

# ANNUAL REPORT OF THE POST AND TELEGRAPH DEPARTMENT FOR THE YEAR 1938-39.

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1939.  
NEW ZEALAND.

# POST AND TELEGRAPH DEPARTMENT

(REPORT OF THE) FOR THE YEAR 1938-39.

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

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

MAY IT PLEASE YOUR EXCELLENCY,—

I have the honour to submit to Your Excellency, with the following comment, the Report of the Post and Telegraph Department for the year ended on the 31st March, 1939 :—

## RECEIPTS AND PAYMENTS.

The revenue collected during the year exceeded that for the previous year by £385,320. The amount received was £4,687,564, compared with £4,302,244 for 1937-38. Increases in revenue were again recorded in respect of all phases of the Department's activities. Payments for the year in respect of working-expenses (including interest on capital liability amounting to £588,000) totalled £4,529,358. The excess of receipts over payments was £158,206.

## POST OFFICE SAVINGS-BANK.

Post Office Savings-bank deposits were £30,434,292, compared with £33,041,082 during the previous year. Interest credited to depositors amounted to £1,726,574. The withdrawals totalled £34,597,708, compared with £29,629,074 in the preceding year. The amount at credit of depositors at the 31st March was £60,710,087. The number of accounts open at the 31st March was 946,822, which is 26,017 in excess of the total recorded at the end of 1937-38.

## STAFF.

During the period—over three years—the Department has been under my control I have lost no opportunity of acquainting myself with the ramifications of the Service and the diversified duties of the staff, and I view with pleasure and satisfaction the commendable spirit of service and pride in achievement that characterize the work of officers of all ranks. Heavy increases in work are met cheerfully, emergencies are faced confidently, and new systems and services necessitated by changes in conditions or in legislation are introduced without affecting the efficiency of the organization as a whole. Above all, opportunities of serving the public are accepted with alacrity. I appreciate that in giving good service officers are actuated by the desire to advance in status by demonstrating their worth to the Department, and it is pleasing to record that towards the end of the year Government was able to raise the salaries of some seven hundred officers, most of the increases being made retrospective to the 1st April, 1938.

### 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 post-office 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. I.,  
30th June, 1939.

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# STATEMENT OF FINANCIAL OPERATIONS AND BUSINESS OF THE DEPARTMENT FOR THE YEAR ENDED 31st MARCH, 1939.

## RECEIPTS AND PAYMENTS.

The receipts and payments of the Department for the financial year 1938-39 are shown in the following account:—

	<i>Receipts.</i>			£	s.	d.	<i>Payments.</i>			£	s.	d.	
	£	s.	d.				£	s.	d.				
Balance forward .. .. .				42,404	15	2	Salaries .. .. .	2,322,762	0	8			
Postages .. .. .	1,420,545	2	7½				Conveyance of ocean and air mails .. .. .	123,893	12	10			
Money-order and postal- note commission .. .. .	92,487	17	11				Conveyance of inland mails	150,690	15	2			
Private box and bag rents and rural-delivery fees ..	58,754	18	9				Conveyance of mails by rail	105,192	16	4			
Miscellaneous receipts ..	521,231	5	10½				Maintenance of telegraph and telephone lines ..	248,436	5	10			
Paid telegrams .. .. .	341,486	10	5½				Renewals and replacements	255,188	16	11			
Paid tolls .. .. .	695,730	13	0½				Motor services and work- shops .. .. .	118,196	0	6			
Telephone-exchange receipts .. .. .	1,557,327	7	2½	4,687,563	15	10½	Maintenance of Post and Telegraph buildings ..	48,592	11	2			
							Miscellaneous .. .. .	562,095	2	5			
							Interest on capital liability	588,000	0	0			
							Sick Benefit Fund .. ..	6,310	0	0	4,529,358	1	10
							Renewal and replacement (investment) .. .. .				160,000	0	0
							Balance carried down ..				40,610	9	2½
				<u>£4,729,968</u>	<u>11</u>	<u>0½</u>					<u>£4,729,968</u>	<u>11</u>	<u>0½</u>
Balance brought down .. ..				40,610	9	2½							

The total cash value of the transactions of the Department, inclusive of the above, amounted to approximately £286,000,000.

## STAFF.

The steady expansion of the Department's business referred to in previous reports is again reflected in the staff figures in respect of the permanent staff, which during the year was increased by 447 officers.

In view of the widespread changes and improvements effected in the preceding year on the occasion of the reclassification of the Service, it was not to be expected that there would be any substantial alterations in the salary schedules then decided upon by Government; but the question whether officers who at the reclassification were placed on an intermediate salary-step were to advance to the maximum of the class was considered, and towards the close of the year it was decided by Government to allow a limited number of such advancements. Although the improvement effected in this way may not have been all that officers expected, the fact that there has been a partial movement in the direction indicated will be viewed with satisfaction by the staff as a whole.

A feature of the staff activities during the year was the number of retirements from the Service in accordance with the accepted policy of retirement on completion of forty years' service. Several senior officers of the Department were concerned, and the filling of their positions, together with consequential vacancies, has opened additional avenues of advancement for officers awaiting promotion.

The Appeal Board in the course of its sittings during the year reviewed practically the whole of the Department's policy in connection with the 1937 reclassification, and the results of the Board's deliberations created a good deal of interest among officers generally.

Once again the extensive and efficient organization of the Department and the versatility of its staff have been recognized in Government's decision to entrust to the Post Office the work in connection with the registration of youths and females under the Social Security Act. In addition, the Department will be required to act as collecting-agent on behalf of the Social Security Department, and in many instances it will pay the benefits due under the Act. That the additional work will be carried out efficiently, there is no doubt. The organization of the Department is such that any new work can be handled smoothly and expeditiously.

## COMPARATIVE RETURN OF PERSONS EMPLOYED IN THE DEPARTMENT.

Details of the personnel of the Department on the 1st April, 1939, compared with that on the same date last year are as under :—

	1st April, 1938.	1st April, 1939.
Permanent Staff		
Administration .. .. .	14	16
First Division .. .. .	4,220	4,325
Second Division .. .. .	5,899	6,223
Message-boys .. .. .	811	827
	10,944	11,391
Temporary Staff .. .. .	105	154
Casual Staff .. .. .	588	666
	11,637	12,211
Non-permanent Staff		
Country Postmasters and Telephonists .. .. .	1,641	1,603
Postmasters who are Railway officers .. .. .	83	88
	13,361	13,902

## HEALTH OF PERMANENT STAFF.

The following table shows, in comparison with the figures for the preceding year, the average number of days on which officers were absent on sick-leave during the year :

Year ended 31st March, 1939	Number on Staff.	Average Absence per Sick Officer.	Average Absence for each Officer employed.
Men .. .. .	10,427	11·02	6·16
Women .. .. .	964	14·59	9·70
Year ended 31st March, 1938—			
Men .. .. .	10,026	11·08	4·64
Women .. .. .	882	12·63	7·62

Twenty-three officers died during the year.

The higher average sick-leave absence was due entirely to the epidemic of measles experienced throughout the country during the year.

## PERSONAL.

Mr. F. J. Shanks, Deputy Director-General, retired on superannuation on the 31st October, 1938, after completing forty-three years' service. He was succeeded by Mr. J. G. Young, Second Deputy Director-General, who was, in turn, succeeded by Mr. W. R. Newall, Divisional Principal, General Post Office.

Mr. J. McDermott, Chief Engineer, retired on superannuation on the 28th February, 1939, after completing nearly forty-two years' service. Mr. McDermott was succeeded by Mr. P. V. R. C. Miles, Superintending Engineer, General Post Office.

Mr. G. McNamara, C.B.E., Director-General, commenced leave on the 1st April, 1939, prior to his retirement on superannuation. Mr. J. G. Young, Deputy Director-General, is acting in control of the Department.

Mr. F. W. Furby, Chief Postmaster, Christchurch, retired on superannuation on the 21st January, 1939, after completing forty years' service. He was replaced by Mr. G. Clark, Chief Postmaster, Palmerston North.

Mr. J. Madden, Chief Postmaster, Wellington, left the Dominion on the 24th February, 1939, to attend the Universal Postal Congress at Buenos Aires. During Mr. Madden's absence Mr. F. G. Nind, Senior Inspector, General Post Office, is acting as Chief Postmaster, Wellington.

## VISIT OF ENGINEERING OFFICERS TO AUSTRALIA.

Mr. H. R. Hounsell, A.M.I.E.E., Superintending Engineer, went to Australia in May for the purpose of investigating and studying matters pertaining to field engineering, and particularly underground plant distribution for telephone-exchange subscribers. Mr. Hounsell spent some six weeks in the Commonwealth, where he was extended every privilege and courtesy by the officers of the Postmaster-General's Department, and the information he obtained will prove of great value in dealing with one of the Department's pressing problems.

