ANNUAL REPORT OF THE POST AND TELEGRAPH DEPARTMENT FOR THE YEAR 1934-35.

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POST AND TELEGRAPH DEPARTMENT

(REPORT OF THE) FOR THE YEAR 1934-35.

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

To His Excellency the Right Honourable Viscount Galway, G.C.M.G., D.S.O., O.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, 1935.

RECEIPTS AND PAYMENTS.

The revenue collected during the year exceeded that for the previous year by $\pounds 142,564$. The sum received was $\pounds 3,342,978$, compared with $\pounds 3,200,414$ for 1933-34. Increases in revenue in respect of all phases of the Department's activities indicate clearly the improved financial position of the Dominion.

Payments for the year in respect of working-expenses (including interest on capital liability amounting to £546,000, and a sum of £81,864 provided out of the Depreciation Fund) totalled £2,844,554. The excess of receipts over payments was £498,424.

A sum of £13,000 was paid to the Consolidated Fund during the year.

POST OFFICE SAVINGS-BANK.

The improvement in the Savings-bank position, which commenced early in 1933, continued during the year, and another highly satisfactory year's working was experienced.

The deposits in the Post Office Savings-bank amounted to $\pounds 24,179,537$, compared with $\pounds 19,428,853$ for the previous year. The interest credited to depositors was $\pounds 1,320,347$.

The withdrawals totalled £20,946,562, compared with £17,818,172 for the previous year. The excess of deposits over withdrawals amounted to £3,232,975, compared with £1,610,681 for the year ended 31st March, 1934.

The total amount at the credit of depositors on the 31st March, 1935, was $\pounds 49,423,714$, which is less than $\pounds 13,000$ short of the total for 1929–30, in which year the amount standing to the credit of depositors was the highest on record. The amount accumulated in the Post Office Savings-bank at the 31st March, 1935, represented an average of $\pounds 30.33$ per capita for the Dominion.

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Since the end of the financial year the position has still further improved, and the total amount at the credit of depositors now exceeds £50,000,000.

In my last report reference was made to the inauguration of a scheme by means of which savings-bank facilities in simple form are made available to primary-school children. Good progress has been made with the extension of the scheme, which is now in operation in the principal schools in seven of the nine education districts in the Dominion.

STAFF.

With characteristic efficiency and resourcefulness officers handled an increased volume of business during the year. Though it was necessary at times for staffs to work under considerable pressure, they proved equal to every occasion. Especially pleasing were the smooth manner in which the various improvements in services and innovations introduced were set in motion, and the initiative that was displayed in meeting emergencies that arose from time to time. That the service rendered to the public in innumerable ways was of the same high standard attained in previous years was evidenced by the remarkable absence of serious complaints and by the appreciation of officers' work expressed by people representative of all sections of the community. The manifold activities of the Department are now so interwoven with the lives of the public that is without parallel in the Government service— a relationship that has its foundation in the unremitting efforts of officers to give efficient, loyal, and unselfish service at all times and in all circumstances.

It is scarcely necessary for me to say that I was very gratified when it became possible early in September to discontinue the arrangement of granting time off to officers for overtime worked, which had been in operation since December, 1930, and to revert to the system of cash payments for overtime. The loyalty and the devotion to duty displayed by officers remained undiminished throughout the years of financial stress, and it was only fitting that the earliest opportunity should be taken of granting them the recompense which the payment for overtime affords. Coincident with the decision regarding overtime was the announcement by Government that, as a result of the improvement in public finances, the salaries of all public servants would be increased by 5 per cent. from the beginning of the financial year. The continued improvement in the finances of the Dominion enabled Government to make, from the beginning of August last, a further increase of $7\frac{1}{2}$ per cent. in the salaries of officers to this extent is a source of much satisfaction to me.

VISIT OF HIS ROYAL HIGHNESS, THE DUKE OF GLOUCESTER.

A notable event during the year was the visit to the Dominion in December and January last of His Royal Highness, the Duke of Gloucester. The occasion was an important one for my Department, which was entrusted with the responsibility of providing special facilities for postal, telegraphic, and telephonic communication for the Royal party and entourage and of organizing the whole of the motor transport for the tour. Attached to the party were two senior officers of the Department, whose respective duties were the co-ordination of the communication arrangements and the control of motor transport. The special postal arrangements made included provision. for the conveyance by air of English mails for the Royal party when acceleration in delivery could be effected by this means; and additional telegraph and telephone facilities were provided to ensure the expeditious despatch and the efficient handling of the large volume of press and other traffic arising out of the tour. No effort was spared to make available over every stage of the itinerary a service of maximum efficiency and convenience. So thoroughly were the communication and motor transport arrangements organized and carried out that no interruption of service or disorganization of any kind occurred during the tour. I am pleased to say that the work of my Department's officers in this connection met with the approval of His Royal Highness, who, at the conclusion of the tour, graciously expressed his appreciation of the efficiency of the arrangements and made the Transport Officer a Member of the Royal Victorian Order.

I am pleased, also, to have the opportunity of placing on record my appreciation of the manner in which the Defence Department co-operated with my Department in arranging for the conveyance by air of mails for the Royal party. Although it was necessary at times to alter arrangements at short notice, no trouble was too much for the officers of the Air Force, whose assistance was most valuable in expediting the delivery of the mails.

The principal event so far as my Department was concerned in connection with the Royal tour was the laying of the foundation-stone of the new chief postoffice building at Dunedin by His Royal Highness on the 12th January last. The ceremony was performed in the presence of a distinguished gathering in the official enclosure and a large assemblage of the public, which accorded His Royal Highness a most enthusiastic reception. As a memento of the occasion, a gold miniature of the new building mounted on a base of granite, the whole being in the form of an ink-stand, complete with pen and inkwell, was presented to His Royal Highness.

VISIT OF ENGINEERING OFFICERS TO UNITED KINGDOM.

Recently two senior technical officers of the Department, Messrs. P. V. R. C. Miles, A.M.I.E.E., Superintending Engineer, and E. H. R. Green, M.Sc., A.M.I.E.E., Radio Engineer, were selected to proceed to the United Kingdom for the purpose of investigating and studying modern developments in radio and telegraph and telephone communication. The officers arrived in the United Kingdom towards the end of August. With the assistance of the British Post Office, they will devote three months to the investigation of all aspects of communication engineering, with particular reference to radio and multi-channel submarine cables. It is imperative, in view of the proposed development in the near future of air communication services, both inland and overseas, that the provision of radio services and beacons for aircraft be thoroughly investigated at first hand to ensure that the equipment installed will be the most efficient available for the particular requirements of the Dominion.

COMMERCIAL BRANCH.

An appreciable increase is recorded in the amount of business handled by the Commercial Branch. In their work of encouraging greater use of departmental services by the public, officers of the branch have been assisted materially by the improved economic condition of the Dominion. Much of the success achieved, however, has been due to the experience gained by commercial officers over the last few years under adverse conditions. The ground-work undertaken and the friendly relations established between the Department and the public in those years greatly facilitated the work of obtaining new business when conditions improved.

It is desired to place on record the Department's indebtedness to the Australian Administration, which, by handling demonstration radio-telephone calls to the General Post Office, Sydney, co-operated in the departmental displays at the Wellington Radio Exhibition and the Winter Shows at Auckland and Christchurch.

BUILDINGS.

New post-office buildings at Karori and Taumarunui were completed during the year, the Taumarunui building being officially opened by myself on the 25th January. Good progress is being made with the new chief post-office building at

Dunedin. It is expected that the work will be completed by September, 1936.

A contract for the erection of a new post-office building at Petone was arranged, and work on the building has commenced.

The erection has been authorized of new post-office buildings at Albury, Belfast, Invercargill, Mayfield, Porangahau, Rangiora, Thames, Thornbury, and Toko, a store-garage building at New Plymouth, and a new garage at Auckland. Work on the new building at Rangiora has commenced. In the case of Hampden, Ohingaiti, Rotorua, and Wellsford, additions to the existing buildings have been authorized. F.—1.

Following the acquisition of additional land adjoining the site of the new chief post-office building for Thames, the plans of the building are being redrawn to provide for a larger and more commodious structure than that originally proposed.

The construction of an additional story on the newer portion of the General Post Office building, Wellington, has been authorized. This additional accommodation will relieve the existing congestion in the building.

Additions to the Wellington radio-station buildings to accommodate additional radio equipment were commenced during the year and have since been completed.

Extensive alterations to the public counters in the General Post Office building at Wellington have been carried out, and the accommodation both for the staff and for the public has been considerably improved. The accommodation in a number of other departmental buildings also has been improved.

The reconstruction of the upper stories of the post-office buildings at Eketahuna and Woodville, which were damaged by earthquake in March, 1934, was put in hand. Work on both buildings has now been completed.

A number of post-office buildings were decorated and illuminated on the occasion of the Silver Jubilee of His Majesty the King.

It is the intention of Government to erect two blocks of Government buildings at Auckland and Wellington respectively. The building at Auckland will occupy the site of the present Auckland East post-office building and that at Wellington will be erected on the site of the Department's line depot in Stout Street.

POSTAGE-STAMPS.

Postage-stamps of the new pictorial series were placed on sale throughout the Dominion on the 1st May last. The appearance of the stamps was awaited with keen interest not only by philatelists, but also by members of the public generally; and I am pleased to say that the stamps, from the point of view both of design and of reproduction, have been the subject of much appreciative comment.

A new series of air-mail stamps of the denominations 1d., 3d., and 6d. was placed on sale on the 4th May. The original air-mail stamps will be withdrawn from sale at the end of October.

To commemorate the Silver Jubilee of the Accession to the Throne of His Majesty the King, arrangements were made for the issue of a special series of postage-stamps of the denominations $\frac{1}{2}$ d., 1d., and 6d., which was placed on sale from the 7th May to the 22nd June, replacing during that period the corresponding values of the new pictorial series.

The children's health-camp fund, administered by the Minister of Health, benefited to the extent of £989 7s. 11d. as a result of the sale during the summer months of another 2d. "health" stamp. Arrangements are in train for intensifying the health stamp campaign, and it is hoped to increase greatly the amount that will be available in future for the very worthy object for which these stamps are issued.

STAMPS OF COOK ISLANDS, NIUE, AND WESTERN SAMOA.

In the postage-stamps of Cook Islands, Niue, and Western Samoa the Silver Jubilee of His Majesty the King was recorded by the appropriate overprinting of stamps of the current series in the denominations 1d., $2\frac{1}{2}d$., and 6d., and, except in the case of those of Samoa, by printing the centres in new colours.

The new series of postage-stamps for the Mandated Territory of Western Samoa was placed on sale on the 7th August of this year. The stamps are in nine denominations ranging in value from $\frac{1}{2}d$. to 3s.

NEW PACKET SERVICE.

The "small packets" service introduced by the Department in July of last year meets a definite need. As small articles liable to Customs duty are not permitted entry into many countries by letter or sample-post, it was necessary, until the inauguration of the new service, for such articles, even though they weighed only a few ounces, to be sent as parcels on which postage is charged according to weight in pounds. Articles of the kind may now be sent as "small packets" at a much cheaper rate. An additional advantage is that "small packets" are forwarded with letter-mails, and thus receive a quicker despatch than parcels. The service is particularly valuable as a means of forwarding Christmas and other gifts overseas.

REDUCTION IN NEWSPAPER POSTAGE RATE.

An important concession made possible as a result of the improved financial position of the Department was the recent substantial reduction in the postage on inland newspapers between 3 oz. and 8 oz. in weight. In 1931 the rate for a newspaper up to 3 oz. was fixed at $\frac{1}{2}$ d., and that for a newspaper of over 3 oz. at 1d. for each 16 oz. or portion of 16 oz. On the 18th September last, the postage per newspaper was reduced to the uniform rate of $\frac{1}{2}$ d. for each 8 oz. or portion of 8 oz., representing a reduction from 1d. to $\frac{1}{2}$ d. on newspapers over 3 oz. and not over 8 oz. in weight. The extent of the concession will be appreciated when it is mentioned that the change is estimated to result in a diminution in revenue of £10,000 per annum. That the Department was in a position to forgo this amount of revenue in the interest of the community is very gratifying.

REMOVAL OF RESTRICTIONS ON ARTICLES POSTED AT HALFPENNY RATE.

The removal recently of certain restrictions on the posting of accounts, circulars, &c., at the halfpenny rate of postage will be welcomed by members of the business community. Previously, a small addition made to an account, such as a request for payment, or any slight variation in the wording of a circular letter, disqualified the article from transmission at the cheaper rate. The definition of articles of this kind has been widened to permit of more latitude in the direction indicated, and it will be possible for business men to distinguish more readily between what may be posted at the halfpenny rate and what is liable to the letter-rate.

INLAND AND OCEAN MAIL-SERVICES.

Interruptions to inland mail-services during the year were of short duration only, being due to exceptional weather conditions. The contracts for the services in the South Island, which expired at the end of December, were relet from the 1st January at a considerable reduction in cost.

Apart from the cancellation of two round trips on the San Francisco run, of which mention was made in my last report, the Auckland–Vancouver and the Wellington – San Francisco ocean mail-services have been performed regularly.

AIR MAILS.

As predicted in my last report, the London–Singapore air-mail service was extended to Australia in December last; and arrangements were made for letters from New Zealand to be forwarded by the service at the rate per half-ounce of Is. 6d. to Great Britain and of 9d. to Is. 9d. to intermediate and other countries for which mails are conveyed by the service. The transit time for air mails in both directions between London and Brisbane is twelve days. The schedule is arranged to enable inward mails for New Zealand, which reach Cootamundra, New South Wales, on Thursdays, to connect with vessels leaving Sydney for the Dominion on Fridays; and for outward mails from the Dominion forwarded to Australia on Fridays to connect with the air-mail despatch leaving Cootamundra on the following Wednesday. Unfortunately, owing to unforeseen difficulties, it has not always been possible to arrange for inward mails to reach Sydney in time to connect with the Friday steamer. Normally, however, the service has enabled mails exchanged weekly between New Zealand and Great Britain to reach their destination in seventeen days, which is little more than half the average transit time of mails

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forwarded via North America. The very appreciable saving in time thus effected has been of much value to business people and others who have urgent correspondence with Great Britain or other countries for which mails are carried by the service.

The inauguration of the Singapore-Australia air-mail service was an important event for New Zealand from a postal point of view, but of surpassing importance are the proposals formulated in October last by His Majesty's Government in Great Britain for the inauguration of an Empire air-mail scheme in 1937, and the proposed extension to New Zealand of the England-Australia service. It was proposed by the British Government that all letter-mails be conveyed by air between countries of the Empire in 1937 at the postage-rate of $1\frac{1}{2}d$. per half-ounce, thereby abolishing the present unsatisfactory system of charging a special air-mail fee, in addition to postage, on correspondence for despatch by air. For the purpose of furthering the proposals, a delegation from Great Britain, comprising the Deputy Director of Civil Aviation, the Director of Postal Services, the Parliamentary Private Secretary to the Under-Secretary of State for Air, and the Parliamentary Private Secretary to the Postmaster-General, left England for Australia by air in February last to discuss the subject with representatives of the Commonwealth Government. As the matter was of vital interest to New Zealand, the most distant of the dominions from the heart of the Empire, Government agreed to my proceeding to Australia with the Director-General of the Department, Mr. G. McNamara, C.B.E., to participate in the discussions. A conference was held at Sydney between the members of the delegation from Great Britain, representatives of the Australian Defence and Civil Aviation Departments and Post Office, and the New Zealand representatives, when the scheme, in its relation to the England-Australia service, was examined exhaustively and the problems arising out of it were discussed fully. The proposals put forward by the British delegation include the despatch of mails by air twiceweekly between London and Sydney and vice versa, and the speeding-up of the service to reduce the transit time between England and Australia to seven days. It was also agreed that the service should be extended to New Zealand, and thus provide a twice-weekly service with a transit time of about eight days for letter-mails exchanged between the Dominion and Great Britain. In regard to the important question of the cost of the trans-Tasman link, it was agreed tentatively that this should be borne by the Governments of Great Britain, Australia, and New Zealand in the proportions of 50 per cent., 25 per cent., and 25 per cent., respectively. The delegation from Great Britain also undertook to ascertain the most suitable type of machine for the service between Australia and New Zealand; and it is expected that information in this connection, together with particulars of the estimated annual cost of the service, will be received shortly.

Progress recently in the development of aviation as a means of long-distance transport over land or sea has been such that there is every prospect that by 1937 all letters from Great Britain to New Zealand will be conveyed by air twice weekly in the remarkably short time of eight days and at the exceptionally low rate of $1\frac{1}{2}d$. per half-ounce per letter. It is no exaggeration to say that, when the proposals are carried into effect, they will mark an advancement that will be incomparably more important than any yet recorded in the history of overseas mail communication in New Zealand.

On the occasion of the Silver Jubilee of His Majesty the King, in May last, arrangements were made with the Australian Administration for a Jubilee air mail to be carried from Australia to New Zealand and back by the monoplane "Southern Cross." Piloted by Sir Charles Kingsford Smith, who had with him Captain P. G. Taylor as navigator and co-pilot and Mr. J. W. S. Stannage as wireless operator, the machine left Sydney about midnight on the 14th-15th May. Misfortune overtook the flight, however, when, less than half-way across the Tasman, damage to a propeller crippled one of the engines and necessitated a return to Australia. The greatest difficulty was experienced by Sir Charles in keeping height, and when the machine was forced dangerously near the water it was necessary to jettison the greater portion of the mails. After a very strenuous and extremely anxious time for those on board, the "Southern Cross" eventually reached Sydney safely in the late afternoon. That the damaged machine was able to escape disaster was most gratifying, and was a tribute to the skill and resourcefulness of the pilots.

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.

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TOLL SERVICE.

Reductions in charges and numerous innovations and improvements were effected in the telephone toll service during the year, these being in accordance with the policy of ensuring that departmental services to the public are carried out, as far as possible, with due regard to modern developments and improvements and at charges which are fair and reasonable.

Early in 1934 a comprehensive investigation was instituted with a view to introducing into the New Zealand toll system the most suitable modern features of toll systems in other parts of the world; and the principal changes made as a result of that investigation are summarized hereunder :-

- (1) The lengthening of the period of the day during which half toll rates are applicable.
- (2) The introduction of half-rates all day on Sundays and holidays (except (2) The introduction of "quarter" rates are applicable).
 (3) The introduction of "quarter" rates with certain maximum charges.
 (4) The reduction of the "no-reply" fee and the provision of greater
- service therefor.
- (5) The reduction of the inter-Island telephone cable fee.
- (6) The reduction of the charge for local toll calls.
- (7) The introduction of the following new classes of toll service :---Person-to-person.

