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## TELEGRAM CHARGES.

In April of last year the method of charging for telegrams was altered from a flat-rate basis to the zonal system. The necessity for the change arose from the fact that for a period of years the proportion of short-distance telegrams (which had always shown a reasonable margin of profit) had shrunk considerably, while the proportion of long-distance messages (which had always been handled at a loss) had increased substantially. With a view to counteracting this unfavourable trend in the incidence of traffic and the resultant progressively increasing deficit on the working of the Telegraph Branch, the system of charging for telegrams was made the subject of an exhaustive investigation. The inquiry covered every aspect of telegraph work, and, as a result, the flat-rate method of charging was discarded in favour of the graduated system. The system was based substantially upon the principle that the charges should, as far as possible, be in direct ratio to the cost of handling. It was not calculated to increase the aggregate cost to the users, but was designed essentially to ensure a more equitable return upon the handling of long-distance traffic. Conversely, the charges for short-distance traffic were reduced.

The new system met with much criticism, particularly from certain sections of the business community. The opposition was not directed against any inherent weakness in the principle of charging according to distance, but the new method was apparently looked upon as too radical a departure from the flat-rate system of charging, which, from long usage, had come to be regarded as an integral part of the telegraph system.

In view of the objections raised to the graduated system of charging, the flat-rate method was reverted to on the 19th September, 1935, the new charge being at the rate of 1d. per word with a minimum of 6d., thus resuscitating in a measure the one-time popular 6d. telegram.

## TELEPHONE-EXCHANGE SERVICES.

The welcome improvement which has taken place in the economic position of the Dominion is clearly reflected in the telephone returns for the year under review. The number of new connections during 1934–35 exceeded the relinquishments by 2,237 (a net gain of 1.8 per cent.), compared with a net loss of 775 subscribers during the previous year. Moreover, it is noticeable that the monthly excess of new connections over relinquishments is becoming progressively greater, and if, as expected, this is maintained it is probable that the peak number of subscribers reached in the Dominion in 1930 will be regained within the next two years.

The total number of subscribers at the 31st March was 123,947, which is only 6.5 per cent. less than the highest number on record. When the 2,001 telephones installed for the use of the public at various post-offices, the 796 public call offices, the 28,663 extension telephones, and the 3,763 private-line telephones connected with toll stations and non-departmental exchanges are added to the number of subscribers' stations the grand total of telephone installations in the Dominion reaches the impressive figure of 159,170.

The Department aims at providing service to intending subscribers with a minimum of delay, and in this connection it is interesting to note that, except in the case of long country lines requiring the construction of some miles of new pole line, intending users of the service, on the average, were connected to the system in 2.8 days.

There is no doubt that the continuously efficient service provided for subscribers is due to the unremitting vigilance of the operating and maintenance staffs, who are ever on the alert to prevent and to remove faults which give rise to indifferent service.

## TELEPHONE-EXCHANGE ATTENDANCE.

Since the close of the financial year the question of permanently extending the Sunday and holiday attendance at country exchanges has received consideration, and those telephone exchanges at which the number of subscribers exceeds 100 are now provided as a permanent measure with a twelve-hour attendance on Sundays and holidays throughout the year. Previously these exchanges observed on Sundays and holidays a two-hour attendance only, with the exception that in a few instances a seven-hour service was provided during the summer months.