In December last Mr. E. H. R. Green, M.Sc., A.M.I.E.E., Radio Engineer, also visited Australia. His mission was concerned primarily with arrangements for the projected trans-Tasman air service, in respect of which a Conference of air, meteorological, and radio experts was held at Melbourne. At the conclusion of the Conference Mr. Green spent about a fortnight in Sydney and Melbourne on general inquiries regarding radio services and equipment.

## PROMOTIONS AND SALARY INCREASES.

The question of further improving the position of officers who received an intermediate salary increase at the 1937 reclassification was considered by Government during the year, and it was found practicable to place a number of such officers on the maximum salary of their respective grades of classification. Consideration was also accorded to a number of Overseers of the Construction and Maintenance Branch and Senior Mechanics graded in the Electrical and Workshops Section. In addition, a review was made of Class VII officers in receipt of the maximum salary of £305 per annum, and authority given for a further group to be advanced to Class VI at a salary of £320 per annum. The total number of the salary increases and promotions authorized on this occasion was not far short of seven hundred, the majority being effective as from the 1st April, 1938.

## MINIMUM REMUNERATION FOR ADULT MARRIED OFFICERS.

In order that there should be uniformity throughout all branches of the Public Service in the amount paid as the minimum remuneration for a married officer of adult age, the rate from the 1st September, 1938, was fixed by Order in Council at £210 8s. 1d. per annum.

## APPEAL BOARD.

Mr. H. A. Young, Stipendiary Magistrate, Christchurch, was appointed Chairman of the Post and Telegraph Appeal Board on the 20th June, as successor to Mr. E. D. Mosley, who tendered his resignation on account of ill health. It was with regret that the Department learned of Mr. Mosley's death not long after he had severed his connection with the Appeal Board.

The Board, in one session during the year, handled an unusually large volume of work. Appeals totalling 892 (received from 873 officers) were adjudicated upon, with the following results: Allowed, 15; conceded by the Department, 16; withdrawn, 102; did not lie, 134; disallowed, 625.

The large number of appeals lodged as a result of the reclassification of the Service in the preceding year necessitated the Board's remaining in session for over four months. Although the work of the Board was a good deal more onerous than usual, the appeals were dealt with efficiently and expeditiously, each individual case being accorded careful consideration.

Sittings of the Board were held not only at the main centres, Auckland, Wellington, Christchurch, and Dunedin, but also at other places at which the number of appellants warranted local hearings—namely, Whangarei, Hamilton, Thames, Rotorua, New Plymouth, Wanganui, Palmerston North, Napier, Gisborne, Nelson, Blenheim, Greymouth, Timaru, and Invercargill. This arrangement reduced to a minimum the travelling-time of appellants as well as the period of their absence from official duties, and enabled the itineraries of the Board to be planned well ahead in such a manner as not to disorganize the normal working-arrangements of any office or branch. It also gave to the Board the distinct advantage of having within easy call any witnesses who were required to give evidence during the hearings.

## REPORTS ON OFFICERS.

With the object of improving the system of reporting on officers of the Department, a new form of personal report was introduced during the year. The form, while retaining a number of the features of the previous system, was altered considerably. A change of importance was the provision made on form Staff 33 (form of report on senior officers) for intermediate markings to be allotted between the "satisfactory" and "superior" standards. The new form thus permits of a somewhat finer discrimination of the relative degrees of merit of officers. The headings on the reports were rearranged, with the object of grouping separately those which refer to the officer's performance of the duties he is actually engaged upon and those which apply to his potentiality and suitability for increased responsibilities. Provision was also made for the reporting officer to indicate the higher-graded positions in which the officer reported upon could be expected to meet fully the requirements of the Department.

In the case of junior officers of the Second Division who are qualified or partly qualified for promotion, there is now provision for the reporting officer to express his opinion as to the degree of suitability of such officers for employment on First Division duties. The end of the period covered by the new reports was altered from the 31st December to the 30th September. To synchronize with this change, the date of the half-yearly reports on junior officers, previously the end of June, was brought forward to the end of March.

The changes made to the reporting forms necessitated a complete revision of the instructions issued to reporting officers in connection with the preparation of reports. The new instructions set out clearly for the guidance of reporting officers what was required of them, how the markings should be allotted, and the significance, from the point of view of the promotion of officers, of the various reporting terms. The Department in framing its reporting system has always aimed at simplicity, and it can be said that the changes made have not complicated in any way the preparation of reports. In point of fact, reporting officers have a wider marking-scope with the new forms than they had under the old system.

It is hoped that the new form of report will result in a truer differentiation of the respective merits of officers who are in competition with one another for advancement, and that a careful and intelligent study of the comprehensive instructions will bring about a more uniform standard of marking by reporting officers.

## MEASLES EPIDEMIC.

The prevalence of measles during the year caused numerous absences of officers from duty, and at many offices the staffs employed were seriously depleted for a time at least. Fortunately the absences were not of lengthy duration and it was possible, without any inconvenience to the public, to make temporary arrangements to meet the position. In view of the extent and the nature of the epidemic, officers who contracted the complaint were allowed up to two weeks' sick-leave on full pay without charge against the sick-leave pay normally due under the regulations. The period allowed was sufficient in most cases to cover the full period of the officer's absence from duty.

## CHARWOMEN: PAYMENT OF WAGES FOR SICK-LEAVE.

Commencing in November, charwomen absent from duty on account of sickness were granted sick-leave with pay in accordance with the schedule operating in the Department in respect of permanent officers. The change in policy was made in order to accord to charwomen in the employ of the Post and Telegraph Department the same treatment in the matter of sick-leave pay as is enjoyed by similar employees in Government Departments controlled by the Public Service Commissioner.

## SICK BENEFIT FUND.

During the year 386 officers were granted assistance from the Sick Benefit Fund.

## CORRESPONDENCE SCHOOL.

The Correspondence School was reopened in May, 1938, the curriculum being confined to the subjects of the various Controlling Officers' Technical Examinations.

Previously, most of the technical courses available covered too wide a field to be treated comprehensively in single courses. The new courses were therefore subdivided into sections corresponding to the sections of the revised syllabuses of the examinations. This arrangement facilitates the work of instruction and reduces the difficulties hitherto experienced by some students in passing the examinations. The following subjects are now included in the curriculum: Magnetism and electricity; introductory course for outside plant; introductory course for telephony and telegraphy; Morse telegraphy; multiplex systems; teleprinter systems; radio (*a*); outside plant, stages I and II. It is proposed to add later two more subjects, radio (*b*) and transmission.

During the year 1,250 officers applied for tuition, and of those who availed themselves of the facilities of the school 71 per cent. passed the examinations held at the conclusion of the courses. One hundred of the students who were studying the magnetism and electricity section of the technical courses were accredited with a pass in that section.

## EXAMINATIONS.

Officers who were candidates for departmental examinations during the year numbered 4,757, of whom 2,671 were either wholly or partially successful.

## SUGGESTIONS BOARD.

Some 143 suggestions for the better working of the Department were received from officers during the year, and seventeen awards, involving a total sum of £40, were made for meritorious proposals.

## COMMERCIAL BRANCH.

The business dealt with by the Commercial Branch during the year represented a revenue value of £77,190, being £7,986 (11.54 per cent.) in excess of the figures for the preceding year. It is estimated that approximately £19,617 of the total amount can be classified as "new business" *i.e.*, business which would not have been secured or which would have been deferred but for the interest created and the information supplied by commercial officers.

In assessing the value of the business handled, no cognizance is taken of items which do not affect the revenue position, such as, for example, the internal or external removal of telephones, the rearrangement of existing equipment, or the transfer of telephones from one person to another, although commercial officers render extensive and valuable service to the public in connection with such matters.

Of the business secured, £45,039 represents the value of telephone transactions, the balance (£32,151) being in respect of advertising, postal, and miscellaneous.

Included in the functions of the Commercial Branch is the selling of advertising space on the blotting-pads used on public desks at post-offices, the revenue thus obtained being a very helpful offset to the expenditure on this item of office stationery. During the year an improvement has been made by replacing bound pads by loose sheets of advertising blotting-paper in suitable holders.

Publicity arrangements regarding departmental services were continued during the year, both by newspaper advertising and by the distribution of folders, brochures, &c.



