F. 1.

BUILDINGS.

The building programme which was drawn up in 1936 is well advanced. Since my previous report was presented in June, 1938, the erection of eight new postoffice buildings, seven postmasters' residences, and nine other buildings has been completed, and additions and alterations have been made to a number of existing buildings.

TELEPHONE SERVICES.

At the close of the year the number of telephone subscribers in the Dominion was nearly 158,000, the highest on record. After allowing for relinquishments the increase in subscribers for the year was 9,755, or 6.6 per cent.

Toll calls also reached a record total, the number handled being 15,567,000, an increase of more than 1,000,000 calls, or 7.5 per cent., over last year's figures.

The large increase in telephone toll traffic over recent years has necessitated additional toll outlets, and during the past twelve months an unprecedented number of new circuits was provided between the principal centres of the Dominion. While the extensive programme for the expansion of the toll system is not yet complete, the additional facilities provided during the year have eased considerably the heavy traffic loads previously carried on many important circuits.

DETAILED REPORT.

A detailed report of the Department's activities during the year ended on the 31st March, 1939, follows.

I have the honour to be,

Your Excellency's most obedient servant,

F. Jones.

General Post Office, Wellington, C. 1, 30th June, 1939.