Greytown	2,823,008	23,036	974,213	388,027	25,831	3,188,354	56,147	1,691,352	914,771	56,446	6,011,362	79,183	2,665,565	1,302,798	82,277
Hamilton	1,611,974	32,682	579,949	240,331	21,463	1,907,425	63,765	803,582	437,775	47,931	3,519,399	96,447	1,383,531	678,106	69,394
Invercargill	8,977,659	291,044	3,091,613	810,061	51,805	8,856,939	331,669	5,189,288	1,525,329	142,623	17,834,598	622,713	8,280,901	2,335,390	194,428
Napier	6,351,549	141,362	2,862,372	541,540	43,719	5,974,800	166,634	3,045,692	956,501	80,548	12,326,349	307,996	5,908,064	1,498,041	124,267
Nelson	6,235,209	121,381	2,367,769	549,616	33,163	6,051,162	145,145	3,661,957	1,007,643	81,185	12,286,371	266,526	6,029,726	1,557,259	114,348
New Plymouth	2,346,841	57,733	836,280	220,196	27,846	2,647,138	53,274	1,278,433	552,799	67,184	4,993,979	111,007	2,114,713	772,995	95,030
Oamaru	4,242,203	108,693	2,151,170	509,959	32,773	4,955,866	148,993	3,172,481	856,297	83,421	9,197,569	257,686	5,323,651	1,366,256	116,194
Palmerston N.	1,348,830	39,403	491,691	124,540	10,075	1,507,337	67,457	964,561	309,803	22,464	2,856,167	106,860	1,456,252	434,343	32,539
Thames	5,546,920	120,549	2,588,369	564,411	43,433	5,990,842	172,627	3,780,829	991,952	92,430	11,537,762	293,176	6,369,198	1,556,363	135,863
Timaru	2,908,698	69,394	963,924	241,883	19,006	3,391,999	158,951	2,175,251	609,180	61,750	6,300,697	228,345	3,139,175	851,063	80,756
Wanganui	3,235,627	82,979	1,194,939	331,054	32,578	3,323,073	91,598	1,902,238	573,807	44,551	6,558,700	174,577	3,097,177	904,861	77,129
Wellington	5,088,433	124,332	2,054,420	514,029	37,713	5,096,390	158,717	2,491,203	890,461	68,653	10,184,823	283,049	4,545,623	1,404,490	106,366
Westport	23,089,309	388,167	16,814,524	4,246,976	444,974	24,469,042	508,334	10,477,579	3,543,381	250,151	47,558,351	896,501	27,292,103	7,790,357	695,125
Rarotonga	725,607	9,399	147,998	108,446	11,752	1,078,909	29,627	380,939	307,697	25,831	1,804,516	39,026	528,937	416,143	37,583
Western Samoa	44,040	294	2,286	1,872	1,410	51,756	456	7,842	16,806	2,226	95,796	750	10,128	18,678	3,636
Totals	126,587,274	3,457,157	75,850,013	17,534,022	1,597,566	137,046,678	4,152,807	75,519,555	21,920,949	1,817,988	263,633,952	7,609,964	151,369,568	39,454,971	3,415,554
Previous year	152,152,265	4,341,070	83,202,341	21,095,719	3,129,353	160,995,793	5,242,939	81,977,713	26,548,379	3,317,841	313,148,058	9,584,009	165,180,054	47,644,098	6,447,194

Table No. 7.

TABLE SHOWING THE NUMBER OF FORWARDED, AND THE REVENUE DERIVED FROM, PAID TELEGRAMS AND TOLL CALLS (INCLUDING CABLE AND RADIO MESSAGES AND OVERSEAS TOLL CALLS) DURING THE YEARS ENDED 31ST MARCH, 1932 AND 1931.

Year ended	Telegrams.										Toll Communications.			Total.
	Ordinary.		Urgent.		Press.		Letter.		Urgent Marine.		Number.	Value.	Number.	Value.
	Number.	Value.	Number.	Value.	Number.	Value.	Number.	Value.	Number.	Value.				
		£		£		£		£		£		£		£
31st March, 1932	3,829,947	359,083	95,369	10,399	459,017	50,750	229,213	13,492	33,450*	9,519,407	417,794	14,166,403	851,518†	
31st March, 1931	5,286,912	442,846	186,585	17,895	561,166	77,345	351,782	16,090	37,018*	10,798,999	466,995	17,222,462	1,021,171‡	

* No payment received.
cable and radio messages.

† Deduct £137,148 paid to other Administrations in respect of cable and radio messages.

‡ Deduct £177,187 paid to other Administrations in respect of

Table No. 8.

TABLE SHOWING CABLE, RADIO-TELEGRAPH, AND RADIO-TELEPHONE BUSINESS TRANSACTED DURING THE YEAR ENDED 31ST MARCH, 1932, AS COMPARED WITH THE YEAR ENDED 31ST MARCH, 1931.

Cable Messages.

Year ended	INTERNATIONAL.				AUSTRALIAN.				Total.	
	Forwarded.		Received.		Forwarded.		Received.		Number of Messages.	Revenue earned by New Zealand.
	Number of Messages.	Revenue earned by New Zealand.	Number of Messages.	Revenue earned by New Zealand.	Number of Messages.	Revenue earned by New Zealand.	Number of Messages.	Revenue earned by New Zealand.		
31st March, 1932 ..	151,411	£ 7,987	136,987	£ 6,726	112,328	£ 3,161	110,431	£ 3,367	511,157	£ 21,241
31st March, 1931 ..	180,070	9,411	160,562	7,824	142,457	4,185	136,125	4,232	619,214	25,652
PRESS MESSAGES (included in above totals).										
31st March, 1932 ..	2,635	231	4,050	374	3,713	354	5,393	606	15,791	1,565
31st March, 1931 ..	3,542	385	4,714	410	4,683	477	5,532	666	18,471	1,938

Radio-telegrams.

Year ended	Forwarded.		Received.		Total.	
	Number of Messages.	Revenue earned by New Zealand.	Number of Messages.	Revenue earned by New Zealand.	Number of Messages.	Revenue earned by New Zealand.
31st March, 1932	£ 8,888	16,865	£ 3,150	25,753	£ 5,094
31st March, 1931	12,959	23,130	4,331	36,089	7,020

Radio-telephone Calls.

(Service inaugurated 25th November, 1930.)

Period.	Outward.		Inward.		Total.	
	Number of Calls.	Revenue earned by New Zealand.	Number of Calls.	Revenue earned by New Zealand.	Number of Calls.	Revenue earned by New Zealand.
31st March, 1932 ..	83	£ 128	123	£ 203	206	£ 331
25th November, 1930—31st March, 1931	59	87	117	260	176	347

Approximate Cost of Paper.—Preparation, not given; printing (1,140 copies), £53.

By Authority: W. A. G. SKINNER, Government Printer, Wellington.—1932.

Price 1s.]