## STORES BRANCH.

The following statement shows 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:

	1938-39.			1937-38.		
	Receipts.*	Issues.*	Stock on hand, 31st March, 1939.	Receipts.*	Issues.*	Stock on hand, 31st March, 1938.
	£	£	£	£	£	£
Auckland ..	368,990	314,748	195,151	272,554	234,953	140,909
Christchurch ..	143,265	128,179	85,577	107,136	98,113	70,491
Dunedin ..	117,867	98,727	69,621	81,169	75,162	50,481
Wellington ..	792,277	670,421	468,394	630,849	532,839	346,538
Dominion totals ..	1,422,399	1,212,075	818,743	1,094,648	941,067	608,419

\* Excluding transfers within storekeeping districts.

The total value of orders placed during the year was £808,701. Of this amount, £314,634 represented the cost of stores for supply from within the Dominion, including £55,519 for stores purchased under contracts arranged by the Stores Control Board. The total value of orders placed during the previous year was £980,491.

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

Year ended	Requisitions.	Items.	Value of Items purchased.		
			On Indent.	Locally.	Total.
			£	£	£
31st March, 1939 ..	5,299	24,135	21,304	320,201	341,505
31st March, 1938 ..	4,328	21,058	20,088	199,979	220,067

During the year the purchase of 362 motor-vehicles for other Departments and 94 motor-vehicles for the Post and Telegraph Department was arranged. The figures for the previous year were 404 and 107 respectively.

## AUCKLAND STORES DISTRICT.

On the 1st March, 1939, a Stores Manager was appointed at Auckland to take over from the Chief Postmaster control of stores activities in that district.

## SALE OF OBSOLETE AND UNSERVICEABLE MATERIAL.

Several auction sales of obsolete and unserviceable material, including worn-out motor-vehicles from various Departments, were held during the year. The total value of property disposed of was £3,855. This sum includes the value of scrap metals.

## MARINE INSURANCE FUND.

The insurable value of stores from countries within the Empire and the United States of America covered under the New Zealand Government Marine Insurance Fund was £665,009.

## WORKSHOPS.

The departmental workshops at various centres throughout the Dominion have continued to provide a very efficient service. Where necessary the operations of the workshops have been extended to meet the increasing demands of this and other Government Departments.

Equipment has been kept up to date, and increased accommodation provided as required. The total value of work performed during the year was £234,542, of which £29,455 represents the value of services rendered to other Government Departments.

## BUILDINGS AND LAND.

The erection of nine new post-office buildings and one major addition to an existing building has been completed during the year. Particulars of the official ceremonies held in connection with the opening of these buildings are as follows:—

Building.	Date of Opening.	Ceremony performed by
Avondale .. .. .	19th August, 1938 .. .. .	Hon. H. G. R. Mason, M.P.
Devonport .. .. .	14th November, 1938 .. .. .	Mr. F. W. Schramm, M.P.
Grey Lynn .. .. .	13th February, 1939 .. .. .	Mr. J. A. Lee, M.P.
Linwood .. .. .	26th April, 1938 .. .. .	Hon. D. G. Sullivan, M.P.
Little River .. .. .	30th April, 1938 .. .. .	Mr. H. S. S. Kyle, M.P.
Milton .. .. .	12th December, 1938 .. .. .	Hon. F. Jones, M.P.
St. Albans .. .. .	3rd February, 1939 .. .. .	Mr. S. G. Holland, M.P.
Sumner .. .. .	23rd November, 1938 .. .. .	Mr. T. H. McCombs, M.P.
Tauranga .. .. .	1st December, 1938 .. .. .	Hon. F. Jones, M.P.
Te Awamutu (major addition) .. .. .	8th April, 1938 .. .. .	Mr. W. J. Broadfoot, M.P.

In addition, a ceremony at which the Postmaster-General, the Hon. F. Jones, officiated was held in connection with the laying of the foundation-stone of the Invercargill new chief post-office building on the 2nd August.

Also completed during the year were Postmasters' residences at Cambridge, Kaipara Flats, Mangaweka, Poolburn, Waiau, and Wairoa, and a staff residence at Te Teko: a line, store, garage, and workshops building at Gisborne: a line and store building at Huntly: a line, store, and garage building at Geraldine: a line and battery building at Clyde: line, store, and garage buildings at Amberley and Milton: and garage buildings at Devonport and Motueka (2).

The first floor of the post-office building at Bluff was converted into living-quarters for the Postmaster, and the old post-office building at Maungaturoto was converted into a residence for the lineman.

Major additions and alterations were made to post-office buildings at Newmarket, Parnell, Te Awamutu, Wainauku, Waitangi (Chatham Islands), Wakefield, and Wellesley Street (Auckland).

Improved accommodation was provided at the following places: Ashhurst (addition), Balfour (addition to quarters), Christchurch (alterations to garage), Geraldine (addition), Gore (alterations to garage and store), Lyttelton (alterations), Mount Albert (addition), Paekakariki (addition to quarters), Takaka (addition and alterations), Taradale (addition and alterations), Te Akau (addition to quarters), and Warkworth (addition to quarters).

Buildings no longer required at the following places were disposed of: Aria, Avondale, Blackstone Hill (old post-office buildings), Castlecliff (cable hut), Dunedin (telegraph-office building), Havelock (residence), Otiake (post-office building), Pahiataua and Tauranga (old post-office buildings), and Waitara (residence).

The post-office buildings at Linwood, Milton, and St. Albans were demolished to make room for new buildings.

The post-office buildings at Mahoenui and Motueka and the lineman's residence at Tolaga Bay were destroyed by fire during the year.

Sites no longer required at the following places were relinquished or disposed of: Avondale and Castlepoint (old post-office sites), Dunedin (telegraph-office site), Havelock (site of lineman's residence), Herbert and Katikati (redundant sites), Kumeu (old post-office site), Opunake (portion), Owaka (redundant site), Pahiataua (portion of old post-office site), Tauranga (old post-office site), Tuatapere (redundant site), and Waitara (site of Postmaster's old residence).

Sites were acquired at Balclutha, Bulls, Christchurch, and Gore (extension of post-office sites), Helensville (for line, store, and garage building), Hokitika (for post-office building), Karori (for automatic exchange), Levin (extension of site for post-office addition), Lower Hutt (for post-office building), Matamata (for garage and store), Palmerston North (for line, store, workshops, and garage building), Papakura (right-of-way at rear of departmental site), Ponsonby (extension of site for automatic exchange), Roxburgh (for storage purposes), Silverdale (extension of post-office site), Stratford (for garage, store, and line building), Takapuna (extension of telephone-exchange site), Taumarunui (for Postmaster's residence), Taupo (for new post-office), Tauranga (for line, store, and garage building), Te Puke and Waipawa (for Postmasters' residences), and Wellesley Street and Wellington South (for new post-offices).

The following buildings were in course of erection at the end of the year: Christchurch (chief post-office, No. 1 block), Dunedin (store and workshops), Gisborne (automatic exchange), Hamilton (chief post-office), Invercargill (chief post-office), Mount Pleasant (automatic exchange), New Brighton (automatic exchange), Okaihau (residence), Otorohanga (post-office and residence), Wanganui (chief post-office), Wellington (office and line depot building), and Whakatane (line, store, and garage building).

Other works as follows were also in progress: additions and alterations to the chief post-office buildings at Auckland, Oamaru, and Palmerston North, and to the post-office buildings at Eilerslie, Huntly, Kaipara Flats, Okaihau, Opotiki, Rangiwhia, and Waiau; and additions to the automatic-telephone-exchange building at Mount Eden and the store and garage building at Kaitia.

Buildings-maintenance gangs were established in the Wellington, Christchurch, and Dunedin Districts for the painting and renovating of departmental buildings.

## NEW ZEALAND CENTENNIAL EXHIBITION: DEPARTMENTAL SERVICES AND EXHIBITS.

At the Centennial Exhibition to be held in Wellington between November, 1939, and May, 1940, the Department will conduct for the convenience of the public a working office with postal, telegraph, telephone, money-order, and savings-bank facilities. Attached to the office will be a philatelic bureau and stamp exhibition.

A feature of the telephonic facilities to be provided at the Exhibition will be the public coin-in-the-slot telephones, provision having been made for the installation of up to fifty at strategic points in the Exhibition buildings and grounds.

In a separate court there will be many interesting exhibits illustrative of the activities of the Department. These will include the following:—

A "Pageant of Progress," in which the development of the Department throughout the years will be illustrated strikingly by a succession of cut-outs and models moving across the front of a cinematograph screen, on which will be shown, by way of contrast, modern methods of work and up-to-date equipment.

A mechanical postal map showing Empire and other air mail-services.

A relief model illustrating the Cook Strait communication services.

A radio-telegraph transmitter.

A "magic dial" (showing how ultra-short radio waves are used for communication purposes).