Appointment.

Fixed-time.

Contract.

(8) The provision of alternative methods of payment of toll charges.

Person-to-person toll service was introduced on the 18th June. The first extension of the half-rate charging period was effected on the 1st October, followed on the 1st December by the application of half-rates throughout Sundays and holidays and the reductions in the charges in other forms of existing services. On the 1st January the remaining new toll services (appointment, fixed-time, and contract) and the new alternative methods of payment of charges were introduced.

The reduction of charges by the extension of the half-rate period and the introduction of "quarter" rates, together with the other variations in charges which have been mentioned, represent a concession to telephone-users of an estimated value of over £17,000 annually. There is every reason to hope, however, that the cumulative effect of the decreased charges and the increased facilities will be an expansion of toll business that will offset largely the prospective loss of revenue to the Department which the changes involve. While it is yet too early to gauge accurately the result of the innovations, it is gratifying to report that the returns indicate that toll traffic is increasing at a greater rate than formerly, and that there is good reason to expect that the estimated loss will be substantially reduced.

Full particulars regarding the new charges and services appear on pages 24-26 of this report.

The question of improving and popularizing the toll service has continued to receive consideration during the current financial year. From the 12th August the time from which "quarter" rates apply was altered from 11 p.m. to 10 p.m. From the 1st October the charge for a three-minute call up to $7\frac{1}{2}$ miles was altered to 2d., and that for a call exceeding $7\frac{1}{2}$ but not exceeding 15 miles was altered to 3d. Up to the 30th September the minimum charge had been 4d. for any distance up to 20 miles. Also, on the 1st October a new system of computing toll distances was introduced. Previously the chargeable distance for toll calls had been based upon the shortest practicable circuit distance; but, in order to eliminate the many anomalies caused by this method, the chargeable distances are now computed in accordance with the nearest practicable route by road or pole - line. The effect has been to reduce — in some cases appreciably — the chargeable distances between a large number of telephone exchanges and toll stations.

To cope more adequately with the increased volume of traffic now being handled between Wellington and Auckland, it was decided to instal a threechannel carrier telephone system for direct operation between those cities. The new system, which was brought into commission at the beginning of this month, makes available continuously three high-grade direct circuits for the Wellington-Auckland traffic, while it is practical to provide a fourth channel as required. These additional facilities will enable a much improved service to be provided, particularly in the direction of reducing delays in giving effect to calls.

RADIO TELEGRAPH AND TELEPHONE SERVICES.

Year by year reference is made in my report to the advances taking place in radio communication and the necessity for continually improving the Department's radio stations in order to keep pace with developments. The year just closed has marked probably the most extensive constructional programme since the opening of the stations. As a result, the coast stations of the Dominion are fitted with modern equipment capable of giving a high standard of service. Upon the inauguration of the overseas telephone service it was realized by the

Upon the inauguration of the overseas telephone service it was realized by the Department that it would be necessary to ensure complete privacy before all classes of telephone conversations over the channel could be undertaken with confidence. Conditions at the time of opening the service were not considered to warrant the provision of special secrecy apparatus, but, in view of the more general use by broadcast listeners of all-wave receivers enabling them to listen to conversations on short-wave channels, it has been decided to proceed with the installation of the necessary apparatus. The use of secrecy apparatus at both ends of the channel makes the outgoing and incoming conversations unintelligible while they are on the air, but restores them to their original form before they are passed on to the persons using the service. The Australian Administration is taking action collaterally, and it is expected that secret conversations will be available about the end of the year.

Although there has been a gradual increase in the use of the overseas radiotelephone service since its extension to New Zealand in 1930, the charges which it was necessary to impose had a restrictive effect on the number of calls. By arrangement between the Administrations concerned, however, a reduction of 25 per cent. in the charges was made from the 1st June last, the charge for a three-minute call to England now being $\pounds 5$ 2s., and to Australia $\pounds 2$ 5s. This reduction, following the special Jubilee reduction of 50 per cent. between the 6th and 31st May, has had the effect of stimulating overseas radio-telephone business.

The emergency radio stations installed at a number of towns throughout the Dominion continue to prove a valuable aid in maintaining communication during temporary interruptions to land lines. Due to various causes, such as storms, &c., it was necessary to utilize the emergency stations on a few occasions during the year.

BROADCASTING SERVICE.

The operations of the New Zealand Broadcasting Board during the year 1934 are set out in detail in the Board's third annual report, presented to the House separately.

Under the provisions of the Broadcasting Amendment Act, which became law in March last, the membership of the Broadcasting Board was increased from three to seven, the supervision of programmes was transferred to the Board, and the Advisory Council was abolished. During its existence the Advisory Council served a very useful purpose in assisting in the general administration of broadcasting. With an enlarged Board having greater power and wider responsibilities, however, the continuance of the Advisory Council was no longer necessary.

I am pleased to report that from the 1st April last it was possible to reduce the radio license fee from 30s. to 25s.

The rapid increase in the number of listeners continues. On the 31st March the number of licenses was 152,808, a record increase of 34,722 in a year. By the 31st August the number had further increased to over 171,000.

F.—1.

RADIO INTERFERENCE REGULATIONS, 1934.

The Radio Interference Regulations, which were gazetted in October last, empower the Department to require owners or users of electrical equipment to take the necessary measures to eliminate interference with radio reception due to the operation of such equipment. Previously, all it was possible for the Department to do was to endeavour to persuade owners of interfering equipment to take the required action, and while, in general, owners willingly responded to such requests, it was evident that the Department's position should be strengthened to deal adequately with any case in which an unreasonable attitude is adopted. Further reference to these regulations and to the subject of radio interference appears at pages 32 and 33.

DETAILED REPORT.

A detailed report of the Department's activities during the year ended on the 31st March, 1935, will be found in the following pages.

I have the honour to be,

Your Excellency's most obedient servant, ADAM HAMILTON.

General Post Office, Wellington, C. 1, 18th October, 1935.

STATEMENT OF FINANCIAL OPERATIONS AND BUSINESS OF THE DEPARTMENT FOR THE YEAR ENDED 31st MARCH, 1935.

RECEIPTS AND PAYMENTS.

The receipts and payments of the Department for the financial year 1934-35 are shown in the following account :---

	Receipts.						Payments.		
	_€	s.	d.	£	s.	d.	\pounds s. d. \pounds	s.	d.
To Balance forward				36,954	7	111	By Salaries 1,569,497 19 2		
Postages	937,041	9	0	,		-	Conveyance of ocean mails 84,233 19 1		
Money-order and postal-	,	-	-				Conveyance of inland mails 119,246 17 8		
note commission	59,543	16	8				Conveyance of mails by rail 79,463 8 6		
Private box and bag rents	00,010	10	0				Maintenance of telegraph		
and rural-delivery fees	48.327	12	5				and telephone lines 73,027 5 8		
Miscellaneous receipts	,		3				Renewals and replacements 81,863 16 4		
Paid telegrams	000 700						Motor services and work-		
	448,562						shops 28,318 15 5		
Paid tolls Telephone - c x c h a n g c	440,002	11	т				$\begin{array}{cccccccccccccccccccccccccccccccccccc$		
	1,190,772	16	11				Interest on capital liability 546,000 0 0		
rentals	1,190,112	10		3,342,977	17	01		2	1
			•••••	0,042,011	11	02	Paid to Consolidated Fund 13,000		
			-	£3,379,932	5	0	Renewal and replacement of Assets Fund	v	0
			3	63,319,934	0	0	405 000	0	n
			-					$\frac{0}{2}$	
				e		a	Balance carried down 37,378	2	τı
				20 T 0 T 0		. d.	$\pm 3,379,932$	F	
To Balance brought down	••		••	£37,378	•	2 11		0	
				and the second se	_				

The total cash value of the transactions of the Department, inclusive of the above, amounted to approximately £205,000,000.

STAFF.

The trend towards more prosperous times referred to in last year's report continued during the year, and it is gratifying to record that the Department's business further increased and that it was necessary again to add to the numerical strength of the staff. An important feature of the improvement is that more avenues of advancement have been created for deserving juniors and for messageboys. In filling the consequential vacancies the Department has been able to assist materially in the solution of the youth-unemployment problem. The figures in the table below indicate the extent of the staff changes and give some idea of the progress made. During the closing months of the year the increase in work was particularly evident in the Telephone Branch, where reduced rates for toll communications and several telephone-exchange service innovations did much to popularize the telephone and to induce more frequent use of the service by the public. This general improvement in business enabled a reversion to be made on the 2nd September to cash payment to officers for overtime worked. The system of granting equivalent time off had operated continuously since the 8th December, 1930, and the change was warmly welcomed by officers throughout the Service. The decision of Government to increase salaries by 5 per cent., as from the 1st April, 1934, also was received with gratification by officers of the Department. In common with other sections of the community, officers suffered financially during recent years, and the small increase which the country's finances permitted has been of material help to members of the staff generally. It is hoped that economic conditions will continue to improve, and that it will be possible in the near future to proceed with the general reclassification of the Service which, in ordinary course, would have taken place on the 1st April, 1934.

Officers again responded zealously to all demands made upon them during the year, and the reputation for efficiency that the Service has enjoyed in the past has been fully maintained. Conditions during the Christmas holiday season were exceptionally strenuous, long and arduous hours of duty being necessary to cope with the additional business. By cheerfully devoting their best energies to meeting the rush of business inseparable from that period, officers again earned the commendation both of the Administration and of the general public.

Comparative Return of Persons employed in the Department.

Details of the personnel of the Department on the 1st April, 1935, compared with the position on the same date last year, are as under :---

Permanent Staff-						1st April, 1934.	1st April, 1935.
Special						9	10
First Division						3,352	3,465
Second Division	1					4,375	4,629
Message-boys	••	••		••	••	674	581
						8,410	8,685
Temporary Staff						69	91
Casual Staff	••	••	••	• •	••	81	97
						8,560	8,873
Non-permanent Staf	Ť—–						1 080
Country Postma				• •	• •	1,677	1,658
Postmasters wh	Railway o	fficers	••	••	86	86	
						10,323	10,617

HEALTH OF PERMANENT STAFF.

$egin{array}{c} { m Men} \\ { m Women} \end{array}$	•••	March, 1935— March, 1934—	•••		Number on Staff. 8,071 614	Average Absence per Sick Officer. 9.67 12.49	Average Absence for each Officer Employed. 4.59 8.3	
Men					7,783	10.39	$4 \cdot 13$	
Women	• •	••	••	••	627	$17 \cdot 21$	9.41	

There were twenty-four deaths of officers during the year. One of these resulted from an accident to a message-boy who, while riding a bicycle on duty, was involved in a collision with a motor-car. The lad was gravely injured and succumbed shortly after his admission to hospital.

Personal.

Mr. G. McNamara, C.B.E., Director-General of the Department, returned on the 6th August from England, where he proceeded on official business after attending the Universal Postal Union Congress at Cairo. Mr. McNamara was again absent for a short period in February and March, when he accompanied the Postmaster-General, the Hon. Adam Hamilton, to Australia to attend a conference in connection with air-mail proposals. Mr. J. Robertson, First Assistant Secretary, retired on the 5th September, after completing forty

Mr. J. Robertson, First Assistant Secretary, retired on the 5th September, after completing forty years' service. He was succeeded by the appointment to the position of Deputy Director-General of Mr. F. J. Shanks, Second Assistant Secretary of the Department. Mr. Shanks was not replaced as Second Assistant Secretary.

Mr. C. S. Plank, Chief Telegraph Engineer, retired on the 31st March, 1935, after completing forty-three years' service. The vacancy was filled by the appointment as Chief Engineer of Mr. J. McDermott, Superintending Engineer, General Post Office.

The death on the 28th September of Mr. S. M. Harrison, Chief Postmaster, Auckland, is recorded with regret. He was a capable departmental representative and was held in high esteem by all. Mr. Harrison was succeeded by Mr. J. P. P. Clouston, Chief Postmaster, Dunedin, Mr. Clouston, in turn, being replaced by Mr. J. Madden, Chief Postmaster, Wanganui.

INCREASE IN SALARIES.

Under the provisions of the Finance Act (No. 2), 1934, the salaries and wages of employees of the Department were increased by 5 per cent. as from the 1st April.

CASH PAYMENT FOR OVERTIME.

The system of granting time off in lieu of cash payment for overtime worked by officers was discontinued on the 2nd September, from which date cash payment has been made for all overtime worked.

TRAINING-SCHOOL FOR MACHINE-PRINTING TELEGRAPH OPERATORS.

The extension of machine-printing telegraph systems throughout the Dominion has increased the demand for qualified machine-printing operators, and, in order to provide additional personnel, a training-school for junior officers was opened at Wellington on the 24th October under the supervision of an experienced perforator. It is proposed to continue the school until the Department's staff of perforators is sufficiently augmented.

Appeal Board.

Mr. E. Page, Stipendiary Magistrate, Wellington, was appointed Chairman of the Post and Telegraph Appeal Board in succession to Mr. E. C. Cutten, who had occupied the position since June, 1920. The Board, under the Chairmanship of Mr. Page, sat on one occasion during the year. Fortyseven appeals from thirty-one officers were adjudicated upon with the following results : Allowed, one; withdrawn, seven; did not lie, five; disallowed, thirty-four.

The three-year term as Service representatives on the Board of Messrs. W. G. F. Pinkham and H. V. Ward expired during the year. Mr. Pinkham was re-elected, unopposed, to the Postal vacancy. Mr. Ward did not seek re-election, and Mr. G. A. Wilkes, Supervisor, Telegraph Branch, Oamaru, being the only officer nominated for election, was appointed as the Telegraph representative for the ensuing triennium.

DEPARTMENTAL CORRESPONDENCE SCHOOL.

The question of continuing to provide junior officers with tuition in the educational subjects of the Entrance Examination was reviewed during the year; and, mainly on account of the large number of qualified officers available and the decrease in the number of applicants for departmental tuition, it was decided that the continuation of the Correspondence School was no longer justified. The school was therefore closed on the 15th December. Candidates for departmental examinations who desire to be coached in the various subjects are now required to make their own arrangements for tuition, but it is considered that the requirements of officers in this connection are adequately met by the facilities provided by technical and secondary schools and private correspondence schools.

EXAMINATIONS.

Officers who were candidates for departmental examinations during the year numbered 1,178, of whom 589 were either wholly or partially successful.

As indicated in last year's report, the departmental Entrance Examination or its equivalent has superseded the Competency Examination as the examination qualification for appointment to clerical positions. It has, however, been decided to regard officers of the Second Division who passed a First Division Competency Examination prior to the 1st April, 1934, as fully qualified by examination for promotion to the First Division.

A pass in the recently introduced School Certificate Examination set by the Education Department is accepted as the equivalent of a pass in the educational section of the departmental Entrance Examination.

SUGGESTIONS BOARD.

Suggestions submitted by officers during the year with a view to improving the working of the Department numbered 281. Twelve awards for meritorious suggestions, involving a total sum of £34, were made. Since the inception of the Suggestions Board in 1927, nearly 2,900 suggestions covering all phases of the Department's activities have been received from officers.

COMMERCIAL BRANCH.

The business handled by commercial officers during the year amounted to $\pm 52,605$, as against $\pm 39,477$ for the preceding year—an increase of $33 \cdot 2$ per cent. Of the total amount, $\pm 24,720$ represented telephone business and $\pm 27,885$ advertising and miscellaneous services. The increase is gratifying, and is a reflection of the improvement in trading conditions generally.

Opportunity was taken during the year to advertise the Department's toll and radio-telephone services by means of an exhibit at the Wellington Radio Exhibition and at the winter shows at Auckland and Christchurch. From the interest exhibited by the public in the displays, it was evident that the innovation did much to popularize departmental services.

Commercial officers played an important part in explaining and giving publicity to the various new telephone facilities recently introduced by the Department.

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 :---

			1934-35.		1933-34.				
		Receipts.*	Issues.*	Stock in hand, 31st March, 1935.	Receipts.*	Issues.*	Stock in hand, 31st March, 1934.		
		£	£	£	£	£	£		
Auckland		98,611	97,370	111,285	76,526	87,694	110,044		
Christehurch		51,326	53,892	71,106	33,818	39,719	73,672		
Dunedin		29,646	29,070	48,244	17,874	25,408	47,668		
Wellington	· •	192,054	192,264	256,624	136,935	159,808	256,834		
Dominion totals	• •	371,637	372,596	487,259	265,153	312,629	488,218		

* Excluding transfers within storekeeping districts.

The total value of orders placed during the year was $\pounds 272,879$. Of this amount $\pounds 154,101$ represented the cost of stores for supply from within the Dominion, including $\pounds 32,482$ for stores purchased under contracts arranged by the Stores Control Board. The total value of orders placed during the previous year was $\pounds 178,483$.

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	Deministra	Items.	Value of Items purchased.					
rear ended	Requisitions.	items.	On Indent.	Locally.	Total.			
31st March, 1935 31st March, 1934	$ \begin{array}{c} 3,659 \\ 3,334 3,334 $	17,838 15,921	£ 25,025 15,831	£ 54,371 45,608	£ 79,396 61,439			

The purchase was arranged during the year of 168 motor-vehicles for other Departments, and of 28 motor-vehicles for the Post and Telegraph Department. The figures for the previous year were 104 and 48 respectively.

SALE OF OBSOLETE AND UNSERVICEABLE MATERIAL.

A number of auction sales of obsolete and unserviceable material, including worn-out motorvehicles from various Departments, was held during the year. The total value of property disposed of was £2,299 7s. 1d. This sum includes the value of scrap lead 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 £97,109.

WORKSHOPS.

The efficiency of the various departmental workshops throughout the Dominion was well maintained during the year. General workshops are established at Auckland, Wellington, Christehurch, and Dunedin, and motor workshops only at Whangarei, Hamilton, Napier, Gisborne, Wanganui, Palmerston North, Masterton, Nelson, Timaru, Greymouth, and Invercargill. These workshops are essential for the efficient maintenance of the Department's plant and equipment including transport, and for the proper carrying-on of the Department's activities.

The total value of the work performed in the various workshops during the year amounted to £93,928, of which £9,434 represents the value of services rendered to other Government Departments.

BUILDINGS AND LAND.

A new post-office building was crected at Karori, and the new post-office buildings at Taumarunui and Waitakaruru, the erection of which was commenced last year, were completed. At Dunedin good progress has been made with the new chief post-office building. Small garages were erected at Morrinsville and Waihi, and the garage at Te Aroha was extended.

Extensive alterations have been made in the General Post Office building at Wellington. The main public space has been modernized, the lighting has been improved, and additional writing-desks have been provided in the space formerly occupied by the stamp rotunda.