A radio-telephone channel in miniature.

Telegraph and telephone apparatus (historic and modern).

Telephone-line-construction equipment.

A small private automatic-telephone exchange.

At intervals departmental activities will be illustrated by cinematograph films in the main cinema hall at the Exhibition.

### TRANSPORT OF CORONATION ROBES.

The transport by road of the Coronation robes and regalia displayed at various centres throughout the Dominion between the 27th April and the 9th July was undertaken by the Department. Notwithstanding the unusually large size of the cases transported, the work was carried out in the scheduled time and without mishap.

### DEPARTMENTAL MOTOR VEHICLES.

Departmental transport activities during the year necessitated an extension of the Department's fleet of motor-vehicles. It has been necessary not only to provide more trucks for line construction and maintenance purposes, but also to meet a general increase in car transport in and around the four main centres.

During the year 142 new vehicles (23 cars and 119 trucks and vans) were placed in service. All of the vehicles were of English manufacture, and the bodies for the trucks and vans were constructed in the Department's workshops at Wellington and Auckland. Thirty-seven vehicles were withdrawn from service. Vehicles in commission at the end of the year numbered 872, comprising 649 trucks and vans and 223 motor-cars. The fleet, including old vehicles held for sale, shows an increase of 105.

The total mileage covered for the year was 6,879,738, representing an increase of 671,087 miles.

### BICYCLES.

Details of bicycles in use at the end of the year are as follows:—

Machines owned by individual officers for the use of which allowances are paid	718
Machines purchased by the Department and supplied free of cost to officers, who are required under agreement to maintain and utilize them in the Department's service for a fixed period based on the average weekly riding-time	134
Machines owned by the Department and held for use by officers as required for official purposes	575

During the year there was an increase of 28 in the number of bicycles in use.

## POSTAL SERVICES.

### OVERSEAS LETTER - POSTAGE RATES: REVISION.

Government's decision that New Zealand would participate in the Empire air-mail scheme when it was extended to Australia in July necessitated a review of the letter-postage rates to all overseas countries, whether or not air transport was available. The new rates, which came into force on the 26th July, are as follows:

British countries (except Australia) and Egypt	1½d. each half ounce.
Australia and dependencies	1d. each ounce (rate unaltered).
Foreign countries	2½d. first ounce and 1½d. each succeeding ounce (Postal Union rates).

The special rates on letters sent by air to foreign destinations were retained.

INCREASES IN RATES ON INLAND PARCELS AND INLAND AND OVERSEAS PACKETS:  
REDUCTION IN "FRAGILE" FEES ON INLAND PARCELS.

When railway charges, including railway parcel rates, were increased by 10 per cent. in December last, Government decided, in order that there would be no general diversion of parcel traffic from the Railways Department, to increase also the rates on inland parcels sent by post. On parcels in the heavier categories of weight the increases exceeded 10 per cent. This was justifiable, on the ground that the previous charges on such parcels, which for the most part require to be transported over long distances, did not cover costs. In 1936, when parcel rates were reduced, it was expected that the Post Office would obtain a reasonable proportion of short-distance traffic, an expectation that was not realized. A preponderance of long-distance traffic was offering—no less than 72 per cent. of the heavier parcels requiring inter-Island transit, and a large number also involving long transit by rail.

Details of the changes in respect of ordinary parcels are as follows:—

Weight of Parcel.	Old Rate.		New Rate.	
	s.	d.	s.	d.
Over 1½ lb. and up to 3 lb.	0	6	0	7
"   3 lb.   "   7 lb.	1	0	1	2
"   7 lb.   "   14 lb.	1	6	1	9
"   14 lb.   "   21 lb.	2	0	2	4
"   21 lb.   "   28 lb.	2	6	3	0

Appropriate increases were made also in the special rates on parcels of cinematograph films and on parcels that exceed in size the ordinary parcel-post limits.

Previously, the rate for inland packets was the same as that for commercial papers and printed papers—*i.e.*, ½d. for each 2 oz. Opportunity was taken to fix for such articles a minimum charge of 2d. up to 8 oz., the rate otherwise remaining unchanged. The overseas sample-packet rate was increased from 1d. for the first 4 oz. and ½d. for each additional 2 oz. to 2d. and 1d. respectively. In fixing a higher minimum rate for packets than for printed papers and commercial papers, New Zealand has followed the practice adopted in other British countries.

The special fees payable on parcels of a fragile nature for the transit of which the senders desire the protection of containers other than bags were reduced from 1s. 6d. and 1s. to 1s. and 6d. respectively, the higher fee being payable on large parcels. "Fragile" fees were not included in the general reduction of parcel rates made in 1936 because of the extra cost of forwarding parcels in the general wicker hampers then in use. In the interval, these hampers have been replaced largely by lightweight cardboard cartons, a change which made possible the reduction in the fees. It is hoped that full advantage of the special service provided for the protection of parcels containing articles liable to damage in transit will now be taken by the public, many of whom are indifferent to the need for the thorough packing of such parcels.

The new rates became effective on the 12th December.

#### INLAND MAIL-SERVICES.

The contracts for the inland mail-services in the Auckland, Hamilton, and Thames postal districts expired on the 31st December last, and were relet for a further term of three years as from the 1st January. A number of the services were improved either by extension or by an increase in the frequency of the trips. A large number of contracts were renewed with the previous operators, the terms generally being arranged by mutual agreement. In some instances it was necessary for the appropriate Transport Licensing Authority to fix the payments to be made under the new contracts.

Indicative of the continued popularity of the rural mail-delivery system was the increase during the year of 2,054 in the number of rural boxholders. At the end of the year there were in the Dominion 30,900 boxholders, the highest number yet recorded.

While the carriage of mails by road on the established routes between centres not served by rail is more or less a matter of routine, the provision of adequate mail facilities in the more isolated localities requires special consideration. It is the policy of the Department to extend the postal facilities in rural districts when this can be arranged at reasonable cost. In such cases the general practice of despatching the mails by the vehicle which conveys goods, newspapers, and passengers is followed.

Weather and other conditions beyond control occasionally cause interruptions in the mail transport schedule. Exceptionally heavy floods experienced in the Hawke's Bay and Poverty Bay districts in April, 1938, interrupted the services in operation there. The most serious effect was the complete stoppage for a period of the conveyance of mails by road between Napier and Gisborne, necessitating the use of alternative routes, including air and sea services, between those centres. The driver of the mail-truck which left Gisborne on the evening of the 24th April had to abandon his vehicle, which was completely isolated, and it was not until the 12th May that the final portion of the mail was recovered from the truck. Fortunately, the mails, though delayed, suffered little damage.

Floods occasioned by torrential rain in the Takaka Valley on the 16th September caused a slip which destroyed several chains of the main highway at Upper Takaka and completely interrupted road communication with the Takaka district. Mails were forwarded by sea the following day, after which it was possible, by transferring the mails across the slip, to resume the road services.

## OCEAN MAIL SERVICES.

The Auckland-Vancouver ocean-mail-contract service maintained by the "Niagara" and "Aorangi" was performed regularly during the year.

Consequent upon the inauguration in August of the service from Australia under the Empire air-mail scheme, the only mails despatched by the contract (Auckland-Vancouver) steamers and by the Matson Line (Auckland-San Pedro) vessels during the latter portion of the year were those for America and intermediate countries, and letter-mails only for the Continent of Europe. The marine post-offices, which had been in operation on the Vancouver contract steamers since 1924, were closed on the inauguration of the Empire air service.

During the year appreciable use was made of vessels sailing via Panama and via Cape Horn for the despatch of mails for Great Britain and the Continent of Europe. These routes are now being used for the despatch of all second-class mails for Great Britain and Europe, the use of the North American route for this purpose having ceased with the inauguration of the Empire air service.

The New Zealand-Australia service was maintained during the year by the "Awatea" and "Wanganella," together with vessels of the Canadian Australasian Royal Mail Line, the K.P.M. Line, and the Matson Line. During a period in August and September the "Awatea" was replaced by the "Maunganui," and for two trips in November and December the "Wanganella" was replaced by the "Westralia."

A service between Bluff and Melbourne was maintained by the "Waitaki" during the period April-October and by the "Maunganui" during the remainder of the year.

Use was also made of cargo-vessels trading between New Zealand and Australia for the despatch of mails for Australia and also mails for onward despatch by the Empire air service.

A regular service to the Pacific Islands was maintained during the year.

## AIR MAILS.

## INLAND.

Extensions to the inland air services were made on the 15th March, when Messrs. Cook Strait Airways, Ltd., inaugurated a daily service between Nelson and Greymouth with calls at Westport in both directions, and on the 20th March, when Messrs. Union Airways of New Zealand, Ltd., inaugurated a thrice-weekly air service between Auckland and Gisborne with calls at Tauranga and Opotiki in both directions.

The service previously operating between Auckland and Dunedin via New Plymouth, Palmerston North, Blenheim, and Christchurch now operates between Palmerston North, Blenheim, and Christchurch only, while the Auckland-Wellington service has been extended to provide a through service daily in each direction between Auckland, Palmerston North, Wellington, Christchurch, and Dunedin, the second service Auckland-Wellington and return continuing. New Plymouth is now served one way on this second service and one way on the main service.

The steady increase in the number of letters conveyed on the inland air services has been maintained. Particulars of the number of letters carried during the last three years are shown hereunder:—

	1936-37.	1937-38.	1938-39.
June quarter .. .. .	179,073	325,584	508,625
September quarter .. .. .	215,202	381,019	558,642
December quarter .. .. .	256,559	466,843	649,437
March quarter .. .. .	283,807	515,225	665,723

Unfortunately, a serious accident occurred on the 10th May, when Union Airways' Lockheed "Kotare" crashed shortly after leaving Mangere Aerodrome (Auckland) and the two pilots were killed. Mails despatched from Auckland, comprising 180 letters and 3 parcels, were lost in the fire which broke out when the machine crashed.

## EMPIRE AIR SERVICE.

An event of outstanding importance during the year was the extension at the end of July of the Empire air-mail scheme to include Australia and New Zealand. The first services under the scheme commenced from Great Britain on the 28th July and from Australia on the 9th August. New Zealand participated in the scheme from the outset on the basis originally suggested by Great Britain—that is, all letters posted in New Zealand for the Empire countries served by the Australia-England and England-South Africa air services are transported by air at the postage rate of 1½d. each ½ oz. Previously the air-mail postage on letters to Great Britain was 1s. 6d. each ½ oz. At the outset the air service operating between Bangkok and Hong Kong was not included in the general scheme, and accordingly correspondence from New Zealand for Hong Kong was forwarded from Australia to Singapore by air and thence to destination by sea. On the 5th September, however, the Empire scheme was extended to include this service, and since that date all correspondence for Hong Kong has been carried to its destination by air. The air service operating between Khartoum and Accra has not yet been included in the Empire scheme, and special rates are still payable on correspondence for Nigeria and the Gold Coast Colony which is required to be conveyed by air.

The change from surface to air despatch, which involved a considerable amount of internal reorganization, was made smoothly, and the new arrangements are operating very satisfactorily for the Department and the public.

Before the change-over to air despatch, the average time taken by letter-mails from New Zealand to Great Britain was twenty-eight to thirty days. The average time taken since the air-mail scheme came into operation is approximately fifteen days. It is anticipated that the trans-Tasman air service will commence before the end of the year, and this should reduce the transit time by at least another two days.

#### ACCIDENT TO FLYING-BOAT "CALPURNIA."

Imperial Airways' flying-boat "Calpurnia," which left Southampton on the 25th November with mails for Australia and New Zealand, met with disaster on the 27th November while attempting to land at Lake Ramadi, Iraq, during a sandstorm. Unfortunately, of the crew of five, three, including the Commander, Captain Attwood, were killed. The New Zealand mails aboard, which closed at London on the 23rd and 24th November, included a large amount of Christmas mail from Great Britain and Ireland. After the accident, salvage operations were put in hand, and the mails, all of which were damaged by water, were forwarded on from Bagdad at intervals as they became available.

The damaged mails were received in the Dominion over the period 19th December to 9th January. When the bags were opened, the contents were found to be damp and more or less damaged. All articles in reasonably good condition were put in course for immediate delivery, and those that were damaged to any extent were renovated and released as quickly as their condition would allow. While the writing on most of the articles was legible, difficulty was experienced in reading addresses on a considerable portion of the mail. Unfortunately, owing to the effect of water on the gum of envelopes, the contents of a large number of letters had become separated from their covers, and in many instances the task of associating contents with covers was a hopeless one. Efforts to effect delivery of badly damaged mail were continued until all deliverable articles were disposed of, and it is estimated that approximately four-fifths of the mail was delivered.

All registered articles of which notification of despatch had been received were accounted for and, with few exceptions, delivered. The insured articles were all delivered.

#### FIRE ON "RIMUTAKA" : DAMAGE TO PARCEL-MAILS.

Portion of the mails, consisting principally of parcels from Great Britain to New Zealand, on board the New Zealand Shipping Co.'s vessel "Rimutaka," which left London for Auckland via Panama on the 8th December, was damaged considerably by water, heat, and chemicals as a result of the fire which broke out in No. 3 hold on the 8th January, a few days before the vessel arrived at Auckland, and which burned for nearly twenty-four hours. In the damaged portion of the mail there were 113 bags of parcels and 14 bags of other mail which were stowed in the strong-room in the forward part of the hold. The remainder of the mail, 146 bags of parcels stowed in lockers in the lower part of the hold, was undamaged. Only parcels suffered to any extent, the damage to these varying from slight to serious according to the nature of the contents. Some parcels were a complete loss, but few of the insured parcels were damaged.

#### OVERSEAS PARCELS : PREPAYMENT BY SENDERS OF CUSTOMS AND OTHER CHARGES.

For many years persons in Great Britain and in certain countries (including Ireland, France, Germany, Belgium, Switzerland, The Netherlands, and Denmark) for which Great Britain acts as intermediary for the exchange of parcels with New Zealand have been able to prepay the Customs and other charges on parcels sent to New Zealand. From the 1st May a similar service was introduced in respect of parcels sent from New Zealand to Great Britain and the other countries concerned. Previously, the only countries to which parcels from New Zealand could be sent under this system were Australia, the Union of South Africa, Southern Rhodesia, and Malaya.

#### EXPRESS-DELIVERY SERVICE WITH EMPIRE COUNTRIES.

Reciprocal arrangements for the exchange of express-delivery letters were made during the year with Great Britain, Australia, the Union of South Africa, and a number of other Empire countries. It is expected that when the service becomes more widely known considerable use will be made of it in conjunction with the Empire air services for ensuring the earliest possible delivery of urgent correspondence.

An express-delivery service for inland correspondence has been in force in the Dominion for many years.

#### FANNING ISLAND : CLOSING OF NEW ZEALAND POSTAL AGENCY.

The New Zealand postal agency at Fanning Island, which was established in 1902, was closed on the 14th February, from which date the post-office at the island came under the control of the postal administration of the Gilbert and Ellice Islands Colony.

It is of interest to recall the circumstances in which a postal agency of New Zealand was established at Fanning Island, in the North Pacific Ocean. When the Pacific Cable Board's station was opened at the island in 1902, the trans-Pacific mail-steamers called there on the voyage from Auckland to San Francisco. The first Superintendent of the Cable Station, Mr. David Cuthbert, realizing the value of direct communication by steamer and telegraph with New Zealand for obtaining mails and provisions,

represented to the Department how great would be the convenience to his isolated community of a post-office providing facilities for the receipt and despatch of mails (including parcels) and the purchase of postage-stamps. The Department readily agreed to the proposal, and the agency was opened on the 29th November, 1902, in Mr. Cuthbert's charge. A money-order office was opened on the 16th October, 1903, and a branch of the post office savings-bank on the 8th May, 1907.

After the mail-steamers ceased to call at Fanning Island the mails were forwarded from Auckland by indirect routes unless a direct boat happened to be available, but, notwithstanding the absence of direct sea connections, New Zealand was still in the best position to supply the postal needs of the island.

It was, of course, inevitable that the office at Fanning Island should pass eventually to the control of the Administration of the Gilbert and Ellice Islands Colony to which it belongs, but officers of the Department regret that the transfer involved the severance of the bond of fellowship which for thirty-six years existed between them and members of the cable staff on their lonely island in mid-Pacific.

#### POSTAGE-STAMPS, ETC.

##### KING GEORGE VI STAMPS.

King George VI stamps in the denominations of 1d. and 1½d. were placed on sale on the 1st and the 26th July respectively. The effigy on both stamps is similar to that of the ½d. King George VI stamp which was issued on the 1st March, 1938.

##### BOOKLETS OF KING GEORGE VI STAMPS.

On 1st July a booklet of 1d. stamps was placed on sale and in November two booklets, one containing 1½d. stamps and the other 1d. and ½d. stamps, were issued. It is not intended to obtain further supplies of the booklet containing 1d. stamps only.

##### PICTORIAL STAMPS.

The 1d. and 1½d. pictorial stamps were withdrawn from sale on the 30th June and the 25th July respectively.