Areas of land no longer required at the following places were disposed of : Foxhill, Glen Oroua, Palmerston, Rangataua, Waitekauri, Woodgrove.

The disposal was effected also of old post-office buildings at Koputaroa, Queensberry, Reidston, and Whakataki, the old post-office building and site at Tophouse, and the temporary post-office building at Port Ahuriri, which was crected after the earthquake in 1931.

Areas of land were acquired as follows: Kaitaia (for drainage purposes), Patea (for extension of post-office site), St Heliers (for automatic-exchange building), Te Puke (for garage, &c.), Waimate (for improved access to post-office site), Wanganui (for store, garage, and workshops).

Fire was responsible for damage to the combined railway and post-office building at Heriot in September, 1934, and for the destruction of the post-office building at Toko in March, 1935.

DEPARTMENTAL MOTOR - VEHICLES.

Twenty-eight new motor-vehicles of various kinds were purchased during the year, some as additions to the fleet, and others in replacement of vehicles that were no longer serviceable. A number of these were cars for use in connection with the tour of His Royal Highness, the Duke of Gloucester. At the conclusion of the tour the cars were placed in service at the departmental garages at Auckland, Wellington, Christchurch, and Dunedin for general hiring purposes, and enabled a number of secondhand cars to be released for use by radio inspectors and other departmental officers. The remaining vehicles purchased were trucks of varying capacities up to 30 cwt. for use by the Engineering Branch in the maintenance of telegraph and toll lines. All the vehicles purchased were of English manufacture.

Vehicles in commission at the end of the year numbered 571, comprising 433 lorries, trucks, and vans, 137 motor-cars, and one motor-cycle. Forty-six vehicles were withdrawn from service. The fleet, including several vehicles held for sale, shows a net increase of nineteen. The number of miles travelled by the fleet during the year was 4,261,770, an increase of 407,145

miles.

BICYCLES.

Bicycles are still used extensively in the Department's service, mainly by postmen and messageboys. The machines are in three classes-namely, those owned by individual officers, for the use of which an allowance is paid ; those purchased by the Department and supplied free of cost to officers, who are required under agreement to maintain the machines and to utilize them in the Department's service for three, four, or five years, according to the average daily riding-time; and those owned by the Department and held for use by officers as required. The number of bicycles in use under these headings is 622, 87, and 500, respectively.

POST OFFICE.

"SMALL PACKETS" SERVICE: INTRODUCTION.

The "Small Packets" service introduced by the Postal Union Congress of London in 1929 was brought into operation in New Zealand on the 1st July, 1934. From that date small packets have been exchanged between the Dominion and other countries participating in the service. The new service provides for the forwarding overseas with letter mails of small articles of merchandise, gifts, &c., which previously were required to be sent by parcel-post to many countries that prohibited the entry by post of dutiable articles in any other way. In effect, the new service provides a cheaper and quicker despatch for articles of this kind.

The rate of postage on small packets was fixed at $1\frac{1}{2}d$. for each 2 oz., with a minimum of 6d., the maximum weight being 2 lb.

DIVISION OF CHRISTCHURCH AND DUNEDIN CITY AREAS INTO POSTAL DISTRICTS.

To expedite the handling and delivery of correspondence addressed to Christchurch and Dunedin, postal-district schemes similar to those which have been in operation at Auckland and Wellington since 1932 were introduced at the South Island centres on the 1st March last.

The Department has lost no opportunity of bringing before members of the business community and the public generally the advisability of including postal-district indicators in the addresses of all correspondence for delivery in the four centres. Only with the sustained co-operation of the public in this respect can the full benefit of the schemes be obtained. So far the results have been satisfactory, and it is hoped that as time goes on there will be a progressive increase in the volume of correspondence showing postal-district indicators.

INLAND MAIL-SERVICES.

South Island mail-service contracts, which expired on the 31st December, were relet from the 1st January at a substantial saving in cost.

A considerable number of the services were tendered for at prices much below those previously paid. Many services were improved, either by extending them to include further districts, or by increasing the frequency of running. The South Island is now well served by road mail-services. Rural-mail facilities are available in practically every locality where settlement has taken place to any extent, and the districts which are not connected with main centres by reasonably frequent services are few.

At the end of February there were 23,673 rural-mail box-holders in the Dominion—the highest number on record.

A contract has been let for three years for serving Stewart Island by the "Awarua" from Bluff. The "Tees" and the "Southsea" continue to be used for the conveyance of mails between the mainland of New Zealand and the Chatham Islands. Mails are now carried much more frequently than formerly, when only one vessel was engaged in the Chatham Islands fishing industry.

Between the 4th and 8th May heavy rain resulted in the flooding of the Little River township, and caused some delay to inward mails for that place and to mails despatched between Little River and Akaroa and other offices on Banks Peninsula. Motor-lorries were used to convey mails to Little River from a point on the railway about half a mile from the town.

As the result of a heavy snowfall during the period 29th June to 4th July, mails for several places in the Otago Province suffered delay. Settlers in one district particularly affected, using a snow-sledge, met the mail contractor at a convenient point and collected mail-matter for distribution in the district.

During the period 19th to 21st June flooding of the railway and roads north of Helensville necessitated the despatch of mails by steamer from Auckland to Whangarei and from Helensville to Dargaville for distribution from those points to the North Auckland District.

In October heavy floods in the Wairarapa District interrupted mail communication for a few days.

Extensive floods in the North Auckland District on the 11th December disorganized for several days road and rail transport on all of the important northern trunk services.

Several important connecting road mail-services were interrupted for a day or two in the middle of March owing to flooded rivers in the Gisborne District.

OVERSEAS MAILS.

Apart from the cancellation of two round trips on the San Francisco contract mail-service, the Auckland-Vancouver and the Wellington – San Francisco ocean mail-services were performed regularly during the year. The average times of transmission of mails by these services were as follows :---

Auckland to London via Vancouver	 			29·5 days.
London to Auckland via Vancouver	 	••	• •	30.7 days.
Wellington to London via San Francisco	 			$29 \cdot 0$ days.
London to Wellington via San Francisco	 	••		$31 \cdot 2$ days.

The Vancouver service was maintained by the "Aorangi" and "Niagara" and the San Francisco service by the "Makura" and "Maunganui."

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Permission was granted the contractors for the San Francisco service to cancel the voyage due to commence at Wellington on the 15th May to allow the "Makura" to undergo overhaul. This vessel was due to leave Wellington for San Francisco on the 12th June in place of the "Maunganui," but owing to the inability of the contractors to obtain a staff for the commissariat department the sailing had to be postponed and finally cancelled. On account of the cancellation of the trip of the 15th May, use was made of the "Rangitata" and "Mahia," which left New Zealand on the 11th and 16th May respectively for Great Britain via Panama. Mails for North America and Great Britain were also forwarded by the "Storanger," which left New Zealand on the 12th May for San Pedro. Arrangements were made, in consequence of the cancellation of the trip of the 12th June, to despatch mails for Great Britain via Australia by the "Monowai," which was due to leave Wellington on the 15th June. Due, however, to the trouble experienced on the "Makura" extending to the "Monowai," the sailing of this vessel also was cancelled, and the mails for Australia and Great Britain were despatched by the "Monterev," which left Auckland for Svdney on the 15th June.

The sailing of this vessel also was cancelled, and the mails for Australia and Great Britain were despatched by the "Monterey," which left Auckland for Sydney on the 15th June.
The New Zealand – Australia service was maintained by the "Wanganella," "Monowai," and "Marama." These vessels provided a service at least weekly either from Auckland or from Wellington. The vessels engaged on the Vancouver and San Francisco contract services and vessels of the Matson Co. also afforded additional facilities for the despatch of mails for Australia and beyond. Use was also made of the "Waitaki" for the despatch of mails to Australia via Bluff.

At the end of October a passenger-service between Bluff and Melbourne was inaugurated by the Union Steam Ship Co.'s vessel "Maheno." Seven round voyages were completed between the 31st October, 1934, and the 19th March, 1935.

A service between Auckland and Suva was maintained by the "Waipahi" and between Auckland and Tonga by the "Port Whangarei." Use was also made of the "Maui Pomare" for despatches to Niue and Samoa.

AIR MAILS.

The London-Singapore air-mail service was extended to Australia in December, 1934, providing a weekly service to and from Great Britain. The service from Australia commences at Brisbane each Wednesday and terminates at London on the Monday twelve days later. Inward mails to Australia leave London on Saturday and reach Brisbane on the Thursday twelve days later. The time-table is so arranged that air mails despatched from New Zealand by the weekly intercolonial steamers leaving on Fridays connect with the outward service from Australia the following week, and that air mails for New Zealand connect with the New Zealand steamers leaving Sydney on Fridays. Under normal conditions this schedule provides New Zealand with a weekly seventeen-day service to and from Great Britain, resulting in a considerable saving in transit time over ordinary means of transport for mails exchanged not only with Great Britain but also with the Continent of Europe, Africa, and intermediate countries on the air-service route. The rate of postage on correspondence for Great Britain forwarded by the service was fixed at 1s. 6d. per half-ounce. The rates to other countries served by the service vary from 9d. to 1s. 9d. Additional charges ranging from 3d. to 2s. 7d. are payable on correspondence for which onward despatch by air to countries of destination is desired from intermediate countries or from England.

In addition to the air-mail flight between New Zealand and Australia on the 14th April, 1934, of which details were published in last year's report, a flight was undertaken between Ninety-mile Beach (Kaitaia) and Sydney on the 2nd July by the late Flight-Lieutenant C. T. P. Ulm in the monoplane "Faith in Australia." The mail comprised 9,891 letters (of which 1,024 were registered), of a weight of 150 lb. Included in the mail were 3,786 letters for onward despatch by an experimental air-mail flight between Australia and Papua and New Guinea. Letters for return to New Zealand numbered 3,473. The flying-time for the journey was 15 hours 36 minutes. An air-mail fee of 6d. per halfounce in addition to ordinary postage was charged on correspondence carried by the flight, and payment to the late Flight-Lieutenant Ulm was made at the rate of 4d. per half-ounce per article, the difference being retained by the Department to cover the cost of the special arrangements it was necessary to make in connection with the flight.

An event of importance was the establishment from the beginning of January last of the first regular subsidized inland air-mail service. The route is between Hokitika, Bruce Bay, Haast, and Okuru, and the contract has been let for a period of one year in order to determine whether a service by air is satisfactory in all respects for the districts concerned, which are among the most isolated in the Dominion. They were served formerly by a fortnightly pack-horse delivery which occupied several days. By air the distance one way is covered in approximately three hours, the return flight being completed in one day. Although the contract provides for a fortnightly service only, the contractors generally carry mails free on a flight made in the alternate weeks. Mail-matter of all classes, including parcels up to 14 lb. in weight, is carried and no special air-mail fee is charged. Since the inauguration of the service, the time-table has been regularly maintained with but two exceptions due to very bad weather conditions.

POSTAGE-STAMPS.

JUBILEE STAMPS.

Arrangements were made during the year with Messrs. Bradbury, Wilkinson, and Co., Ltd., England, for the engraving and for the printing, by the intaglio process, of a special set of stamps commemorative of the Silver Jubilee of the Accession to the Throne of His Majesty the King. The stamps are in values $\frac{1}{2}$ d., 1d., and 6d. The design, which is the same for each denomination, protrays Their Majesties the King and Queen as the principal subjects in a frame, designed by Mr. J. Berry, Wellington, identifying New Zealand with the issue. Jubilee stamps are also being provided for the Cook Islands, Niue, and the Mandated Territory of Western Samoa by overprinting suitably the 1d., $2\frac{1}{2}$ d., and 6d. denominations of the current issues of those islands.

AIR-MAIL STAMPS.

The desirability of superseding the original series of air-mail stamps by stamps of more attractive design and of an improved method of production was further considered during the year; and it was decided to proceed with the issue of a new series of these stamps, in denominations of Id., 3d., and 6d., from a design—"A New Zealand Air Terminal "—suggested by the Department and prepared by Mr. J. Berry, Wellington. The plates and dies for the new stamps have been made by the stampprinting branch of the Commonwealth Bank of Australia, Melbourne, the line-engraving process being used. It is proposed to have the stamps printed at the Government Printing Office, Wellington.

"HEALTH " STAMPS.

A "Health" stamp of the denomination of 2d. (1d. for postage, 1d. for health) was placed on sale at Wellington on the 25th October and at most other places in the Dominion on the 26th idem, and was withdrawn on the 28th February. The stamp was of attractive design entitled "The Crusade for Health," and depicted a mounted crusader carrying a banner bearing the word "Health." The stamp was designed by Mr. J. Berry, of Wellington, and the engraving and printing were carried out by Messrs. de la Rue and Co., Ltd., London. The stamps sold numbered 279,120, of a gross value of $\pounds 2,326$, compared with a gross return of $\pounds 2,174$ for the previous year, an increase in value of 7 per cent. From the proceeds of the sale of the stamps, an amount of $\pounds 989$ 7s. 11d. was paid to the Health Department for expending on children's health camps.

DEMONETIZATION OF STAMPS.

The following stamps of New Zealand and the islands were demonetized from the 31st December, 1934:

Stamps of denominations 1/2d., 1d., 2d., 21/2d., 3d., 4d., 5d., 6d., 8d., 9d., 1s., 2s., and 5s., depicting New Zealand birds and scenery and issued between 1898 and 1908; and any stamp of this series overprinted in any way.

Stamps of denominations ½d., 2d., 3d., 4d., 5d., 6d., 8d., and 1s., bearing a portrait of His late Majesty King Edward VII; and any stamp of this series overprinted in any way. Id. "Universal Postage" stamp depicting the symbolical figure of "Zealandia"; and any such

stamp overprinted in any way. 1¹/₂d. "The Empire's Call" (commemorative of New Zealand contingents, South African War). ¹/₂d. "War Stamp" (¹/₂d. stamp bearing portrait of His Majesty King George V overprinted "War Stamp").

1d. "Universal Postage" stamp depicting coast-line of New Zealand.

"Victory Stamp" series, comprising denominations 1/2d., 1d., 11/2d., 3d., 6d., and 1s., issued in 1920 to commemorate termination of the Great War; and any stamp of this series overprinted in any way.

Duned in Exhibition stamps, 1925, comprising denominations $\frac{1}{2}$ d., 1d., and 4d.

"Charity" stamps: (a) Id. postage, Id. charity, of design depicting head and shoulders of a nurse (issued in 1929.)

(b) 1d. postage, 1d. charity, of design depicting head and shoulders of a nurse (issued in 1930).

(c) 1d. postage, 1d. charity, of design depicting head and shoulders of a boy (issued in 1931).

(d) 2d. postage, 1d. charity, of design depicting head and shoulders of a boy (issued in 1931). Government Life Insurance Department stamps bearing the letters "V.R.," comprising denominations 1/2 d., 1d., 2d., 3d., 6d., and 1s.

tions 1d., 2d., 3d., 6d., and 1s. Stamps as follow bearing a portrait of His Majesty King George V: Denominations 1d., 11d., 21d., 3d., 6d., and 1s. overprinted "Aitutaki," "Niue," "Penrhyn Island," "Rarotonga," or "Samoa"; denomination 2d. overprinted "Rarotonga," or "Samoa"; and denominations 4d., 41d., 71d., and 9d. overprinted "Rarotonga."
"Stamp Duty" stamps as follow bearing a portrait of Her late Majesty Queen Victoria: Denominations 2s., 5s., and £1 overprinted "Official," "Niue," "Rarotonga," or "Samoa"; and 3s. denomination overprinted "Samoa."

Cook Island stamps of denominations 1d., 12d., 22d., 5d., and 10d. bearing portrait of the late principal Ariki, Makea-Takau; and denominations 12d., 2d., 6d., and 1s. depicting the bird torea or wry-neck.

Aitutaki stamps of denominations $\frac{1}{2}$ d., 1d., $2\frac{1}{2}$ d., 3d., 6d., and 1s. depicting Cook Island scenes, and $1\frac{1}{2}d$. denomination bearing a portrait of the late Captain James Cook.

Niue stamps of denominations 1/2d., 1d., 21/2d., 3d., 4d., 6d., and 1s. depicting Cook Islands scenes, and 1¹/₂d. denomination bearing a portrait of the late Captain James Cook; also 1¹/₂d. stamp of this series overprinted "Twopence."

Overprinted Twopence.
Penrhyn stamps of denominations ½d., 1d., 2½d., 3d., 6d., and 1s. depicting Cook Island scenes, and 1½d. denomination bearing a portrait of the late Captain James Cook.
Rarotonga stamps of denominations ½d., 1d., 2½d., 3d., 4d., 6d., and 1s. depicting Cook Island scenes, and 1½d. denomination bearing a portrait of the late Captain James Cook; also 1½d. stamp of denomination bearing a portrait of the late Captain James Cook; also 1½d. stamp of denomination bearing a portrait of the late Captain James Cook; also 1½d. stamp of denomination bearing a portrait of the late Captain James Cook; also 1½d. stamp of denomination bearing a portrait of the late Captain James Cook; also 1½d. stamp of denominations this series overprinted "Twopence."

Postage due stamps, 1899 (value printed in red on white centre), of denominations 3d., 4d., 5d., 6d., 8d., 10d., 1s., and 2s.

INSPECTION.

Visits of inspection to post-offices made by Inspectors during the year numbered 1,372, and on 1,195 occasions the values were audited. In no instance was a serious discrepancy disclosed. The necessity for frequent audits will be apparent when it is mentioned that the value of the cash advances held normally at post-offices throughout the Dominion is approximately £500,000, while the value of postal notes, British postal orders, and postage and unemployment stamps held exceeds £1,000,000.

It is also the duty of Inspectors to arrange for co-operation between officers in the conduct of the varied activities of the Department, and to see that a proper standard of efficiency is maintained at each office.

BURGLARY OF POST-OFFICE PREMISES, ETC.

The number of burglaries at post-offices during the year 1934 was not excessive. As it is the policy of the Department to ensure that only a minimum amount of money is held at post-offices overnight the amount stolen was comparatively small. In almost every instance the burglaries were committed at general stores or other buildings which are not the property of the Department, but in which the Department's business is conducted by officers of non-permanent status. Some of the offenders were apprehended and dealt with according to law. The most serious case which occurred was the theft of £61 in money from the Adelaide Road Post-

The most serious case which occurred was the theft of £61 in money from the Adelaide Road Postoffice, Wellington. A man entered the office about midday, covered the officer in charge with a revolver, and stole the cash. Although the offender escaped at the time, he was apprehended on the following day and dealt with according to law. Portion of the stolen money was restored to the Department.