New plates were used to print supplies of 2d. and 4d. stamps.

##### " OFFICIAL " STAMPS.

The 1d. and 1½d. pictorial stamps overprinted " Official " were withdrawn from sale on the 30th June and the 25th July respectively.

King George VI 1d. and 1½d. stamps overprinted " Official " were issued on the 1st and the 26th July respectively. The 2½d. pictorial stamp similarly overprinted was placed on sale on the 26th July.

In July the overprint " Official " on the 5s. fiscal stamp was changed from block to italic letters.

##### AIR-MAIL STAMPS.

The 1d. air-mail stamp was withdrawn from issue on the 31st December. The remaining values of the set—3d. and 6d.—will remain on sale until stocks are exhausted.

##### HEALTH STAMP.

The 1938 health stamp of the value of 2d. (1d. for postage and 1d. for the Health Camp Fund) was issued on the 1st October and withdrawn from sale on the 15th February. The design had for its subject two small children playing on a lawn, with a hedge and a New Zealand tree-fern in the background. Mr. J. Berry prepared the design from suggestions and material supplied by Messrs. G. Bull and S. Hall. The stamp was engraved and printed by Messrs. Bradbury, Wilkinson, and Co., Ltd., England.

Once again the campaign to promote the sale of health stamps, undertaken by Health Camp Committees throughout the Dominion in co-operation with officers of the Department, was highly successful. During the four and a half months they were on issue, stamps to the value of over £10,000 were sold. The " health " value of the stamps, £5,145, together with donations amounting to £1,882, was distributed among the Health Camp Committees according to the amounts raised in their respective districts. It is gratifying to record the generous response made annually by the people of the Dominion to the health-stamp appeal, which is now established as the principal source of revenue for the maintenance of children's health camps in New Zealand.

##### STATIONERY.

Halfpenny and 1d. embossing dies bearing a portrait of His Majesty King George VI were brought into use in October. The ½d. die is used for embossing quantities of envelopes for private persons and the 1d. die for impressing envelopes for sale to the public.

##### NIUE AND COOK ISLANDS STAMPS.

The Niue 1s. and 2s. stamps and the Cook Islands 1s., 2s., and 3s. stamps bearing a portrait of His Majesty King George V were withdrawn from sale on the 30th April.

New stamps of the denominations 1s., 2s., and 3s. for both Niue and the Cook Islands were issued on the 2nd May. The 1s. value bears a portrait of His Majesty King George VI, while the 2s. and 3s. denominations depict scenes appropriate to the islands. The borders for each value and the centres for the 2s. and 3s. stamps were drawn by Mr. J. Berry. The vignette for the 1s. stamps and the necessary dies and printing-plates were the work of Messrs. Bradbury, Wilkinson, and Co., Ltd., England, and the stamps were printed by the Government Printer, Wellington.

#### CENTENNIAL POSTAGE-STAMP ISSUE.

Following Government's decision that a special set of postage-stamps be issued to commemorate the Dominion's Centennial celebrations in 1940, artists were invited to submit designs in accordance with specifications embodying memorable events in the Dominion's historical and industrial development. The specifications were prepared by the National Historical Committee, which was set up by Government as part of the Centennial organization. Subsequently, a Stamps Sub-committee, consisting of three members of the National Historical Committee, two officers of the Department, and two prominent New Zealand philatelists, was appointed by the National Historical Committee to select the most suitable designs for inclusion in the issue. The designs selected were as follows:—

- (1) The landing of the Maoris; the main migration of about 1350—½d. denomination.
- (2) A Maori Council, representing Maori institutions and importance of Maori contributions to Polynesian culture—7d. denomination.
- (3) Abel Tasman's discovery of New Zealand, 1642—2d. denomination.
- (4) Captain James Cook's rediscovery of New Zealand, 1769—1d. denomination.
- (5) The landing of the New Zealand Co.'s immigrants on Petone Beach, 22nd January, 1840—3d. denomination.
- (6) The Treaty of Waitangi, 6th February, 1840—2½d. denomination.
- (7) The hoisting of the British flag at Akaroa, 11th August, 1840—5d. denomination.
- (8) The period of gold-mining (1862) and the development of the industry—9d. denomination.
- (9) The first overseas shipment of frozen mutton from New Zealand (despatched from Port Chalmers to London on the 15th February, 1882)—6d. denomination.
- (10) The progress of transport in New Zealand—4d. denomination.
- (11) One hundred years of New Zealand history under the British Crown—1½d. denomination.
- (12) The giant kauri tree, Tane Mahuta; symbolizing the whole period of New Zealand history—1s. denomination.

Nine of the successful designs were submitted by Mr. J. Berry, Wellington, and the remaining three (those numbered 1, 5, and 10) by Mr. L. C. Mitchell, Wellington.

It will be seen that the subject of each design is worthy of representation in an issue that will commemorate an event of national importance—the completion of the first hundred years of established government in New Zealand.

Very careful consideration was given to the designs before the final selection was made, and no pains have been spared to ensure that the set, when completed, will be highly satisfactory in every respect.

Messrs. Bradbury, Wilkinson, and Co., Ltd., England, were entrusted with the engraving and printing of the stamps. The die proofs have been approved and the printing is now proceeding.

The stamps will be placed on sale at all post-offices in the Dominion on the 2nd January next and will remain on sale for the full period of the Centennial celebrations.

#### HONEY-SEALS.

At the request of the Internal Marketing Division of the Primary Products Marketing Department, the Post Office arranged for the production of the adhesive seals to be affixed by apiarists to containers of honey in accordance with the Honey Marketing Regulations 1938.

The seals, the denominations of which are ¼d., ½d., 1d., 2½d., 5d., and 2s. 6d. were printed at the Government Printing Office from typograph line-etched plates prepared by Messrs. Coulls, Somerville, Wilkie, Ltd., Dunedin. They were placed on sale by the Internal Marketing Division on the 1st December, 1938, the date on which the regulations became operative.

#### STAMP-VENDING MACHINES.

To meet the convenience of the public, machines vending two ½d. stamps for each 1d. inserted were introduced during the year, and 185 of these machines have been installed throughout the Dominion. The number of machines vending 1d. stamps has increased to 300.

#### INSPECTION.

The values at every accounting office were audited by departmental Inspectors at least once during the year. In addition, Inspectors, with a view to maintaining the required standard of efficiency and to ensuring uniformity of procedure, examined closely all phases of the work undertaken at the offices visited.



## BURGLARIES.

Twenty-nine post-offices were entered by burglars during the year. In eight instances safes were opened by explosives. Three persons were arrested in connection with the burglaries at five of the offices and were sentenced to terms of imprisonment. As only a minimum amount of money is held at offices overnight, the average loss as a result of the burglaries was small.

A number of offenders were arrested for thefts from street posting-boxes, public call offices, and stamp-vending machines. The loss to the Department as a result of the offences was no greater than usual.

## DEAD-LETTER OFFICE.

	1938.	1937.
Letters returned to senders in New Zealand .. ..	518,570*	451,846†
Other articles returned to senders in New Zealand ..	397,134	465,271
Letters returned to other Administrations .. ..	49,829‡	47,815§
Other articles returned to other Administrations ..	56,313	49,202
Letters destroyed (senders unknown and contents of no value) .. ..	32,526	28,828
Letters intercepted addressed to persons and firms on prohibited list .. ..	32,526	28,828
	178	289

\* Including 16,696 registered.  
492 registered.

† Including 16,463 registered.

‡ Including 580 registered.

§ Including

The proportion of undelivered letters to the total number of letters delivered was 0.38 per cent.

## POSTAL PACKETS REPORTED MISSING.

During 1938, 7,973 complaints were received by the Department concerning the non-delivery of postal packets. In 4,027 cases, or more than half the total, the articles were traced or accounted for satisfactorily as follows :—

Sender responsible .. ..	1,463
Addressee responsible .. ..	1,380
Post Office responsible for delay or loss .. ..	379
Responsibility not fixed .. ..	805

In 3,946 cases the manner of the disposal of the postal packet could not be determined. This represents 0.0013 per cent. of the total number of articles posted during the year.

## MONEY-ORDERS.

Money-order business increased appreciably during the year, 848,050 orders, of a value of £4,802,293, being issued. This represents an increase compared with the previous year of 63,555 in number and £489,664 in value.

## POSTAL NOTES.

Postal-note business also increased, the sales being 3,806,503, of a value of £1,469,125, compared with 3,746,560 notes, of a value of £1,454,793, during the previous year.

The commission totalled £35,616 5s. 8d., an increase of £358 12s. 10d. on the commission earned in 1937-38.

## BRITISH POSTAL ORDERS.

The British postal orders issued increased in number and amount, 97,620 orders, of a value of £46,109 8s. 9d., being sold, as against 95,391, of a value of £44,577 16s. 4d., during the previous year. British postal orders paid decreased in number and amount, 28,719 orders, of a value of £13,986 7s., being cashed. In the previous year 32,293 orders, of a value of £15,791 12s. 6d., were paid.

## SAVINGS-BANK.

Deposits lodged in the Post Office Savings-bank during the year amounted to £30,434,292, and the withdrawals to £34,597,708, an excess of withdrawals of £4,163,416. The interest credited to depositors was £1,726,573 11s. 2d., and the amount at the credit of depositors at the end of the year was £60,710,086.

Savings-bank ledger offices were established at Matamata and Pahiatua on the 16th July and at Waitangi (Chatham Islands) on the 1st April, 1938.

## SCHOOL SAVINGS BRANCH.

At the end of the year the school savings-bank scheme, the object of which is to encourage thrift among children, was in operation in 764 schools, an increase for the year of 205. The deposits amounted to £38,851 4s. 4d. and the withdrawals to £21,360 15s. 11d., an excess of deposits of £17,490 8s. 5d. The total number of operative accounts at the 31st March was 68,268, the amount at credit being £67,665 14s. 2d. Interest to the amount of £1,115 5s. 9d. was credited to depositors.

On leaving school 3,483 depositors transferred their accounts to the Post Office Savings-bank.

The success of the scheme is due largely to the co-operation received from teachers, and, in recognition of this, donations ranging from 10s. to £2 10s., according to the size of the school, were granted during the year to School Committees for expenditure on school libraries or other approved forms of school activity.

Since the inception of the scheme in 1934 the sum of £16,330 13s. has been transferred from school savings accounts to Post Office Savings-bank accounts opened in the names of the children.

#### SAVINGS-BANK LETTERS OF CREDIT.

Letters of credit numbering 7,763 were issued during the year for an aggregate amount of £146,543. The letter-of-credit system enables Post Office Savings-bank depositors to make withdrawals by instalment up to a total sum of £50 in a period of four weeks at any branch of the bank. In this way depositors, while travelling in the Dominion, are relieved of the responsibility of carrying cash in excess of that required to meet their immediate expenses.

#### POST OFFICE INVESTMENT CERTIFICATES.

The total sales of Post Office investment certificates for the year amounted to £20,945.

#### 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 £62,000,000, an increase of about £9,000,000 on the previous year's total.

#### REGISTRATION OF MOTOR-VEHICLES AND ASSOCIATED WORK.

Motor-vehicles licensed at the 31st March last numbered 305,828, an increase of 27,478, or 9·87 per cent., over the number licensed at the corresponding date in 1938.

Registrations of motor-cars during the year—namely, 28,937—were lower by 900, or 3·01 per cent., than those effected during the previous year.

Commercial vehicle registrations reached a new high level, the total being 10,862, compared with the previous highest total of 10,413 for the year 1937–38, an increase of 449, or 4·31 per cent.

Motor-cycle registrations, which numbered 2,233, showed a decline of 785, or 26·01 per cent., compared with the registrations during the preceding year.

Notifications of change of ownership totalled 164,265, compared with 150,290 for the previous year, an increase of 13,975, or 9·3 per cent. Approximately 15,000 applications for duplicate certificates of registration were issued.

The total amount of registration fees collected was £592,763, an increase of £48,758 compared with the previous year.

Detailed statistics concerning the work undertaken by the Post and Telegraph Department in connection with the registration and licensing of motor-vehicles appear in the report of the Transport Department.

Premiums were collected during the year on behalf of forty insurance companies authorized to underwrite business in terms of the Motor-vehicles Insurance (Third-party Risks) Act, 1928. Approximately 310,000 nomination forms were handled. The gross amount of premiums collected was £357,006, an increase of £58,778 over the amount received during the preceding twelve months.

A total of 52,547 claims for refunds of duty on motor-spirits consumed otherwise than as fuel for licensed motor-vehicles were approved for payment during the year, the total amount refunded being £195,091 18s. 3d. Compared with the figures for the previous year the claims increased in number by 1,582 and in amount by £6,646.

Mileage-tax (payable in respect of vehicles not propelled exclusively by means of motor-spirits and certain other vehicles exempted from other forms of taxation) collected during the year amounted to £14,184, in respect of 327 vehicles. In the previous year tax to the amount of £9,876 was collected on 276 vehicles.

#### EMPLOYMENT WORK.

The registration levy and a large proportion of the employment charge on income, payable under the Employment Promotion Act, 1936, were paid through the Post Office. The Department also made the payments to those persons receiving allowances under the Act.

Postmasters continued to act as certifying officers for the Employment Branch of the Labour Department.

The employment receipts and payments for the year amounted to £8,008,354, made up as follows :—

	£	s.	d.
(a) Collection of registration levy .. .. .	467,393	2	8
(b) Collection of employment charge .. .. .	1,133,001	0	4
(c) Sales of employment stamps .. .. .	1,558,575	9	9
(d) Wages-tax collected in cash .. .. .	1,262,414	3	0
(e) Wages and sustenance payments .. .. .	3,586,970	5	4

The Employment Promotion Act, 1936, was repealed by the Social Security Act, 1938, some of the provisions of which came into operation on the 1st April, 1939.

## TELEGRAPH AND TOLL SERVICES.

### TELEGRAPH TRAFFIC.

Telegraph business continues to increase at a very satisfactory rate. The following table shows the growth in volume and revenue during the last five years :—

Year ended	Number of Paid Messages (all Classes).	Revenue.
		£
31st March, 1935 .. ..	4,175,929	280,124
31st March, 1936 .. ..	4,566,010	288,775
31st March, 1937 .. ..	5,117,498	313,070
31st March, 1938 .. ..	5,453,637	329,905
31st March, 1939 .. ..	5,712,087	341,487

### REDUCTION IN EMPIRE CABLE RATES.

Mention was made last year of reductions in Empire cable rates from the 25th April, 1938, as an outcome of the conference of representatives of Empire Governments which took place during the Imperial Conference in London in 1937. Briefly, provision was made for a flat rate of 1s. 3d. a word for full-rate messages to all British Empire points to which the rate previously was above that level, code telegrams, deferred telegrams, and letter-telegrams being charged for at two-thirds, one-half, and one-third, respectively, of the new full rate of 1s. 3d. a word.

In 1876 the full rate on messages to the United Kingdom was 11s. 4d. a word. By 1891 the rate had been reduced by steps to 10s. 2d. a word. In 1893 a substantial reduction to 5s. 2d. a word was announced; and by 1931 the rate had reached the low level of 1s. 8d. a word, this amount being again reduced on the 25th April, 1938, to 1s. 3d. a word.

A history of the alterations that have taken place in the cable rates between New Zealand and the more important Empire countries since 1876 is shown at page 38.

### INTERNATIONAL TELECOMMUNICATIONS CONFERENCE, CAIRO, 1938.

An International Telecommunications Conference at which telegraph, telephone, and radio matters were considered met at Cairo on the 1st February, 1938, and New Zealand was represented by Mr. M. B. Esson, the Dominion's member of the Imperial Communications Advisory Committee in London.

The following is a summary of the more important amendments made to the regulations governing the acceptance of overseas telegrams :—

- (1) "Deferred" telegrams are subject to a five-word minimum charge.
- (2) Provision has been made for "refer to sender" paid service requests. The party requesting this service must pay a fee of 1s. 7d., which is retained by the Administration originating the request.
- (3) In a telegram composed of plain-language words and passages in cipher language, the plain-language words are counted at the rate of five (reduced from fifteen) letters to a chargeable word.
- (4) The fee for a certified copy of a telegram was reduced to 6d. up to fifty words. (Previously the minimum charge for a certified copy was 1s. 3d.)
- (5) Radio-broadcasting stations are entitled to receive overseas telegrams at press rates.
- (6) The multiple service is available for letter-telegrams.

These changes took effect on the 1st January, 1939.

In the radio section of the Conference much time was devoted to the reallocation of the bands of frequencies, and as a result of the decisions arrived at many changes will take place on the 1st September, 1939.

### DECORATIVE TELEGRAM STATIONERY.

The provision of decorative stationery for telegrams of a greetings nature has proved most popular, the number of these messages continuing to increase. A change in the design of the "received" form and envelope was made in April last, and a special "forwarded" form for this class of message was introduced.