Thefts from street posting-boxes, public call telephone offices, and stamp-vending machines were not more numerous than usual. A very poor cash return is obtained by offenders in this class of crime, but considerable inconvenience to the public is caused and the Department is put to expense in effecting the repairs necessary to restore the services.

ARTICLES DELIVERED.

During the year 1934 the estimated number of articles delivered in the Dominion, including those received from places overseas, compared with the number in 1933, was as under :---

				1934.	1933.	Increase per Cent.
Letters	••		• •	142,549,211	136, 137, 538	$^{-}4.71$
Post-cards				4,143,426	3,991,591	$3 \cdot 8$
Parcels		••		1,811,204	1,739,731	$4 \cdot 1$
All other articles	••	••	• •	99,491,011	94,444,813	$5 \cdot 34$
				· · · · · · · · · · · · · · · · · · ·		
Totals	۰.		••	247,994,852	236, 313, 673	

AVERAGE NUMBER OF LETTERS POSTED PER UNIT OF POPULATION. 1934, 85.47.

DEAD LETTER OFFICE.

DELL DELLER OFFICE.			
		1934.	1933.
Letters returned to senders in New Zealand	••	378,877*	$385,464^{+++}$
Other articles returned to senders in New Zealand		213,605	183,039
Letters returned to other Administrations	• •	38,655 ⁺	40,089 [†]
Other articles returned to other Administrations		37,501	33,808
Letters destroyed (senders unknown and contents of	no		
value)		22,382	22,429
Letters and letter-cards posted without addresses		10,059	9,541
Letters imperfectly or insufficiently addressed		17,885	16,614
Letters intercepted addressed to persons and firms	on		
prohibited list		8,978	6,054
Letters intercepted on account of libellous addresses	••	43	53
Newspapers received without addresses		2,247	1,786
Other articles received without addresses		1,795	1,878
Newspapers returned to publishers as undeliverable		40,849	39,067
Articles bearing previously used stamps		83	105

The proportion of undeliverable letters to the total number of letters delivered was 0.33 per cent., the same as in the previous year.

PROHIBITED CORRESPONDENCE.

The volume of correspondence intercepted in the post for addresses which have been prohibited in connection with overseas lotteries, art unions, sweepstakes, &c., continues to increase. Nearly 9,000 letters were intercepted during the year, an increase of about 3,000 compared with the previous year.

		·		and the second secon
* Including 15,12	6 registered.	† Including 16,974	registered.	‡ Including 391 registered.

MISSING POSTAL PACKETS.

During the year ended the 31st December, 1934, 5,405 complaints concerning the non-delivery of postal packets were investigated. In 2,757 cases, or 51 per cent. of the total number, the articles were traced or accounted for satisfactorily, as follows :- -

Sender responsible for delay	••				 854
Addressee responsible for delay			• •		 1,029
Post Office responsible for delay			••		 222
No delay, or responsibility not fixed		••	• •	• •	 652

In 2,648 cases the manner of the disposal of the postal packets could not be determined. This represents a percentage of 0.0011 of the total number of articles posted during the year.

MONEY-ORDERS.

There was an appreciable increase of money-order business during the year, 654,621 orders of a value of $\pounds 3,209,713$ being issued. This represents an increase compared with the previous year of 18,947 in number and $\pounds 96,984$ in value.

POSTAL NOTES.

Greater use was made of the postal-note service this year than last. The sales were 3,325,561 postal notes of a value of £1,140,695, against 2,883,070 of a value of £1,061,946 during the previous year.

The commission totalled $\pounds 29,077$ 0s. 1d., an increase of $\pounds 2,827$ 17s. 2d. on the commission earned in 1933-34.

BRITISH POSTAL ORDERS.

British postal-order business decreased slightly, 72,971 orders of a value of £33,977 14s. being sold, as against 77,229 of a value of £37,921 3s. 4d. for the previous year. The number of orders paid was 27,978 of a value of £14,651 5s., compared with 28,056 of a value of £14,643 9s. 6d. paid during the previous year.

SAVINGS-BANK.

Deposits lodged in the Post Office Savings-bank during the year amounted to £24,179,537, and the withdrawals to £20,946,562, an excess of deposits of £3,232,975. The interest credited to depositors was £1,320,347, and the total amount at the credit of depositors at the end of the year was £49,423,714.

During the year savings-bank ledger offices were established at Balclutha (16th June), Cambridge (16th July), Rangiora (16th June), Taihape (1st May), Te Aroha (16th May), and Te Awamutu (2nd July).

From the 1st August, 1934, the rate of interest on deposits in the Post Office Savings-bank was reduced to 3 per cent. on amounts not exceeding £500 and $2\frac{1}{2}$ per cent. on amounts exceeding £500 but not exceeding £2,000. Previously, interest on Post Office Savings-bank deposits was payable at the rate of 3 per cent. on amounts not exceeding £1,000 and at $2\frac{3}{4}$ per cent. on any amount exceeding £1,000 but not exceeding £2,000.

From the 13th December, 1934, the Savings-bank regulations were amended to enable accounts to be opened by any person as a trustee under any formal instrument creating a trust. Provision was also made for the acceptance from a depositor of a "general authority" for some person nominated by him to operate on his account. Previously, the only means by which a general authority could be given was by power of attorney. In addition, amendments of a machinery nature were made to certain of the regulations.

The provisions of the Savings-bank Regulations under which certain depositors (including savingsbanks, friendly societies, and other non-mercantile bodies) were entitled to receive interest on the amount of their deposits in excess of £2,000 were cancelled from the 28th February, 1935, after which date no interest is payable to any depositor in respect of any amount of his deposit in the Post Office Savings-bank in excess of £2,000.

POST OFFICE INVESTMENT CERTIFICATES.

The total sales of Post Office investment certificates for the year amounted to £227,958.

WORK PERFORMED FOR OTHER DEPARTMENTS.

The volume of work performed by the Department on behalf of other Government Departments continues to expand. The total sum handled in this respect during the year amounted to approximately £34,000,000, an increase of about £3,000,000 on the previous year's total.

REGISTRATION OF MOTOR-VEHICLES AND ASSOCIATED WORK.

The work involved in dealing with the registration and the annual relicensing of motor-vehicles increased considerably during the year. Registrations showed a remarkable increase, rising by 9,293 compared with those of the previous year, the percentage increase being 85.68. The registration figures for the last two years were 10,846 and 20,139, respectively. The number of licensed vehicles as at the 31st March last was 208,207, an increase of 10,922. The total fees collected by the Department in respect of the registration, licensing, change of ownership, &c., of motor-vehicles during the year amounted to £381,682, compared with £347,381 last year.

Increases in the number of transactions in respect of notifications of change of ownership and the issuance of duplicate certificates of registration and of substitute plates were also recorded.

Motor-registration fees are collected at most money-order offices, and 351 of the Postmasters in charge of these offices have been appointed Deputy Registrars. Local registers of motor-vehicles are kept at each Deputy Registrar's office, and a general register comprising the whole of the registrations in the Dominion is kept by the Registrar of Motor-vehicles at Wellington. Detailed statistics covering the work undertaken by the Department in connection with motor-vehicles will be found in the report of the Transport Department.

The insurance premiums payable under the provisions of the Motor-vehicles Insurance (Thirdparty Risks) Act, 1928, are collected by the Department on behalf of the forty-four insurance companies which have been authorized to underwrite business under the legislation. Motor-vehicle owners may nominate any one of these companies to indemnify them in terms of the Act. The work entailed in handling nomination forms will be appreciated from the fact that 215,239 proposal forms were dealt with during the year. The gross amount of insurance premiums collected on behalf of the companies was £218,340. This amount represents a decrease of £8,388 compared with the premiums collected during the preceding twelve months. The decrease was consequent to the decision of the companies to reduce insurance premiums.

The refunding of duty on motor-spirits under the provisions of the Motor-spirits Taxation Act, 1927, is undertaken by the Department. Refunds are made in respect of motor-spirits consumed for all purposes other than as fuel for licensed motor-vehicles. Refunds are also allowable on petrol consumed in tractors used exclusively for agricultural purposes whether or not the vehicles have been licensed under the Motor-vehicles Act, 1924. During the year 52,718 claims were dealt with, and refunds amounting to £155,714 were made. The number of claims authorized for payment has increased each year, those handled last year showing an increase of 3,453 over the previous year's figures.

Owners of all vehicles which are not propelled exclusively by means of motor-spirits, with the exception of tractors used solely for agricultural purposes, and traction engines, are required to pay a graduated tax based on the laden weight of the vehicles. In computing the tax payable, consideration is given to the road mileage traversed by vehicles. During the year owners of tractors used exclusively for agricultural purposes were exempted from the payment of mileage-tax and this resulted in the number of taxable vehicles being reduced from 269 to 96. The amount of tax collected was £1,594. Transactions under this heading will increase considerably from the 1st June, 1935, legislative provision having been made for the exemption of well-boring plants, saw-bench apparatus, cranes, and air-compressor plants from payment of annual license fees and for the imposition of the mileage-tax as the only form of taxation on such machinery. At the request of the Public Works Department, which is the licensing authority in the Taupo

At the request of the Public Works Department, which is the licensing authority in the Taupo County in respect of the issue of heavy-traffic licenses under the Heavy Motor-vehicle Regulations, 1932, the Department undertook on behalf of the Public Works Department to carry out the work in that portion of the county other than the Taupo Road Board district. A suitable system was set up and the work of issuing the licenses at the Taupo Post-office was commenced on the 1st June, and is continuing satisfactorily.

UNEMPLOYMENT.

The Department continues to undertake a large share of the work associated with unemployment, and the services which are being rendered by Postmasters are proving of great assistance to the Unemployment Board.

The whole of the work associated with the collection of the general unemployment levy is undertaken by the Department, which also collects the wages-tax, either by the sale of relief stamps or by the acceptance of cash.

Up to the 31st March, 1935, the emergency charge on income other than salary or wages was payable either to the Post Office or to the Commissioner of Taxes, but the Commissioner of Taxes no longer acts as agent for the Board, and payment must now be made either to the Post Office or direct to the Commissioner of Unemployment.

The introduction of sustenance payments has thrown a considerable amount of additional work on Postmasters and counter officers.

The organization of the Department is used for the distribution of boots to the unemployed.

The Post Office pays, on behalf of the Board, the wages of men employed under some of the relief schemes, and also recoups local bodies for wages paid by them to men employed under Scheme No. 5.

During the year an important change was effected by the amalgamation of Head Office staffs dealing with the collection of unemployment taxation. Previously, one staff was under the control of the Commissioner of Taxes, another under the control of the Commissioner of Unemployment, and a third under the control of the Post and Telegraph Department. The three staffs, with their records, have been amalgamated, and it is expected that the resultant co-ordination will enable the work to be undertaken more efficiently and economically.

During the year, the total receipts and payments on behalf of the Unemployment Board amounted to £6,344,484, made up as follows :---

						r
(a)	Collection of general unemployment lev	у				414,572
	Collection of emergency income charge		••	••	• •	969,482
	Sales of relief stamps	••	••	••	••	1,353,454
(d)	Wages-tax collected in cash	••	••	••		1,071,127
(e)	Wages and sustenance payments	••	••	••	••	2,535,849

SPECIAL POSTAL, TELEGRAPH, AND TELEPHONE FACILITIES DURING THE VISIT OF H.R.H. THE DUKE OF GLOUCESTER.

On the occasion of the visit to New Zealand of His Royal Highness the Duke of Gloucester in December and January last the Department, in addition to organizing the motor-transport for the tour, provided special postal, telegraph, and telephone facilities throughout the Dominion to meet the requirements of the Royal party and those associated with the tour, including press representatives. The arrangements made included the extension of the hours of attendance, the strengthening of staffs, and the provision of special apparatus at many post and telegraph offices.

The arrangements made included the extension of the boots of architement, the strengthening of starts, and the provision of special apparatus at many post and telegraph offices. The organization of the motor transport for the tour, involving a fleet of twenty-two cars, called for careful consideration and the closest attention to detail. As His Royal Highness travelled by train wherever possible, it was necessary for the motor fleet to be so organized that cars would be available to meet the Royal train at various points. Mail matter for the Royal party was handled with the utmost expedition, special bags for the

Mail matter for the Royal party was handled with the utmost expedition, special bags for the party being made up at central points. In particular, special handling was accorded mails for His Royal Highness from England. Where a saving in time could be effected, these mails on arrival in the Dominion were conveyed by New Zealand Air Force machines from the port of arrival to the locality which the party was visiting at the time. Flights for this purpose were made as follows:—

> Auckland to Napier, 19th December. Wellington to Hokitika, 7th January. Auckland to Invercargill, 12th January. Wellington to Longbeach (Ashburton), 16th January. Wellington to Christchurch, 20th January. Wellington to Russell, 28th January.

While the Royal party was travelling by train a post-office was established on the Royal train. A special date-stamp engraved "Royal Train, New Zealand" was used for post-marking correspondence posted on the train.

In the provision of the special telegraph and telephone facilities for the tour no unusual difficulties were involved except in the case of several of the principal tourist resorts-viz., Rotorua, The Chateau (Tongariro National Park), Waiho Gorge (Franz Joseph Glacier), and Hermitage (Mount Cook). The Royal party's official itinerary provided a stay-over period of several days at each of these resorts, and in view of the fact that the normal communication facilities fell considerably short of requirements for so important an event, it was considered advisable to make additional facilities available at these places. At Rotorua the telegraph requirements were met by the installation of a portable teleprinter set for duplex operation with Auckland, while the toll traffic was catered for by the temporary installation of one additional single-channel carrier-telephone system also arranged for direct communication with Auckland. The special systems installed at The Chateau were the same as those for Rotorua, except that the teleprinter was arranged for direct working with Wanganui and the carrier-telephone system for operation with Hamilton. In the case of Waiho Gorge and the Hermitage it was found that the successful operation of teleprinter and carrier-telephone systems presented serious difficulties, since in both cases a single earth-working line with a number of intermediate stations thereon served as the only connecting link between the out-stations and their nearest centre. On the Hermitage route the difficulties were further accentuated by the fact that seventy miles of the earth-working line were composed of galvanized-iron wire. Notwithstanding these peculiar difficulties, however, a high-grade single-channel carrier-telephone system was established for operation between Waiho Gorge and Greymouth, and one was also installed and operated between the Hermitage and Christchurch. At both places the telegraph traffic was disposed of by way of radio channels supplemented by voice-frequency teleprinter channels operated over the carrier systems when the latter were not in use for toll purposes. This was the first occasion on which teleprinters and carrier-telephone systems had been utilized in semi-portable form for meeting special requirements of this kind, and it marked the first occasion also of the use of a voice-frequency telegraph system in the Dominion. The special equipment functioned satisfactorily wherever it was installed and enabled the Department to provide the Royal party with a first-class telegraph and telephone service at the most isolated places that were visited.

Another feature of the communication services which proved very valuable was the instant linking-up of the Royal train with the main telephone system whenever the train remained the headquarters of the party during a stop of an hour or more at any point. The foundation-stone of the new chief post-office building at Dunedin was laid by His Royal

The foundation-stone of the new chief post-office building at Dunedin was laid by His Royal Highness the Duke of Gloucester on the 12th January last. The ceremony, which was a memorable event in the history of Otago, was witnessed by a vast concourse of citizens who crowded adjacent streets and occupied vantage-points on buildings in the vicinity. To mark the occasion His Royal Highness was presented by the Postmaster-General, the Hon. Adam Hamilton, with a miniature in gold of the new building in the form of an ink-stand. The gold model, into the top of which an ink-well is set, is mounted on a base of Bluff granite similar to that used for the facings of the building. The sides of the base are ornamented in gold, the front with a crown, above which rests a gold pen on stand, the left and right sides with the crest of His Royal Highness and the New Zealand Coat-of-Arms respectively, and the back with a plate bearing the following inscription : "Dunedin Post Office. Foundation-stone laid by His Royal Highness the Duke of Gloucester, K.G., P.C., K.T., G.C.V.O., 12/1/35."

Post-office buildings at places visited by His Royal Highness during his tour of the Dominion were suitably decorated.

F.--1.

TELEGRAPH AND TOLL SERVICES.

FACILITIES FOR TRAVELLING PUBLIC SENDING TELEGRAMS.

Special attention has been given to the requirements of the travelling public in the matter of sending telegrams. Boxes in which telegrams may be placed are erected on the platforms of a large number of railway-stations throughout the Dominion. In addition, arrangements have now been made for message-boys to be in attendance at the more important stations, at the times of arrival and departure of principal passenger trains, for the purpose of accepting telegrams and furnishing information in respect of general postal and telegraph matters. For the same purpose, at Auckland and Wellington message-boys are in attendance on the decks of overseas passenger-steamers for an hour at the arrival and departure of the vessels.

GREETINGS TELEGRAMS.

As recorded in the report for last year, the design and the form of the Christmas and New Year Greetings telegram were improved in 1933 by providing pictorial forms and envelopes together with a choice of several alternative messages of greeting. At the same time, the charge for the messages was altered to 6d. each, irrespective of the text chosen or of the number of words contained in the address and signature. The popularity of the improved greetings messages is disclosed in the following figures :—

Christmas and New Period.	Year			Number of Greetings Messages lodged.	Value. £
1930 - 31		 		 88,817	2,220
1931 - 32		 		 75,799	1,894
1932 - 33		 		 66,188	1,654
*1933-34		 		 161,089	4,027
*1934 - 35		 	• •	 228,367	5,709

In view of the success which has attended the change, the matter of introducing forms and envelopes of an ornamental design for congratulatory messages and birthday greetings is under consideration.

NEW TELEGRAM FORM AND ENVELOPE.

With a view to effecting an improvement in the appearance of the delivered copies of telegrams, a new telegram form, together with a separate envelope, was brought into use on the 1st December. The change has been the subject of favourable public comment.

TRANSMISSION OF TELEGRAMS BY TELEPHONE.

From the 1st December, 1934, the conditions governing the telephoning of telegrams to and from telephone-exchange subscribers were amended, and the special telephoning fee of 3d. was abolished. A telephone-exchange subscriber may now telephone to the local telegraph office without additional charge messages for onward transmission as telegrams. Similarly, telegrams addressed to telephoneexchange subscribers are now telephoned to them without charge, both during ordinary office hours and when the telegraph office which usually arranges delivery is closed. In the latter case, the messages are telephoned direct from the nearest telegraph office that is open.

LAUNCHING OF "NEW ZEALAND STAR" BY TELEGRAPHIC IMPULSE.

A notable event in telegraph history took place on the 22nd November when His Excellency the Governor-General of the Dominion, Lord Bledisloe, by means of an electrical impulse transmitted by him over a direct land-line and cable circuit between Government House, Wellington, and the shipbuilding yards at Belfast, Ireland, launched the liner "New Zealand Star."

From Wellington to Auckland a departmental circuit was used. Between Auckland and London, in order to minimize the possibility of failure, simultaneous use was made of two cable routes, one running in an easterly direction via Suva, Fanning Island, Bamfield (British Columbia), Montreal, Halifax, Fayal (Azores), and Porthcurnow (Cornwall); the other proceeding in a westerly direction via Australia, Cocos Island, Batavia, Singapore, Penang, Colombo, Seychelles, Aden, Port Sudan, Alexandria, Malta, Gibraltar, and Porthcurnow. From Porthcurnow the circuit continued overland to London, and thence to Belfast. The wire circuit involved—between 12,000 and 13,000 miles—was probably the longest over which Morse telegraph signals have ever been operated.

The complete success which attended the arrangements was a tribute to effective co-operation between the ship-builders and the cable and telegraph organizations.

TOLL SERVICES : REDUCTION IN RATES, PROVISION OF NEW SERVICES AND FACILITIES, ETC.

Important changes were made in the telephone toll service during the year as the result of an exhaustive investigation of the system carried out early in 1934. Particulars of the alterations follow.

* New style of message used.

EXTENSION OF HALF-RATE PERIOD FOR TOLL CALLS.

Prior to the 1st October, the periods during which half-rates for toll calls applied were 8 p.m. to midnight and 6 a.m. to 8 a.m. (a slightly lower rate being applicable between midnight and 6 a.m.). Investigation disclosed that there was considerable congestion of traffic during the first hour of the half-rate period (8 p.m. to 9 p.m.). From the 1st October, therefore, the commencing-time for half-rate calls was altered to 6 p.m. on week-days and 5 p.m. on Sundays and holidays. By the extension of the period it is hoped to relieve the congestion by diverting to the 6 p.m. to 8 p.m. period a portion of the abnormal traffic load previously experienced between 8 p.m. and 9 p.m., and also to encourage, and to provide for the expeditious handling of, a greater volume of social and domestic traffic between 6 p.m. and 9 p.m.

HALF-RATES ON SUNDAYS AND HOLIDAYS.

Two months later a further extension of the half-rate period was introduced. Traffic analyses showed that, on account of the absence of business calls, the number of calls on Sundays and holidays was only about one-fifth of that on week-days, and that a great deal of additional traffic could be handled on those days without additional cost. It was decided, therefore, with a view to increasing traffic, to charge half toll rates all day on Sundays and holidays except when the new "quarter" rates applied.

The results obtained in the short period since the extensions of the half-rate hours were inaugurated show that the proposals were sound in principle. Already there are indications that the evening rush of traffic is being spread as desired, and that the volume of traffic is increasing.

INTRODUCTION OF QUARTER-RATES WITH CERTAIN MAXIMUM CHARGES.

In conjunction with the decision to apply half-rates to toll calls made at all hours on Sundays and holidays, consideration was given to the question of charges for calls during the slackest hours of the night. Prior to the 1st December the charges for calls between midnight and 6 a.m. were the same as those during the half-rate period, except that for the initial rate a six-minute instead of a threeminute conversation was allowed. For the reason that in some cases this resulted in a slight anomaly in charges—the charge for a call of twelve minutes' duration, for example, being more than that for two separate calls of six minutes' duration each—and because traffic in the early hours of the morning is at its lowest, it was decided to reduce the charges between 11 p.m. and 6 a.m. to one-fourth of the ordinary rates, with a minimum of 4d. and maxima as under :—

					Not exceeding Three Minutes.	Minute.
					s. d.	s. d.
For a call within either Islan	nd	••			1 0	0 4
For an inter-Island call		••	••	••	16	0 6

REDUCTION OF "NO-REPLY" FEE.

Hitherto a "no-reply" fee was charged in respect of a toll call when the completion of the call was not effected in certain circumstances, in all cases the fee being one-third of the charge applicable to a three-minute call, with a minimum of 4d. While the principle of charging a "no-reply" fee in certain cases was considered to be sound, it was thought desirable that the amount of the fee and the conditions governing its application should be reviewed. Accordingly, it was decided to reduce the fee to one-quarter of the initial rate, with a minimum of 3d. and a maximum of 1s. 6d., and, in addition, to extend the service given for the fee and to modify the conditions governing its application. By the adoption of these proposals it is expected that a great many calls will be completed which, under the former system, would have been allowed to lapse. Furthermore, telephone-users will be able to appreciate more readily that the charge is for services rendered in attempting to establish a toll call that proves ineffective through circumstances for which the Department is in no way responsible.

REDUCTION OF TELEPHONE CABLE FEE.

Previously a special cable fee of 3d. was added to the cost of all inter-Island toll calls handled either in the full-rate or in a reduced-rate period. To simplify the calculation of the charges, and as a further concession to telephone-users, the fee was reduced by 50 per cent. and 75 per cent. during the half- and quarter-rate periods respectively.

REDUCTION OF CHARGE FOR LOCAL CALLS.

A call from the public telephone at a toll station to a local telephone-exchange subscriber is treated as a toll call. In the past all such calls were charged at the minimum toll rate of 4d. While it was considered reasonable that this charge should apply at an office at which a public-call office is provided for local calls, it was recognized that a concession should be made in respect of a call from an office at which public-call office facilities are not available. It has therefore been arranged that local calls at offices at which public-call offices are not installed are to be charged for at the nominal rate of 1d. for each three minutes.

"Person-to-person" Toll Service.

Up to last year the only form of toll service available in the Doninion was "station-to-station" service, in which the calling subscriber is placed in communication with some one at the premises of the person with whom he desires to speak, and the chargeable time commences immediately communication is established.

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On the 18th June a more selective service, that known as "person-to-person," was inaugurated, this being the first of the new services introduced as the result of the departmental investigations. As the name implies, in "person-to-person" service the caller nominates the particular *person* (or an acceptable substitute) with whom he wishes to speak; and the chargeable time does not commence until the calling and the called *persons* actually engage in conversation. "Person-to-person" communications involve considerably more work than do "station-to-station" calls, and the line-time chargeable to callers is appreciably reduced. Consequently, it is necessary to make additional charges as under :-

								×.	u.
Up to 75 miles			••	••		• •	••	0	6
Over 75 miles and	not exce	eding 150) miles	••	••			1	0
150 miles and not	exceedin	m g~300~mib	es	• •	• •			1	6
300 miles and not	exceedin	g 450 mil	es	••				2	0
Over 450 miles	• •	•••			••	••	•••	2	6

" Appointment " Calls.

The provision of "appointment" call service enables a subscriber to arrange, in advance, to be placed in communication at a specified time with a person whom he nominates. This new service is very useful in certain circumstances, and business people generally regard it as a valuable adjunct of "person-to-person" service, on the basis of which "appointment" calls are completed. The additional charges are the same as those for "person-to-person" calls.

"FIXED-TIME" CALLS.

Under the system of "fixed-time" calls it is possible for a toll call to be arranged to take effect at the same time on at least five consecutive days (including or excluding Saturdays, Sundays, and holidays as desired). "Fixed-time" calls differ from "appointment" calls in that there is no undertaking to obtain the attention of a particular person at the distant end. In other words, these calls are completed on a "station-to-station" basis. The charge for each of a series of "fixed-time" calls is the same as that for a "station-to-station" call, plus a "fixed-time" fee of 10 per cent. of the initial rate respecting such call with a minimum of 3d.

"CONTRACT " SERVICE.

Naturally the volume of toll traffic is not uniform throughout the day, nor is it uniform in respect of all circuits. There are, as a rule, three periods of peak traffic-between 9 a.m. and noon, when it is highest; between 2 p.m. and 3 p.m., when it is less pronounced; and between 4 p.m. and 5 p.m., when it is still less pronounced. At other hours toll circuits usually carry a comparatively light load. With a view to increasing traffic during the slack periods (when the circuits are no less costly to maintain than when they are being worked to full capacity) and to transferring some of the traffic from the peak periods to other periods, "contract" service has been introduced. Under this system a telephone-exchange subscriber may enter into a contract to have daily toll communication with a subscriber to another exchange at a time suitable to the telephone exchange. The duration of each call must be not less than ten minutes, and the minimum aggregate period contracted for must be not less than five hours. The charges for "contract" service are—

At times when "full" toll rates are applicable Ordinary rates, less $33\frac{1}{3}$ per cent.

At times when "half" toll rates are applicable $\begin{cases} Up \text{ to } 20 \text{ miles, half-rates, less } 33\frac{1}{3} \text{ per cent.} \\ Over 20 \text{ miles, half-rates, less } 20 \text{ per cent.} \end{cases}$

" Collect " Calls.

It is now possible for the charge for a toll call to be paid by the called person instead of by the caller. As "collect" calls necessitate the obtaining of the called person's prior consent and also involve extra accounting work, a small additional charge is made. The convenience of the innovation is much appreciated by many telephone-users.

"TRANSFERRED CHARGE" CALLS.

Additional to the system of "collect" calls is "transferred charge" service, by means of which the charge for a toll call may be debited to the account in respect of a telephone other than that from which the call is made. It is necessary that the telephone number from which the call originates and the number proposed to be debited with the charge be connected with the same exchange. The purpose of the facility is to enable persons away from their offices or homes to make calls from other telephones without the necessity of paying for them at the time the calls are made. The additional charge is the nominal and uniform one of 1d. per call.

MAINTENANCE OF TELEGRAPH AND TELEPHONE COMMUNICATION.

Due to the maintenance of the telegraph and telephone plant in a highly satisfactory state, the communication services rendered to the public continue to be characterized by the utmost efficiency. Except as a consequence of violent gales in the Wairarapa District, heavy snowstorms in Canterbury, and floods at Hokitika, telegraph and telephone services suffered no unusual disruptions during the year.

The most serious interruption was caused by a westerly gale of violent intensity which swept the Wairarapa District from midnight on the 30th September until 2 p.m. on the 1st October, causing very extensive damage to telegraph and telephone lines, as well as to private property, over a considerable area extending from fifteen miles north of Masterton to Pirinoa in the south. Telegraph and telephone communication between Featherston and Eketahuna was completely disrupted and the telephone-exchange service of some hundreds of subscribers interrupted; in addition, the telephone exchanges at Masterton, Carterton, Greytown, Martinborough, Pirinoa, and Hinakura were temporarily isolated. Such was the velocity of the wind that over 200 poles, including 129 concrete poles, were wrecked and a large number thrown out of alignment, while many miles of wire had to be re-erected. Conditions in the district were aggravated by the failure of the electric-power supply; but, at Masterton, by bringing into use the Department's stand-by generating plant, it was possible to keep the automatic exchange working, to the relief of those subscribers whose service remained intact. Working under most arduous conditions the maintenance staff enabled telegraph communication to be restored during the afternoon of the 2nd October, while telephone-exchange service was restored gradually until it was more or less normal, so far as subscribers were concerned, about a week later. The effecting of permanent repairs was, however, a work of considerable magnitude, and extended over a period of several months. The cost of the repairs was approximately £4,800. During the period telegraph communication was interrupted communication with the Wairarapa was maintained by means of radio services. Use was also made of motor-vehicles for the purpose of exchanging telegrams between Featherston and offices in the affected area.

On the 3rd July one of the heaviest snowstorms experienced in the Kaikoura District for many years resulted in the loss of all communication north of Waiau and Cheviot. Over fifty poles in the affected area were broken, while approximately the same number were pulled over at heavy angles. Subscribers' wires were broken at every pole. The main cause of the damage was due to the snow accumulating on the wires, followed by a heavy wind. On the morning of the storm only thirty subscribers at Kaikoura had service out of a total of nearly 300. Repair gangs were quickly despatched and temporary service was restored in a short time. So great was the damage, however, that it was necessary to retain one gang in the locality for several months to effect permanent repairs.

A violent southerly storm, bringing heavy snow, sleet, and rain, was experienced over Canterbury on the night of the 24th August, causing extensive damage to the Department's telegraph and toll systems. Heavy with elinging snow and swept by a fierce sou'wester, poles wilted under the terrific strain, and miles of wires and arms were snapped. Altogether approximately forty poles and hundreds of spans of wires were broken. Repair gangs were hurriedly despatched, and, notwithstanding the difficult conditions under which the men worked, communication was re-established with a minimum of delay. The restoration of the lines to their normal state occupied several months.

Following torrential rains, the Hokitika River flooded on the morning of the 20th February, resulting in the dislocation of the telephone-exchange system in Hokitika and the carrying-away of the main south toll and telegraph lines at Kanieri. The main damage was in the Hokitika Exchange where the cables were saturated with water. Breakdown gangs were despatched from Christchurch, and by working night and day normal services were restored on the 24th idem.

It is a matter of gratification that, notwithstanding the severity of the storms and the extensive damage caused in those cases specifically mentioned, the personnel and the resources of the Department proved equal to the task of restoring communication without any avoidable delay.

CARRIER-CURRENT TELEPHONE SYSTEMS AND VOICE-FREQUENCY TOLL REPEATERS.

Additional toll outlets have been provided during the year by the installation of one single-channel carrier system between Gisborne and Napier and another between Napier and Palmerston North.

In last year's report it was stated that the volume of toll traffic between Auckland and Wellington had increased sufficiently to justify the installation of a three-channel carrier system for direct operation between those cities. The necessary equipment for this installation is due to arrive from England in May, and it is expected that the system will be brought into service about October next.

For some time past consideration has been given to the matter of increasing the speech efficiency of the Auckland-Whangarei and Auckland-Dargaville circuits so that they will compare more favourably with circuits in general use over similar distances in other parts of the Dominion. It has now been decided to effect the desired improvement in these circuits by the installation of voicefrequency repeaters or amplifiers, and these will be located at Wellsford. It is expected that the installation of the repeater equipment at Wellsford will be commenced during next financial year.

MACHINE-PRINTING TELEGRAPHS.

Machine-printing telegraph systems continue to be of valuable service in the expeditious disposal of the telegraph traffic of the Dominion. During the year the machine-printing network was extended by the installation of multiplex sets at New Plymouth and Gisborne, and by the installation of an additional set at Napier for repeating purposes. As a result of these installations new multiplex channels were brought into operation between the following offices : New Plymouth and Auckland, New Plymouth and Wanganui, New Plymouth and Wellington, Gisborne and Auckland, Gisborne and Napier, Gisborne and Wellington.

In addition, it is now possible to provide for press telegraphic traffic alternative machine-printing outlets from Wellington to Wanganui, New Plymouth, and Auckland on the west coast of the North Island, and from Wellington to Napier, Gisborne, and Auckland on the east coast.

It was anticipated that teleprinter apparatus would have been installed during the year at a number of the smaller centres of the Dominion (Invercargill, Nelson, Masterton, for example); but this was not possible, owing to delay in the receipt of the instruments. It is hoped that the installations will be carried out during the next few months.

TELEGRAPH BATTERIES.

During the year the universal telegraph battery system was installed at Hamilton, Taumarunui and New Plymouth, thus dispensing with the use of a large number of primary cells at those offices.

EXTENSION OF TELEGRAPH AND TOLL SYSTEMS.

As in recent years, the Department's programme of works during the year comprised only the most urgent works which were considered necessary for the proper working of the telegraph and toll services. These works consisted mainly of reconstructing existing assets, including the rearrangement of circuits to provide improved toll facilities. In a few instances new lines were erected.

The following are the places between which the efficiency of the existing circuits was improved or between which new circuits were erected or provided :-

- Auckland Engineering District: Kohukohu-Kaikohe, Auckland-Wellington, Kaeo-Otangaroa, Otangaroa-Mangonui-Peria, Tangaihi-Pouto, Tuakau-Onewhero, Waiwera-Auckland, Huntly-Pukemiro, Ngatea-Paeroa, Auckland-Hamilton, Hamilton-Raglan, Morrinsville-Hamilton, Kawhia Te Awamutu, Ohaupo-Cambridge, Te Awamutu Pukeatua-Futaruru, Ohura-Tahora, Auckland Huia Dam, Pukekohe-Tuakau.
 Wellington Engineering District: Napier-Gisborne, Napier Palmerston North, Pakowhai-Taradale, Gisborne-Muriwai, Martinborough-Hinakura, Heretaunga-Kaitoke, Feather-tara Kaitoka, Eretarta Danglaa, Lucau, Pukeana, Kaya, Marris Kayana, Kayana,
- ston-Kaitoke, Stratford-Douglas, Urenui-Pukearuhe, Oakura-Koru, Manaia-Kaponga, Hope Junction Lake Rotoiti, Wye River Lake Rotoiti, Motueka-Thorpe, Hicks Bay Potaka, Hawera-Opunake, Waitotara-Ngamatapouri.
- Canterbury Engineering District : Harihari-Waiho Gorge, Waiho Gorge-Weheka, Rakaia-West Kyle, Purau - Port Levy, Christchurch-Greymouth, Port Levy - Pigeon Bay, Springfield-Cass.
- Otago Engineering District : Lawrence Tuapeka Mouth, Balclutha-Kaitangata, Mossburn-Te Anau, Lumsden-Kingston, Invercargill-Riverton.

In addition to the foregoing, 551 miles of toll and telegraph pole-line were reconstructed during the This work involved the replacement of 823 miles of wire. vear.

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

- The conversion of telephone-bureau circuits to central-battery working and the addition of one bureau circuit at the Auckland Chief Post-office.
- The provision of facilities for toll dialling between Auckland and Hamilton, Weber and Dannevirke, and Ashburton and Christchurch, and the extension of dialling facilities on the toll boards at Morrinsville, Hamilton, Hawera, and Palmerston North. The installation in the Auckland Telephone Exchange of the "demand" system on the toll
- boards, and a monitoring and general utility amplifier on the toll testboard.
- The installation at Napier and Gisborne of 24-volt 216-ampere-hour secondary batteries for carrier-telephone purposes; the installation at New Plymouth of charging equipment for a 130-volt battery (carrier equipment); and the installation at Seddon of repeater equipment batteries.
- The installation of new testboards at Papakura and Waitakaruru, and the installation at New Plymouth of a toll testboard and a combined telegraph testboard and carrier-line filter-rack.

The provision of extra recording facilities on the toll-board in the Hawera Telephone Exchange. The installation at Palmerston North of three bureau circuits.

The provision of new lead-in toll and telegraph lines at a large number of offices.

POLES AND WIRES.

During the year 66 miles of pole-line and 707 miles of wire (including wire in submarine cable) were erected for telegraph and telephone (toll) purposes, while 122 miles of pole-line and 681 miles of wire were dismantled, or, in localities where no longer required by the Department, sold to settlers for use private telephone-lines.

The lengths of pole-line and wire (including wire in submarine cable) in use for telegraph and telephone toll purposes on the 31st March, 1934 and 1935 respectively, were as follow :-

Pole-line and Wire.			Year ended 31st March, 1934.	Year ended 31st March, 1935.
Miles of Pole-line Miles of Wire	••	•••	12,222* 64.913*	$12,166 \\ 64.939$

NEW ZEALAND SUBMARINE CABLES.

COOK STRAIT CABLES.

On the 27th February an earth fault developed in the Cook Strait four-core telephone cable, the effect of which was to render inoperative one of the speech channels normally available for use between Wellington and Blenheim. Localization tests disclosed the existence of the fault at a point approxi-mately 1.3 nautical miles on the seaward side of the Lyall Bay cable-hut. Subsequent investigations showed that the trouble was brought about by the chafing of the armour wires where the cable had been lying over a small patch of rock.

* Revised figures.

Repairs were effected by the aid of the Government steamer "Janie Seddon." The work, which involved the laying-in of a new piece of cable 680 yards long, extended over a period of five days, and was finally completed on the 14th March, when the cable was restored to full working-order.

During the period that the four-core cable was severed to facilitate the replacement of the faulty section, emergency telephone channels were provided by means of special stand-by systems designed for operation over the single-core telegraph cables. These emergency facilities enabled the Department to maintain continuity of service while repairs were being made.

An earth fault affected the operation also of No. 5 Lyall Bay – White Bay single-core telegraph cable and finally put it out of commission in June last year. Tests showed the fault to be approximately 2.75 nautical miles from the Lyall Bay cable-hut. As the remaining telegraph cables across the Strait are sufficient to meet traffic requirements, repairs to No. 5 are being deferred until a second cable becomes affected.

FOVEAUX STRAIT CABLE.

The submarine cable between Stewart Island and the mainland has remained in good workingorder throughout the year. A short-wave radio telegraph link between Half-moon Bay (Stewart Island) and Awarua-Radio is being maintained as an emergency channel of communication.

RADIO TELEGRAPH AND TELEPHONE SERVICES.

DEPARTMENTAL RADIO-STATIONS: OPERATION.

GENERAL.

The advances which are constantly being made in the science and practice of radio telegraphy and telephony entail consequent improvements in radio-station equipment if the stations are to function with efficiency and economy. The Department's endeavour is to maintain its radio service at a standard which will enable the best possible service consistent with requirements to be given to the travelling public and to the residents of the Dominion's island dependencies. In consequence, several improvements have been made at the various radio-stations during the year, and these are referred to in more detail below.

In accordance with the requirements of the International Radio-telegraph Convention of Madrid (1932), the use of the spark type of transmitting apparatus has been discontinued at all the Department's coast stations. In most cases this apparatus has been dismantled, but at certain stations it is being retained as an emergency measure.

Wellington-Radio.

During the year certain building extensions have taken place at the Mount Etako station (Wellington-Radio). The original station building has now been converted into one transmittinghall, having had most of the internal partitions removed in order to provide more adequate space for the housing of existing and proposed transmitting equipment. The small receiving-hut has also been enlarged to form the receiving and traffic-clearing section of the station. All the services are conducted from this building; and arrangements have been made to accommodate the staff on a more satisfactory basis than was possible in the small building prior to its extension.

Collaterally with the improvement in the building accommodation, arrangements have been made to modernize all the transmitting facilities. Improved stability has been provided for the trans-Tasman radio-telephone transmitter, and arrangements are in train to facilitate a quick change of wave-length which will be necessary to enable a 24-hour service to be provided if required.

AUCKLAND-RADIO.

With the aid of the remote receiving-station at Brown's Bay, the Department continues to provide from the Auckland station an efficient service for shipping.

Awarua-Radio.

Although the spark transmitter, until lately forming part of the station apparatus, was rarely used owing to the interference thereby caused to broadcast reception in the vicinity, there were occasions when the alternative medium-wave apparatus consisting of a small valve transmitter was of inadequate power for communication with ships situated at some distance. With the dismantling of the spark set, therefore, it has been necessary to install a valve transmitter of a power suitable for all normal traffic requirements. In addition, a modern short-wave transmitter has been provided, and when the installation of these sets is completed the station will be well equipped for all classes of radio-telegraph service.

In conjunction with the provision of the apparatus referred to, certain alterations have been made to the station buildings to permit the transmitting apparatus to be accommodated in the detached room used originally as an engine-room in connection with the high-power spark equipment. The transmitters will be remotely controlled from the operating-room in the main station building thus enabling two or more services to be conducted simultaneously without mutual interference. With the increasing use being made of short-waves by overseas shipping, arrangements have been

With the increasing use being made of short-waves by overseas shipping, arrangements have been made for regular watch on the 36-metre mobile-service band to be kept at Awarua-Radio during certain hours daily. Although prearranged schedule watches have for some years been kept as required for certain vessels which regularly communicate with New Zealand stations, the watches now provided will enable any ship however remote to obtain short-wave contact with the Dominion. F.—1.

CHATHAM ISLANDS-RADIO.

For many years a regular press service by radio-telegraph was provided by the Department for the benefit of shipping and the residents of the islands. In view of the popularity of radiobroadcast listening, such a service was not considered to be necessary any longer at Chatham Islands, and it was therefore discontinued there from the 31st March. This action has been taken in conjunction with a general review and rearrangement of the activities of the Chatham Islands station, which, with the improved range consequent upon the modernizing of the New Zealand coast stations on the mainland, is no longer required to function as a relay station for shipping. The station at Chatham Islands is now being used primarily for a point-to-point service with the mainland, its contract with the mercantile marine being, in the main, limited to the handling of traffic with the few vessels which visit the islands.

The improvements made in the station apparatus during the year included the provision of a valve transmitter of 50 watts aerial rating in substitution for the spark apparatus which, however, has been retained for emergency use. Experiments have also been made in the utilization of wind-power for driving the battery-charging apparatus, and the indications to date are that in suitable localities economics may be effected by the adoption of this means of power-generation.

PROVISION OF IMPROVED RADIO EQUIPMENT AT CHRISTCHURCH AND DUNEDIN.

Until recently the only radio transmitting facilities at Christchurch and Dunedin consisted of low-power emergency apparatus sufficient only to enable contact to be made with neighbouring towns at which similar equipment is installed.

Improved equipment has now been supplied to Christchurch to provide an independent station in case of any major dislocation of the land-line services. In addition to facilities for operating on the usual emergency waves, this centre has been provided with a 600-metre transmitter capable of maintaining contact with shipping in the vicinity should this be necessary at any time. The equipment is complete with power-generating apparatus for use in the event of the loss of the normal city power-supply.

Additional equipment has been provided at Christchurch to enable experiments to be conducted with Wellington-Radio with a view to the utilization of a radio link for the conduct of the printingtelegraph service between the North and South Islands as may be required, thus assuring the normal efficient despatch of telegraph traffic even when the land lines are interrupted or when major faults occur in the submarine cable link.

Improved equipment is also being supplied to Dunedin by means of which a service may be conducted with shipping should occasion demand. It will also facilitate the handling of traffic under emergency conditions between Dunedin and other centres.

DIRECT RADIO-TELEGRAPH SERVICE WITH PACIFIC ISLANDS.

In continuation of the policy of extending and developing radio communication with islands in the Pacific, two new services have been inaugurated.

On the 7th August direct radio-telegraph working was commenced between Tahiti (Papeete-Radio) and New Zealand (Wellington-Radio). The direct service made possible a reduction of 6d. per word in respect of radio-telegrams between the two places. On the 7th December a "deferred rate" service at half the full rate of 1s. 4d. per word was introduced.

Direct radio-telegraph working between the Tongan Islands (Nukualofa-Radio) and New Zealand (Wellington-Radio) was inaugurated on the 1st April, 1935. In conjunction with this development, the rate per word between the two places was reduced from 1s. 6d. to 1s.

FREE RADIO-TELEGRAPH MEDICAL SERVICE FOR SHIPPING.

On the 9th August a service was instituted whereby medical advice by means of radio-telegrams is obtainable free of charge through New Zealand coast stations by ships of any nationality. The message from the ship states briefly the symptoms of the illness of the sick person, together with a description of the medicine chest carried by the vessel. Upon receipt of the message at the coast radio-station, the contents are telephoned to the District Health Officer; and the reply of that official is promptly telegraphed to the vessel concerned.

BROADCASTING SERVICE.

The satisfactory manner in which the broadcasting service in the Dominion continues to be operated under the provisions of the Broadcasting Act, 1931, is indicated in the Third Annual Report of the Broadcasting Board, presented to the House separately.

Amendment of Broadcasting Act.

During the three years in which broadcasting in New Zealand has been under the control of a Board, there has been ample evidence that the system inaugurated by the Broadcasting Act, 1931, was based upon sound principles and is admirably suited to the Dominion's requirements. The experience gained during that time, however, indicated that improvements could be effected in some directions, and consequently, in March, 1935, Parliament passed an Act entitled the Broadcasting Amendment Act, 1934-35, which from the beginning of April brought about the following changes :-

- (1) An increase from three to seven in the membership of the Broadcasting Board, provision being made for two of the members to be appointed from persons nominated by organizations recognized as being representatives of the holders of receiving licenses in the Dominion :
- (2) The abolition of the Advisory Council consequent upon the enlargement of the Broadcasting Board :
- (3) The transfer to the Broadcasting Board of the supervision of programmes transmitted from stations not operated by the Board :
- (4) The limitation of the number of licenses for the operation of broadcasting-stations not operated by the Board to the number in force at the date of commencement of the amending Act.

BROADCASTING BOARD.

On the 18th December, 1934, the appointments of Messrs. G. R. Hutchinson and L. R. C. Macfarlane as members of the first Broadcasting Board expired. Thereupon their appointments were extended to the 31st March, 1935.

From the 1st April, 1935, in accordance with the provision in the amending Act for increased membership, the following were appointed to the Board : William Hollis Cocker, George Rowland Hutchinson, Henry Gillies Livingstone, James Leinster Passmore, Ernest Palliser, Seymour Kenneth Phillips.

Messrs. Cocker and Livingstone have been appointed for a period of four years from the 1st April, 1935; Messrs. Phillips and Passmore for three years; and Messrs. Palliser and Hutchinson for two years. Messrs. Palliser and Passmore were selected from persons nominated by listeners' organizations.

The Chairman of the Board is Mr. H. D. Vickery, whose original term of appointment does not expire until the 18th December, 1935.

Advisory Council.

In accordance with the provisions of the Broadcasting Amendment Act, 1934-35, the Advisory Council ceased to exist on the 31st March, 1935.

PRIVATE BROADCASTING-STATIONS.

The number of private broadcasting-stations in operation at the 31st March, 1935, was twentythree, being two less than at the end of the previous year. Station 4ZF, Dunedin, discontinued operating on the 31st July, while Station 3ZE, Greymouth, went out of existence on the 11th January.

REDUCTION OF RECEIVING LICENSE FEE.

On the 1st April, 1935, the amount of the radio receiving-station license fee was reduced from £1 10s. to £1 5s. The reduction was made possible by the termination of the agreement under which 3s. out of every license fee was paid to Messrs. Amalgamated Wireless (Australasia), Ltd., in respect of patent rights controlled by that company, and by the acceptance by the Broadcasting Board of £1 3s. instead of £1 5s. in respect of each license.

RECEIVING LICENSES.

The following table showing the growth in the number of radio-receiving licenses illustrates in striking manner the every-increasing popularity of radio reception in New Zealand :---

Number of licenses at-

moer of noenses au—						
31st March, 1924		• •				2,830
31st March, 1925		•••		• •		.4,702
31st March, 1926	••		••			3,588
31st March, 1927	• •		••	••	• -	18,162
31st March, 1928	• •			••	• •	39,315
31st March, 1929	• •				• •	44,616
31 st March, 1930	• •		• •	• •		53, 192
31st March, 1931	• •	• •	••	• •		62,467
31st March, 1932	• •			• •		74,745
31st March, 1933			• •		• •	93,217
31st March, 1934	• •			• •		117,784
31 st March, 1935	• •		• •	• •		152,489

The fee for a receiving license was increased from 5s. to £1 10s. on the 1st May, 1925, which accounts for the slight decrease at the end of that financial year.

The percentage increase in the number of licenses between 1934 and 1935 was 29.4. On the 31st March, 1935, the number of licenses per hundred of population was 9.9. The figures quoted in the table above do not include free licenses issued to blind persons.

The number of licenses issued to the blind at the 31st March, 1935, was 319.

PRIVATE EXPERIMENTAL STATIONS.

The number of licenses for the operation of private experimental stations, more familiarly known as amateur transmitting and receiving stations, was 873 at the 31st March, an increase of 77 over the previous year.

RADIO-DEALERS' LICENSES.

On the 31st March, 1935, the number of licensed radio-dealers in the Dominion was 1,214, compared with 1,179 in the previous year.

Operation of Unlicensed Sets.

The number of persons convicted during the year of operating unlicensed radio apparatus was 1,049, the fines amounting to £641.

PRIVATE COMMERCIAL RADIO-STATIONS.

During the past year two licenses have been issued for the operation of private commercial radio-stations—a feature of the Radio Regulations not previously invoked. Both of the stations are located in country of an inaccessible nature where communication by other means is impracticable. Although licensed primarily for emergency purposes, the installation of these stations provides evidence that appreciation of the value of radio communication in overcoming isolation is not confined to State Departments or private enterprise engaged primarily in radio activities. A license for a ship-to-shore radio-telephone service was also issued to the Wanganui Harbour

Board in order to provide a means of communication between the mainland and ships anchored in the roadstead. A similar service had already been licensed by the Gisborne Harbour Board.

DANGER OF PROXIMITY OF WIRELESS AERIALS TO ELECTRIC LINES.

During the past year fatal accidents have unfortunately occurred through radio aerials coming into contact with overhead power-lines. In order to bring directly under the notice of listeners the danger to human life due to the proximity of aerials to overhead electric lines, a suitable warning was printed and distributed to listeners in March. In the case of those licensing radio-receiving apparatus for the first time, a similar warning is now attached to the license at the time of issue. It is hoped that these measures will materially assist in preventing fatalities of this nature in future.

DEPARTMENTAL TOLL LINES USED FOR BROADCASTING PURPOSES.

In connection with its broadcasting service, the New Zealand Broadcasting Board utilized on a number of occasions during the year the overseas radio-telephone service for relays from places beyond the Dominion, and it also makes frequent use of the Department's toll lines for long-distance relays within the Dominion. The number of relays over departmental toll lines during the year reached over 950, the actual route length of line used being 1,708 miles, while the aggregate length of line involved in such relays was over 120,000 miles.

INTERFERENCE WITH BROADCAST RECEPTION.

An important step in connection with the work of eliminating electrical interference with broadcast reception was the issue during the year of the Radio Interference Regulations, 1934. Under these regulations the Department is empowered to demand that requisite action be taken by owners or users of electrical equipment to cease causing interference. The regulations make it illegal to install, use, sell, or manufacture any interfering equipment, the term "interfering equipment" being defined as any apparatus or equipment of any kind which may generate electric waves likely to interfere with the conduct of wireless communications.

Under these regulations a Radio Inspector may, by notice in writing, require the owner or user of interfering equipment, within a maximum period of thirty days, to take such of the following steps as in the circumstances the Radio Inspector may consider necessary :-

- (a) To discontinue entirely the use of such interfering equipment; or(b) To discontinue the use of such interfering equipment otherwise than during hours to be specified in such notice; or
- (c) To eliminate, and keep eliminated, the interfering effect of such interfering equipment; \mathbf{or}
- (d) To reduce, and keep reduced, so as to be negligible, the interfering effect of such interfering equipment.

Provision is made in the regulations for appeal from the requirements of the Radio Inspector, and such appeals, which must be made within fourteen days of the receipt of the notice, will first be considered by the Minister of Telegraphs who may either decline to allow exemption or refer the appeal to the Advisory Committee for consideration.

The regulations further provide that if in the opinion of a Radio Inspector any interference complained of is not an interference with the conduct of wireless communications in general, but only those of a particular station, and either-

- (a) Can be eliminated or reduced so as to be negligible by an alteration in or modification of the apparatus of such particular station, or by the addition of any appliance or device thereto: or
- (b) Is accentuated by any defect in or characteristic of such particular station;

then it shall not be incumbent on the Radio Inspector to issue any notice on the owner or user of the interfering equipment.

It will be seen that the Department has been given wide powers to control the operation of interfering equipment, but these powers are exercised only in extreme cases, and only after every possible effort has been made to induce the owner or user to take the required remedial action. Although complaints from listeners regarding interference number from two to three thousand per annum, it has been necessary to invoke the aid of the regulations in very few cases, and in not one case has the Department's requisition been the subject of appeal.

In addition to pursuing the elimination of interference from equipment in service, the Department is actively co-operating with dealers with a view to ensuring, as far as possible, that electrical equipment sold in the future is of a type which will not interfere with the reception of radio programmes. Inspectors have visited the establishments of dealers throughout the Dominion and have given such advice as may be necessary concerning the measures to adopt in relation to equipment already in stock, and also regarding the importation of equipment which will comply with the regulations. As a result, there is good reason to hope that interference arising from the use of undesirable types of apparatus will progressively diminish, and that with the ready availability of filters suitable for the various types of equipment in use—a matter which has also been fostered by the Department—a marked improvement should be effected in what is admittedly an annoying factor in broadcast reception.

Unfortunately there are a few instances involving important installations, chiefly of a medical character, in which some difficulty is being experienced in adequately reducing the high-frequency emanations which cause the interference with radio reception. The Department is, however, carrying out exhaustive experiments in this connection, and will continue to do so until a satisfactory solution is reached. In a number of instances means have been devised of reducing the interference from this type of equipment, but, as has been stated, one or two cases constitute difficult problems. Listeners can be assured, however, that the Department is fully cognizant of the position and is doing its utmost to effect a remedy.

TELEPHONE - EXCHANGE SERVICES.

DEVELOPMENT OF TELEPHONE-EXCHANGE SYSTEMS.

A definite indication that financial conditions in the Dominion have improved is gained from the fact that the number of new telephone-exchange connections made during the year exceeded the relinquishments by 2,237, as against an excess of relinquishments over new connections of 775 for the previous year. The result of the year's operations in this respect is extremely gratifying. The total number of departmental telephone-stations at the end of the year was 155,407. If

to this number is added the private-line telephones connected with toll stations and non-departmental exchanges (3,763), the number of telephones in service on the 31st March, 1935, was 159,170, representing an increase of 2.6 per cent. compared with those in service on the 31st March, 1934.

The following is a brief summary of the more important operations during the year in regard to the development and maintenance of telephone-exchange systems in the Dominion :-

The laying of $1\frac{1}{2}$ miles of underground cable ducts.

- The laying or erecting of 17 miles of lead-covered cable containing 2,016 miles of wire for subscribers' circuits.
- The erection of 95 miles of pole line and 1,412 miles of open aerial wire for telephone-exchange subscribers' circuits.
- The installation of 6 public call offices and 4 pay stations.
- The replacement by high-grade transmitters of some 19,000 more or less unsatisfactory transmitters on subscribers' telephones in automatic telephone-exchange areas throughout the Dominion.
- The installation of branching multiple switchboard exchange equipment at Taumarunui and Ashburton, and the removal of the former exchange to the new building. The removal of the Waitakaruru telephone exchange to the new building.
- The installation of standard main distributing frame equipment at the Waipu and Roxburgh telephone exchanges.
- The replacement of the exchange switching equipment at Kerikeri, Kawhia, Wakefield, Otorohanga, and Te Akau.

The extension of the switching equipment at the Wellsford telephone exchange.

- The rearrangement of the telephone-exchange switching equipment at Tuakau. The centralization at the Wellesley Street (Auckland) automatic telephone exchange of the The centralization at the wenesley Street (Ruckhand) automatic templotic calonange of the testing previously undertaken at the Ponsonby, Devonport, and Mount Eden exchanges. The installation of repeat call-test sets in the Onehunga, Wellesley Street, Remuera, Takapuna, Devonport, Ponsonby, Lower Hutt, and Miramar telephone exchanges. The installation in the Wellesley Street (Auckland) automatic telephone exchange for battery-charging purposes of a 100-ampere motor generator set and a 100-ampere motor
- generator booster.
- The installation of P.B.X. hunting facilities in the Miramar automatic telephone exchange. The replatal of the C.E.M.F. cells of the telephone-exchange battery at Wanganui, and the
- replacement of the positive plates in the 48-volt battery in the Palmerston North automatic telephone exchange.
- The installation at the Takapuna automatic exchange of a new secondary battery of twenty-six 200-ampere-hour cells with pasted plates throughout.
- The reconstruction or partial reconstruction of open aerial systems at thirty-five exchanges. 5-F. 1.

The length of various items of telephone-exchange plant in existence on the 31st March, 1934, and 1935, respectively, was as follows :---

	_	Single Duct Line.	Cable.			Wire.					
 	Pole- line.		Under- ground.	Aerial.	Sub- marine.	In Under- ground Cable.	In Aerial Cable.	Sub- marine.	Open Aerial.	Under all Headings.	
· · · · · · · · · · · · · · · · · · ·	Miles.	Chains.	Chains.	Chains.	Chaine	Miles.	Miles.	Miles.	Miles.	Miles.	
In existence on				1		393.189*					
31st March, 1934	10,010	11,020	00,211	00,010	1,200	000,100	11,200	1,000	100,100	010,101	
Erected during year	95	124	1.236	136		1,911	106		1.412	3,429	
Dismantled during	30		644	594	••	3,156	746	••	505	4,407	
year						,					
	15,383	44,643	96,866	37,618	1,266	391,944	46,625	1,930	$107,687^+$	548, 186	
31st March, 1935											

* Revised figures. † Includes 147 miles of earth-working circuit.

The percentages of the total wire-mileage in underground, aerial, and submarine cables and open aerial wire respectively for the year ended 31st March, 1935, are as under :---

Telephone-exchange wire in underground cables		\dots 71.5 per cent.
Telephone-exchange wire in aerial cables	• • •	8·5 ⁻ ,,
Telephone-exchange wire in submarine cables		0.4 ,,
Telephone-exchange open aerial wire		19.6 ,,

TELEPHONE STATISTICS.

A comparison of statistics in respect of the telephone system is made in the following table, which shows annually since 1926 the number of exchanges, the total wire-mileage, the revenue, and the total number of telephone stations, together with the number of telephones for each 1,000 of population of the Dominion :—

<i></i>	Year.			Number of		-	Number of Telephone-stations			
				Exchanges.	Miles of Wire.	Revenue.	Total.	Per 1,000 Population.		
e .			,			£				
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		
1933	••			349	559,890	1,169,512	155,560*	101.21		
1934				349	560,509	1,164,711	155,059*	100.18		
1935				349	548,1861	1,190,773	159,170*	102.06		

* Includes approximately 4,000 non-exchange stations. † Do to Hawke's Bay earthquake. ‡ Revised figures.

 \dagger Decrease owing to temporary loss of subscribers due

	Class I. Exchanges or Net- works observing Continuous Attendance and having more than 3,500 Paying Subscribers' Main Stations con- nected therewith.	Class II. Exchanges or Net- works observing Continuous Attendance and having 1,001 to 3,500 Paying Subscribers' Main Stations con- nected therewith.	Class III. Exchanges or Net- works observing Continuous Attendance and having 201 to 1,000 Paying Subscribers' Main Stations con- nected therewith.	Class IV. Exchanges or Networks where the Attendance is restricted.	Dominion Totals,
Subscribers' main stations	43,803	24,178	28,105	25,755	121,841
Toll and service stations	817	564	942	1,784	4,107
Public call offices	605	123	61	7	796°
Extension stations-					
P.B.X	10,837	2,502	809	105	14,253
Ordinary	7,668	3,527	2,222	993	14,410
Telephone-stations: Class totals	63,730	30,894	32,139	28,644	155,407
Number of exchanges in each class	4	14	61	270	349

In addition to the stations shown in the preceding table, there were 3,763 stations connected by private telephone-lines directly or indirectly with departmental toll stations, making a grand total of 159,170 telephone-stations on the 31st March, 1935.

The following table shows the number of telephone-stations in each engineering district on the 31st March, 1934 and 1935, respectively :---

		Number of Telephone Stations on 31st March,											
Engineering District.			1934.										
		Main Stations.			Main Extension Stations. Stations.		Total.	Percentage Increase.					
Auckland	••	39,441	7,772	47,213	40,247	8,256	48,503	2.7					
Wellington		49,161	11,481	60,642	49,917	12,163	62,080	2.3					
Canterbury		18,869	4,695	23,564	19,188	4,897	24,085	$2 \cdot 2$					
Otago	•••	17,034	3,230	20,264	17,393	3,347	20,740	$2\cdot 3$					
Totals	••	124,505	27,178	151,683	126,745	28,663	155,408	2.4					

The number of telephone-stations (main and extension) connected with each of the fifteen principal exchanges on the 31st March, 1935, was—Auckland, 21,971; Wellington, 19,910; Christchurch, 12,719; Dunedin, 8,350; Wanganui, 3,376; Palmerston North, 3,161; Hamilton, 3,100; Invercargill, 2,907; Gisborne, 2,633; Hastings, 2,609; New Plymouth, 2,206; Timaru, 2,030; Napier, 2,026; Masterton, 1,957; Nelson, 1,782.

The number of party and rural lines on the 31st March, 1935, was 12,074, to which were connected 46,033 main stations—an increase of 227 and 824 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, 1935 :--

Percentage of		Class I Exchanges.	Class II E x changes.	Class III Exchanges.	Class IV Exchanges.	Dominion Percentages.
Business stations	••	38	33	27	20	31
Residential stations		62	67	73	80	69
		100	100	100	100	100
Individual-line stations		86	74	48	31	63
Party- and rural-line stations		14	26	52	69	37
		100	100	100	100	100

PUBLIC CALL OFFICES.

During the year the number of public call offices (coin-in-the-slot telephones) in use increased by 9. The first installation of this kind was made in 1910; the number in operation at the 31st March, 1935, was 796. The revenue derived from the installations during the year was $\pounds 41,686$, an increase of 6.2 per cent. over the previous year and of 3.9 per cent. over the previous highest return. The average return per machine for the year was $\pounds 52$ 7s. 4d.

AUTOMATIC TELEPHONE EXCHANGES.

EXISTING SYSTEMS.

The existing automatic telephone exchanges continue to render satisfactory service, and it has not been necessary to provide additional switching equipment for any of the systems with the exception of the Strowger automatic exchange at Wanganui, where an incomplete 100 two-party-line group has been fitted with the necessary line switches and brought into use.

PRIVATE BRANCH EXCHANGES.

The steady demand from large business houses situated in automatic-telephone areas for private branch exchanges continues, and during the year three of the automatic type and four operated on the central-battery system were provided. In addition, orders have been placed or are about to be placed for a further eleven units of the automatic type.

" INTERPHONE " INSTALLATIONS.

The introduction by the Department some ten years ago of a system of telephone intercommunication particularly suited to business houses requiring up to twenty extension positions has been amply justified. The large number of such installations in existence, over a hundred of which were installed during the year, demonstrates the popularity of the "interphone" system.

6—F. 1.

APPENDIX.

Table No. 1.

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

F	OLLOWING	YEAI

					Other Disbur	sements.		
Year.	Balance forward.	Receipts.	Payments for Working- expenses.	Balance of Receipts over Working- expenses Payments.	Depreciation Fund Investment, including Expendi- ture on Renewals, and Replacements of Assets.	Interest on Capital, Liability.	Payment to Consolidated Fund.	Balance,
1881-1882		234,529	233,291	1,238				*
1891-1892		320,058	268,343	51,715				. *
1001 1000	-	488,573	465,756	22,817				*
$1901 - 1902 \dots $ $1911 - 1912 \dots$	••	1,087,710	988,911	98,799				*
1911-1912	••	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	· · ·			ŧ
1924-1925		2,889,450	2,416,257	473,193	•••			Ť
1925 - 1926		3,100,396	2,409,556	690,840				Ť
1926-1927		3,220,666	2,346,274	874,392				†
1927-1928		3,329,511	2,299,571	1.029,940	••			t
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	~a` 000	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
1932 - 1933	34,717	3,293,932	2,019,302	1,274,630	272,818	546,000	456,000*	34,529
1933-1934	34,529	3,200,414	2,058,861	1,141,553	431,739	553,000	154,388*	36,955
1934-1935	36,955	3,342,978	2,216,691	1,126,287	566,864	546,000	13,000*	37,378

* 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. 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.

					1ssuea in						
					Where pay	zable.				an.	otal.
Year.	Com- mission received.	In the	Dominion.	United	Kingdom.*		and other Possessions.	Foreign C	ountries.†		
	iccerveu.	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 1923 1924 1925 1926 1927 1928 1929 1930 1931 1932 1933 1934	$16,872 \\ 28,357 \\ 28,542 \\ 28,843 \\ 24,746 \\ 24,775 \\ 24,884 \\ 25,673 \\ 35,603 \\ 40,704 \\ 31,629 \\ 38,772 \\ 42,310 \\ \end{array}$	$\begin{array}{c} 516,536\\ 545,605\\ 580,569\\ 610,972\\ 635,078\\ 639,689\\ 642,136\\ 664,049\\ 669,484\\ 608,706\\ 562,930\\ 555,224\\ 564,108 \end{array}$	2,821,624 3,849,423 4,113,813 4,406,461 4,453,878 4,416,182 4,406,187 4,609,226 4,497,547 3,667,683 3,130,928 2,933,997 3,003,360	$\begin{array}{c ccccccccccccccccccccccccccccccccccc$	$\begin{array}{c} 336,992\\ 223,143\\ 232,436\\ 259,439\\ 273,758\\ 276,747\\ 266,072\\ 274,672\\ 251,730\\ 159,347\\ 94,800\\ 64,012\\ 68,748 \end{array}$	$\begin{array}{c} 73,575\\ 68,044\\ 75,743\\ 72,519\\ 70,774\\ 73,021\\ 73,786\\ 76,230\\ 80,303\\ 54,191\\ 43,005\\ 47,683\\ 54,547\end{array}$	$199,158\\284,778\\312,624\\278,050\\270,065\\265,752\\267,752\\267,7411\\263,929\\283,973\\143,136\\92,012\\104,795\\125,524$	$\begin{array}{c} 16,869\\ 18,024\\ 18,421\\ 19,688\\ 20,807\\ 22,597\\ 24,539\\ 22,107\\ 14,643\\ 12,341\\ 7,660\\ 8,496\end{array}$	$\begin{array}{c} 32,815\\ 34,056\\ 33,280\\ 35,426\\ 36,409\\ 37,852\\ 39,726\\ 36,379\\ 22,869\\ 17,812\\ 9,925\\ 12,081\\ \end{array}$	$\begin{array}{c} 690,745\\ 684,979\\ 731,511\\ 766,689\\ 793,110\\ 803,481\\ 807,885\\ 835,358\\ 833,505\\ 714,478\\ 648,951\\ 635,674\\ 654,621 \end{array}$	3,357,774 4,390,159 4,692,929 4,977,230 5,033,127 4,995,090 4,977,522 5,187,553 5,069,622 3,335,552 3,335,552 3,112,722 3,209,713

Table No. 2—continued.

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

				Where issu	ed.					
Year.	In the I	Dominion.	United F	ingdom.*		and other ossessions.		reign tries.†	To	otal.
	No.	Amount.	No.	Amount.	No.	Amount.	No.	Amount.	No.	Amount.
		£		£		£		£		£
1863	2,067	9,169	415	1,824	558	3,078	••		3,040	14,07
1873	3 4,288	142,642	1,482	6,626	1,668	7,689		· · ·	37,438	156,95
1883	1 3 2,232	402,559	3,725	15,553	5,697	23,300			141,654	441,41
1893	146,133	576,359	8,746	32,617	10,679	40,929			165,558	649,90
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	3,002,19
1923	545,605	3,849,423	$11,042 \\ 8,310$	63,313	$26,042 \\ 28,543$	$123,703 \\ 127,350$	1,813 2,348	8,669 10,309	$584,502 \\ 619,770$	4,045,108 4,312,334
$1924 \\ 1925$	$580,569 \\ 610,972$	4,113,813 4,406,461	9,857	60,862 69,098	28,343	119.073	2,340 2,140	8,391	650,287	4,603,023
1926	635,078	4,453,878	10,047	70,948	28,935	124.952		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	4,642,26
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	4,818,17
1930	669,483	4,497,547	10,046	62,617	30,776	126,051	2,650	9,270	712,955	4,695,48
1931	611,165	3,682,333	10,276	60,631	17,458	87,071	2,609	8,794	641,508	3,838,829
1932	565,748	3,140,927	8,068	60,479	16,221	46,879	2,806	16,293	592,843	3,264,578
1933	555,219	2,945,703	9,909	53,898	19,956	96,766	2,600	15,827	587,684	3,112,194
1934	563,291	3,013,540	9,388	48,643	23,050	81,698	2,587	13,822	598,316	3,157,70

* 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 1933 AND 1934.

		Rece	eived.			\mathbf{Desp}	tched.	
Places.	19	933.		1934.	19	933.	1	934.
	Number.	Weight.	Number.	Weight.	Number.	Weight.	Number.	Weight.
		lb.		lb.		· 1b.		lb.
Great Britain and Northern	70,067	544,210	70,183	551,357	16,017	69,431	14,266	66,796
Ireland and countries via								, i i i i i i i i i i i i i i i i i i i
London	-							
New South Wales	26,675	112,771	28,843		9,985	30,888	10,008	32,708
Victoria	11,384	49,495	11,547	48,239	5,611	17,821	5,174	17,477
Queensland	982	2,161		2,409	1,105	2,797	1,313	3,946
South Australia	760	2,358	733	2,243	678	2,115	680	2,090
Western Australia	462	1,089	446	999	-651	1,691	651	1,729
Tasmania	297	917	178	474	563	1,607	600	1,836
Norfolk Island	24	59		••	416	1,012	425	1,197
Canada	6,644	75,432	7,271	100,766	1,231	4,412	1,200	4,735
Union of South Africa	761	1,731		1,885	449	1,442	488	1,637
Aden	505	3,933	61	311		••		••
India	3,068	23,088	2,818	20,035	842	4,984	850	4,899
Ceylon	318	1,401	292	1,072	88	342	81	346
Malaya	454	1,619	395	1,153	218	886	178	735
Hong Kong	747	4,965	718	4,609	650	2,789	678	2,970
Fiji	708	1,492	578	1,506	1,782	6,516	1,580	6,254
Tonga	117	477	126	451	573	2,868	394	1,766
United States of America and	18,368	100,826	27,699	160,486	2,792	10,461	2,672	10,250
Possessions	1	0.00		1 950		104		
Egypt	179	922	213	1,353	26	134	30	156
Tahiti	51	277	43	208	189	1,157	179	967
Uruguay	•••	••		• •	47	221	26	/ 153
Others	••	••	• •	••	8	30	25	130
Totals	142,571	929,223	154,092	1,023,133	43,921	163,604	41,498	162,777

Table Nc. 4.

TABLE SHOWING THE BUSINESS OF THE POST OFFICE SAVINGS-BANK IN THE VARIOUS POSTAL DISTRICTS OF NEW ZEALAND DURING THE YEAR ENDED 31ST MARCH, 1935. POST OFFICE SAVINGS-BANK.--GENERAL STATEMENT.

Postal Districts.	Number of Branches of the Post Office Savings-bank open at the Close of the Period.	Number of Deposits received during the Period.	Total Amount Deposits received during the Period.	Average Amount of each Deposit received during the Period.	Number of With- drawals 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 Ni of Accounts Ac opened c during d the Period. P	Number Number of Acounts Accounts closed in accounts closed during open at Close the Period. Period.		A mount ng to the t of all Accounts, siste of the Period.	Average Amount standing to the Credit of each Open Ac- count at Close of the Period.
Auckland	. 181	217,895		1. £ s. d. 0 17 18 0	230, 166	${\it {\it f}\over {\it 2}}$ s. d. 3, 221,634 8 10	£ s. d. 13 19 11	$f_{679,254}$ 17 2	કર કર વ	£ s. d. 210,797 10 11	13, 890	11,534 135,	135,317 8,020,	,762 18 8	£ s. d. 59 5 6
Blenheim	IJ	13,893	253,149 3 10	0 18 4 5	15,015	232,704 3 11	115 9 11	20,444 19 11	•	17,468 3 2	744	615 10,	10,329 635	635,954 11 2	61 11 4
Christchurch	. 73	220,875	3,785,142 10 (6 17 2 9	224,177	3,328,285 6 2	14 16 1	456,857 4 4	÷	216,402 12 3	10,515	8,156 119,	119,849 8,066,382	,382 9 5	67 6 2
Dunedin		93,007	2,164,119 9 8	8 23 5 4	88,484	1,790,236 12 7	20 4 7	373,882 17 1	:	119,141 1 6	6,697	õ, 583 63.	.291 4	,459,378 8 6	70 9 2
Gisborne	. 26	31,427	454,738 10 10	0 14 9 4	28,931	412,808 10 7	7 14 õ õ	41,930 0 3	•	28,986 15 7	1,972	1,546 21	21,123 1,073	,073,638 17 2	$50 \ 16 \ 5$
Greymouth	. 25	17,154	291,038 7 6	9 16 19 5	14,844	256,331 8 9	9 17 5 5	34,706 19 0	•	21,255 10 6	1,370	978 12	12,970 784	784,247 10 3	60 9 4
Hamilton	16	99,469	1,547,888 7 10	0 15 11 3	84,808	1,432,645 13 10	16 17 11	115,242 14 0	:	66,520 16 11	10, 873	8,047 53	$,180 \left[\begin{array}{c} 2,500,750 \end{array} \right]$,750 12 10	47 0 6
Invercargill	. 38	33,238	691,401 3 6	9 20 16 0	30,358	$656, 842 \ 10 \ 11$	1 21 12 9	34, 558 12 10	:	45,321 0 6	2,552	1,836 29	$29,280_{ -}1,606,566$,566 8 3	54 17 5
Napier	. 42	67,784	1,175,437 0 0	0 17 6 10	67,728	1,030,580 3 2	2 15 4 4	144,856 16 10	:	62,694 14 0	4,526	3,423 40	40,277 2,357	.515 16 1	58 10 8
Nelson	. 31	27, 429	458,912 3 8	8 16 14 7	25,787	389, 274 4 3	3 15 8 11	69,637 19 5	:	28,903 5 0) 1,696	1,203 18	18,001 1,067	,873 16 4	59 6 6
New Plymouth	. 37	49,094	856, 489 11	4 17 8 11	44, 519	775,617 18 11	1 17 8 5	80,871 12 5	:	48,074 2 11	3,045	2,884 32	32, 558, 1, 780, 793	,793-18 9	54 13 11
Oamaru	. 12	16,396	373,198-14 (6 22 Iõ 3	15,798	332,066 0 11	1 21 0 4	41,132 13 7	:	19,812 3 2	1,015	922 10	10,379 727	,840 3 6	$70 \ 2 \ 6$
Palmerston North	. 37	77,531	1,260,429 14 11	1 16 5 2	73,502	1,047,129 5 10	14 4 11	213,300 9 1	:	66,639 6.7	4,737	3,345 40	40,451 2,520	,520,833 8 10	62 6 4
Thames	. 40	34,837	677,793 8 (0 19 9 1	27,982	599,380 19 8	8 21 8 5	78,412 8 4	:	29,763 14 3	4,376	3,495 24	24,684 1,122	,122,674 5 10	45 9 8
Timaru	. 18	37,954	796,968 13 7	7 21 0 0	38, 354	640,448 13 1	16 19 0	156,520 0 6	:	45,749 11 5	2,247	1,755 24	24,246 1,726,895	,895 6 8	71 4 6
Wanganui	. 37	52,882	882,070 0 7	7 16 13 7	49,285	793,189 2 4	1 16 1 11	88,880 18 3	:	49,467 19 4	4,114	3,395 34	34,061[1,845]	,845,916 16 8	54 3 11
Wellington		324,438	4,480,899 14 3	5 13 16 3	282,027	3,872,669 12 9	13 14 7	608, 230 1 8	:	232,977 17 6	15,842 1	2,148	138,905 8,759,048	,048 13 3	63 1 2
Westport	. 18	6,363	96,576 1 (0 15 3 6	5,575	105, 561 15 1	18 18 8	:	8,985 14 1	8,637 9 5	431	445 õ	5,811 302	302,660 17 8	52 2 0
Western Samoa		1,921	22,732 7 (6 11 16 8	1,978	18,188 14 11	1 9 3 1	4,543 12 7	:	1,071 1 2	210	209 1	,561 40	40.586 14 3	26 0 0
Rarotonga	9	947	$9,662\ 12\ 8$	8 10 4 1	1,184	10,966 13 9	9 5 3	:	1,304 1 1	662 11 8	106	84 1	,344	23, 391 18 9	17 8 1
Totals for year ended 91.4 Manch 1095	d 871	1,424,53424,179,537	ବା	4 16 19 1	1,350,502.5	,350,502.20,946,562 0 3	$15 \ 2 \ 9$	3,232,975 2 1	:	$1, 320, 347 \ 7 \ 9$	90,958	71,603 817	817,617 49,423,713	,713 12 10	60 8 11
Totals for year ended	870	1,225,27519,428,852	13	9 15 17 1	1,338,39017,818,171	7,818,171 16 3	13 6 3	1,610,680 17 6	:	1,231,089 10 10	71,084	69,919 798,	,26244,870,391	,391 3 0	56 4 2

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Table No. 5

POST OFFICE SAVINGS-BANK,-GENERAL STATEMENT. Table showing the Business of the Post Office Savings-bank in New Zealand, by Ten-year Periods, from 1868 to the 31st December, 1918, and Yearly Periods From 1925 to the Year ended 31st March, 1935.

Ycar.	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 With- drawals during the Year.	Total Amount of Withdrawals during the Year.	Average Amounf of each With- drawal during the Year.	Excess of Deposits over Withdrawals during the Year.	Excess of Withdrawals over Deposits during the Year	Interest for the Year.	Number Number of of volumer Accounts opened during during the the Year.	Number of Accounts remain- ing open at Close of the Year.	Total Amount standing to the Credit of all Open Accounts, inclusive of Interest to the Close of the Year.	Average Anount standing to the Credit of each Open Account at Close of the Year.
Year ended 31st Mar.,	871	$\left 1,424,534 \right 24,179$,537 2	£ 8. 0 16 19	$\begin{bmatrix} 1 \\ 1 \\ 1 \\ 350, 502 \\ 20, 946, 562 \end{bmatrix}$	si O	d. £ s. d. 3 15 2 9.	$\begin{array}{c} \mathbf{f} & \mathbf{f} \\ \mathbf{g}, 232, 975 & 2 & 1 \\ \end{array}$	ઝં : કર	d. $\begin{bmatrix} \mathbf{\pounds} & s. d \\ 1,320,347 & 7 \end{bmatrix}$	$\begin{array}{c} d_{\rm d} \\ 0 \\ 0 \\ 0 \\ 0 \\ 0 \\ 0 \\ 0 \\ 0 \\ 0 \\ $	817,617	£ s. d. 49,423,713 12 10	£ s. d. 60 8 11
1935 Year ended 31st Mar.,	870	$1,22\delta,27519,428,852$	33	9 15 17 1	1 1, 338, 390 17, 818, 171	7,818,171 16	3 13 6 3	1,610,680 17 6	:	1,231,089 10 1	10 71.084 69.919		798.26244,870,39130	56 4
1934 Year ended 31st Mar.,	873	1,214,10516,933,176	x	1 14 0 1	$1 \\ 1,475,079 \\ 19,635,928$	4	9 13 6 3	:	2,702,751 16	8,1,475,873 10	5, 72, 538 152, 531		797,097/42,028,620 14 8	52 14
1933 Year ended 31st Mar.,	882	1,418,25019,463,985	10	6 13 14 6	61,535,36825,488,081	4	0 16 12 0	:	6,024,095 13	6 1,611,047 13	4 78,674 79,627		877,090 43,255,499 0 11	49 6 4
1932 Year ended 31st Mar.,	884	1,695,14324,531,569	I	3 14 9 5	51,473,02728,063,338	9	0 19 1 0	:	3, 531, 769 4	91,763,824 17	3 98,298 73,012		878,04347,668,547 1 1	54 5
Year ended 31st Mar.,	882	1,700,46028,561,854	4	10 16 15 11	11 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	57 19
Year ended 31st Mar.,	879	1,618,65627,252,381	6	0 16 16 9	91,285,25628,111,940	16	9 21 17 6	:	859,559 7	91,745,050 5	4 93,111 69,540		828,296 48,644,217 0 6	58 14 7
1929 Year ended 31st Mar.,	870	1, 570, 493 27, 611, 066	õ	1 17 11 7	7 1, 274, 906 30, 584, 997	14	4 23 19 10	:	2,973,931 9	31,747,15513	9 93,331 72,433		804,725 47,758,726 2 11	59 6 11
1925 Year ended 31st Mar.,	875	1,509,909 29,456,383	¢1	7 19 10 2	$2 \left[1,224,764 \left] 30,149,628 ight. ight.$	17	3 24 12 4	:	693, 245 14	81,767,4262	8 97,713 72,041		783,827 48,985,501 18 5	62 9 11
Year ended 31st Mar.,	870	1,446,530 31,833,621	6	5 22 0 1	11,197,98532,602,505	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	63 3 11
Year ended 31st Mar.,	855	1,371,009 29,582,897	ণ	9 21 11 7	71,108,29130,413,609	ಣ	11 27 8 10	•	830,712 1	2 1,680,919 10 1	10 95,595 70,604		735,14846,948,62810	63 17 3
Totals for 1918	786	1,213,353 1	213,353 18,101,104 18	1 14 18 4	727,729 14,938,841	10	0 20 10 7	3 162,263 8 1	:	1,059,471 17	8 76,869 53,015		590, 205 33, 418, 125 + 9	56 12
., 1908	593	706,101	9,674,075 4 (0 13 14 0	484,672 9	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	35 10 11
., 1898	409	281,749	3,279,611 7 8	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	29 3
,, 1888	290	145,355	1,544,747 7 11	1 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	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	25 9
" 1868	55	13,014	$194,535$ 11 ϵ	6 14 18 11	6,365	107,094 17	3 16 16 6	87,440 14 3	:	4.880 T	3 3,282 1,186	4,252	163,518 15 7	38 9
*Totals from 1st Feb. to 31st Dec., 1867	46	6,977	96,372 7 10	0 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	33 0

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TABLE SHOWING THE ESTIMATED NUMBER OF LETTERS AND LETTER-CARDS, POST-CARDS, BOOK-PACKETS, NEWSPAPERS, AND PARCELS POSTED AND DELIVERED IN THE

istrict.		Posteć	Posted in the Dominion.	inion.			Delivere	Delivered in the Dominion	linion.		Total	posted and	Total posted and delivered in the Dominion	he Dominion.	
::	Letter-cards. Post-cards.	Post-cards.	Books, &c.	Newspapers.	Parcels.	Letters and Letter-cards.	Post-cards.	Books, &c.	Newspapers.	Parcels.	Letter-cards.	Post-cards.	Books, &c.	News- papers.	Parcels.
: :	25.622.965	729.820	20.124.247	3.539.847	425,477	30,406,350	762,866	15.926.989	3.165,019	308, 204	56,029,315	1,492,686	36,051,236	6.704,866	733,681
	1.307.962		434.050	11,818		1,412,918		752,336	272,090	33,800	2,720,880	57,057	1,186,386	283,908	45,422
Christehurch 116.	16.366.556		16.934.402	1.544.165		18,981,144	859,391	11,370,489	2,319,720	181, 220	35, 347, 700	1,578,278	28,304,891	3,863,885	424,008
: :	1,033,452		7,639,620	1,440,864		11,916,242	412,815	7,165,067	1,596,179	172,302	22,949,694	824,772	14,804,687	3,037,043	334,490
	3,000,033	28, 223	1,091,153	323,939	27,066	2,928,705	52,611	1,655,823	727,740	60,593	5,928,738	80,834	2,746,976	1,051,679	87,659
th	1,798,564	37,570	717.835	188,435	19,240	2,093,546	57,018	907,309	338,871	49,166		94,588	1,625,144	527,306	68,406
:	9.600.849	226,785	3,609,211	576,880	46,410	9, 182, 368	303, 342	5,646.914	1, 186, 146	139,620	18,783,217	530, 127	9,256.125	1,763,026	186,030
	6,593,799	109,928	3,074,867	501,578	42,835	6, 293, 313	161, 135	3,215,511	780, 767	90,428		271,063	6, 290, 378	1, 282, 345	133, 263
:	6.320.796	111.852	2.844.130	571,884	30,823	6,705,868	181,168	4,516,330	963,365	78,351		293,020	7,360,460	1, 535, 249	109, 174
:	860,364	60,502	1,183,766	235,511	29,263	2,697,552	63,609	1,705,860	460,460	76,908	5,557,916	124, 111	2,889,626	695,971	106, 171
lymouth	4,416,005	91,585	2,433,426	557,882	28,795	4,893,174	145,847	3,268,395	721,669	73,385		237,432	5,701,821	1,279,551	102, 180
	1,504,243	35.412	597.152	145, 556		1,525,758	53,365	1,043,367	270,504	24,310	3,030,001	88,777	1,640.519	416,060	32,838
ton N.	5.821.194	114,543	3,195,185	475,407	_	6,163,781	149,032	4,223,817	830, 583	81,029	11,984,975	263,575	7,419,002	1,305,990	124,943
:	3.081.416	60,684	1,052,997	282,656	_	3,637,140	153,257	2,410,486	520,260	65,481	6,718,556	213,941	3,463,483	802,916	85,371
:	3,243.119	77.792	1,451,302	242,292		3,391,596	104.559	2,072,460	401,947	46,033	6,634,715	182,351	3,523,762	644, 239	67,678
ui	4.944.266	120,965	2,243,254	445,513		4,794,777	157,664	2,884,518	672,750	67,548	9,739,043	278,629	5,127,772	1,118,263	99,245
<u>.</u>	24.189.321	385.334	17.828.207	3.514.796	_	24,355,187	461,646	11,485,260	3, 262, 333	228,089	48,544,508	846,980	29,313,467	6, 777, 129	673,396
:	689.039	12.688	141.494	101.842		1,034,072	27,274	439.816	238.446	28, 275	1,723,111	39,962	581, 310	340,288	37,726
	39,936	288	1.530	2,256	864	55,698	180	8.664	12,636	1,878	95,634	468	10.194	14,892	2,745
Western Samoa	80,853	528	5,628	8,859	1,716	80,022	312	17,748	32,367	4,584	160, 875	840	23,376	41, 226	6,30(
Totals 132,	132,514,732 3	3,356,065	86,603,456	14,711,980	1,649,515	142,549,211	4,143,426	80,717,159	18,773,852 1	1,811,204	275,063,943	7,499,491	167,320,615	33,485,832	3,460,719
Previous year 125.	6,841,774	125,841,774 3,062,037	78,449,180 15,919,451	15,919,451	1,546,457	136, 137, 538 3, 991, 591		76,588,875	17,855,938	1,739,731	261,979,312	7,053,628	155,038,055	33,775,389	3,286,188

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Table	

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, 1935 AND 1934.

Year endedOrdinary.Urgent.Fress.Letter.UrgentNamber.Value.Number.Number.Number.Value.Number.Value.Number.Value.Number.Number.Value.31st March, 1935 $3,461,177$ $363,780$ $75,813$ $7,039$ $490,070$ $58,062$ $148,869$ $9,999$ $31,457*$ $9,862,627$ $448,562$ $14,070,013$ 31st March, 1934 $3,464,070$ $354,866$ $68,692$ $8,087$ $470,278$ $51,735$ $187,560$ $11,094$ $31,712*$ $9,064,991$ $409,638$ $13,287.303$					L	Telegrams.					Toll Communications.	nications.	Total.	el.
Number.         Value.         Number.         Value. $3,461,177$ $368,780$ $75,813$ $f$ $f$ $3,464,070$ $354,866$ $68,692$ $8,087$	Year ended	Ordin	lary.	Urgei	at.	Pre	SS.	Lett	er.	Urgent Marine.	Winnhow	Volue	Minuka	Volto
$ \begin{array}{c ccccccccccccccccccccccccccccccccccc$		Number.	Value.	Number.	Value.	Number.	Value.	Number.	Value.	Number.	· TAOTITIN NT	A aine.		ante A
3,464,070 354,866 68,692 8,087	st March, 1935 .	3,461,177	£ 368,780		$\frac{\mathrm{f}}{1,039}$	490,070	£ 58,062	148,869	£ 9,999	31,457*	9,862,627		14,070,013	£ 892,442†
	st March, 1934	. 3,464,070	354,866	68,692	8,(	470, 278	51,735	187,560	11,094	31,712*	9,064,991	409,638	13,287.303	$835,420\ddagger$

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#### Table No. 8.

TABLE SHOWING CABLE, RADIO-TELEGRAPH, AND RADIO-TELEPHONE BUSINESS TRANSACTED DURING THE YEAR ENDED 31ST MARCH, 1935, AS COMPARED WITH THE YEAR ENDED 31ST MARCH, 1934. Cable Messages.

INTERNATIONAL. AUSTRALIAN. Total. Forwarded. Received. Forwarded. Received. Year ended Revenue earned by New Zealand, Revenue earned by New Zealand. Revenue earned by New Zealand. Revenue earned by New Zealand. Revenue earned by New Zealand, Number of Messages. £ 127,277 3,711 112,157 3,286 £ 7,181 £ 5,903 £ £ 137,567 5,903 133,054 5,806  $124\,,776\,,111\,,627$ 4,114 546, 64120,909 31st March, 1935 31st March, 1934 157,021 ••• 148,631 6,7553,627 505,46919,474PRESS MESSAGES (included in above totals).  $3,962 \\ 3,474$  $16,800 \\ 15,862$ 1,739 1,610 31st March, 1935 31st March, 1934 2,358 1,931  $egin{smallmatrix} 3\,,434\ 4\,,268 \end{smallmatrix}$  $\begin{array}{c} 293 \\ 405 \end{array}$  $7,046 \\ 6,189$  $\begin{array}{c} 845\\715\end{array}$  $\mathbf{215}$ 386 . . 335 ••• 155

					Radio-telegre	ams.			
				Forv	varded.	Rec	eived.		tal.
	Year end	led		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, 31st March,		••	••	9,688 8,960	£ 2,325 2,192	16,485 15,131	£ 3,029 3,142	26,173 24,091	£ 5,354 5,334

#### Radio-telephone Calls.

a and a second	Outward.		Inward.		Total.	
Period.	Number of Calls.	Revenue earned by New Zealand,	Number of Calls.	Revenue earned by New Zealand.	Calls.	Revenue earned by New Zealand.
31st March, 1935              31st March, 1934	$\begin{array}{c} 207 \\ 150 \end{array}$	£ 436 227	214 174	£ 411 400	421 324	£ 847 627

Approximate Cost of Paper .-- Preparation, not given; printing (1,075 copies), £51.

By Authority: G. H. LONEY, Government Printer, Wellington .--- 1935.

Price 1s.]