The use of the telegram as a means of conveying Christmas and New Year felicitations increases each year, as will be seen from the following figures :—

Christmas and New Year period.	Messages lodged.	Revenue.
		£
1935 .. .. .	272,525	6,813
1936 .. .. .	341,624	8,540
1937 .. .. .	380,512	9,513
1938 .. .. .	410,450	10,261

It is interesting to recall that in 1933, prior to the provision of decorative stationery for Christmas and New Year greetings telegrams, only 66,188 such messages were lodged, the revenue value being £1,654.

#### INLAND CODE TELEGRAMS.

As a result of the reaffirmation by the Cairo Telecommunications Conference of the principle of five-letter code words in the international service, the same method of charging for code words in the inland service was adopted as from the 1st January, 1939. Prior to that date code words in inland telegrams were charged for at ten letters to a word, but before such a charge was applicable certain requirements respecting the formation of code words had to be met. These restrictions have now been removed, and code words formed in any way and of any length are admissible in inland telegrams and are charged for at the rate of five letters to a word.

#### CONTINUOUS ATTENDANCE FOR CABLE TRAFFIC.

A continuous attendance for cable traffic from 8 a.m. on Mondays to 8 p.m. on Saturdays was introduced at Auckland, Wellington, Christchurch, and Dunedin on the 1st November, 1938. This continuous attendance, which bridges the gap between midnight and 8 a.m., has enabled repetition requests to be replied to more promptly and has avoided the accumulation of overnight traffic at the Auckland cable terminal. Most of the messages from Great Britain and the Continent of Europe are now cleared during the early morning hours, delivery to the addresses being expedited as a result.

In addition, a continuous service from 8 a.m. on Mondays to 8 p.m. on Saturdays is now available at the four main centres for the despatch of overseas telegrams.

#### RADIO-TELEGRAM CHARGES FROM BRITISH SHIPS TO NEW ZEALAND.

In last year's report it was mentioned that negotiations were proceeding between the Department and the various companies controlling wireless installations on ships trading between Great Britain and New Zealand with the object of removing the disparity in charges between radio-telegrams sent from British ships to New Zealand and those sent from such ships to Great Britain. These negotiations have met with success, and a reduced charge of 8d. a word is now made on most British ships for messages to New Zealand. The remaining British ships will apply the 8d. rate as from the 1st June, 1939.

#### OPENING OF RADIO-TELEGRAPH OFFICES.

During the year radio-telegraph offices were opened as follows :—

The Brothers (lighthouse)	.. .. .	Communicates with Wellington Radio.
Cuvier Island (lighthouse)	.. .. .	Communicates with Auckland Radio.
Great Mercury Island	.. .. .	Communicates with Auckland Radio.
Moko Hinau (lighthouse)	.. .. .	Communicates with Auckland Radio.
Nukunono (Union Islands)	.. .. .	Communicates with Apia Radio.

The installation at Great Mercury Island provides communication for the residents in cases of emergency and serves as a public telegraph office for tourists and yachtsmen.

#### OVERSEAS LETTER-TELEGRAM SERVICES.

As from the 1st December the daily letter-telegram service between New Zealand on the one hand and British North Borneo, Netherlands East Indies, Cocos, Straits Settlements, and Christmas Island on the other hand was replaced by a night letter-telegram service at the existing rates. Daily letter-telegrams are delivered on the second morning following the day of lodgment and night letter-telegrams on the morning following the day of lodgment.

A daily letter-telegram service was introduced between New Zealand on the one hand and South Georgia and the Falkland Islands on the other hand on the 1st September, and between New Zealand and Poland on the 1st February.

During the Easter period, 11th–18th April inclusive, a specially reduced rate was applied to letter-telegrams exchanged between New Zealand and the United Kingdom. These messages were known as "Easter letter-telegrams," and were charged for at the rate of 5s. 7d. for ten words and 6½d. for each additional word.

### GENERAL ELECTION AND LICENSING POLL, 1938.

The general election and licensing poll, held on the 15th October, resulted in the usual large accretion of telegraph traffic. Adequate arrangements were made throughout the Dominion for the prompt handling of election returns and the large number of other telegrams and telephone calls incidental to the election.

The traffic generally was handled accurately and expeditiously, and, as usual, officers accepted willingly the long hours of duty and the arduous working-conditions which the election occasioned.

### TELEGRAPH WEATHER REPORTS.

Further development of commercial aviation within the Dominion has necessitated greater coverage so far as the meteorological service for aviation is concerned. As a result, the work performed by the Department in the preparation and transmission of weather reports is increasing. The number of weather reports transmitted to Wellington daily from various offices throughout the Dominion rose to 201 during the year. In 1934 the number of reports handled daily was only 76.

### MULTI-CHANNEL VOICE-FREQUENCY TELEGRAPHY.

As foreshadowed in the report for last year, multi-channel voice-frequency telegraphs have been introduced in the Dominion, the initial application of the system being the provision of three channels between Wellington and Christchurch and eight channels between Wellington and Blenheim, while further extensions are pending. This system of utilizing carrier speech channels for telegraphic communication makes it possible to operate up to eighteen two-way teleprinter or Morse telegraph channels over one carrier speech channel.

### PRINTING TELEGRAPHS.

By the installation of teleprinter machines at Motueka and Hokitika and additional machines at Wellington, Greymouth, Christchurch, and Dunedin, further progress was made in the mechanization of the Department's telegraph system. Thirty offices in the Dominion are now equipped with machine-printing telegraph apparatus.

### TELEGRAPH BATTERIES AND POWER-SUPPLY.

The old-type batteries previously in use at Greymouth were replaced during the year by secondary batteries, and the office is now operated on the universal battery system, which, as has been proved at other offices at which circumstances have favoured its adoption, is more economical and more reliable.

### TELEPHONE TOLL SERVICE.

The number of toll calls handled during 1938-39 reached the record total of 15,566,998, an increase of more than 1,000,000 calls (or 7.5 per cent.) over the previous year's figures and of 6,500,000 (or 73.3 per cent.) over the number handled six years ago.

The revenue return for the year was £695,731, an increase of £57,924, or 9 per cent., over the figure for the previous year.

Figures indicating the volume and value of toll traffic during the last three years are shown hereunder:—

Year ended	Number.	Increase.	Value.	Increase.
		Per Cent.	£	Per Cent.
31st March, 1937 .. ..	13,143,171	14.9	562,543	12.55
31st March, 1938 .. ..	14,480,207	10.1	637,367	13.38
31st March, 1939 .. ..	15,566,998	7.5	695,731	9.08

### AFTER-HOUR TOLL FACILITIES.

Wherever practicable, the telephone communication system of the Dominion is available to the public at any hour of the day or night. After the post-office is closed at places at which there is a telephone-exchange, members of the public may make toll calls from the exchange, and when exchanges which do not observe continuous attendance are closed it is possible, in most cases, to arrange a call from the Postmaster's residence.

At all exchanges where the demand warrants it, facilities for dealing with after-hour calls are provided, a special telephone and, in many instances, a special cabinet being installed for the purpose.

The latest innovation for dealing with after-hour toll calls is the "multi-coin" machine, a facility which takes shilling, sixpenny, and penny coins and from which members of the public may obtain toll calls in much the same way as local calls are made from public call offices.

Multi-coin installations were provided during the year at Christchurch and Dunedin, and machines will be installed at several other centres during 1939.

### TOLL ACCOUNTS.

An innovation at the four chief centres during the year was the enclosing of toll accounts in envelopes. It is intended to envelope toll accounts at all offices as soon as stocks of the old type of self-enclosing account form are exhausted.

## CARRIER-CURRENT TELEPHONE SYSTEMS.

Additional toll facilities between Wellington and Christchurch were made available in August by the establishment of a further three-channel carrier telephone system. The installation of this system, which is operated over the submarine coaxial telephone cable between Wellington and Seddon and thence over one of the open aerial metallic circuits to Christchurch, has enabled the Department to increase from nine to twelve the number of inter-Island telephone circuits.

Increased facilities between Christchurch and Dunedin were provided by the establishment of two three-channel carrier systems which were brought into commission in December. One of the six channels thus provided has been permanently connected to a Christchurch-Wellington circuit, to give a direct toll outlet between Wellington and Dunedin, and speedier and more efficient service between these two centres is now assured. Consequent on the provision of this Wellington-Dunedin direct toll circuit, the twelve telephone channels available across Cook Strait have been allocated as follows: Wellington-Christchurch toll service, 6; Wellington-Christchurch voice-frequency telegraph service, 1; Wellington-Dunedin toll service, 1; Wellington-Blenheim toll service, 2; Wellington-Blenheim voice-frequency telegraph service, 1; Wellington-Nelson toll service, 1. As the toll and telegraph business expands, additional carrier equipment will be installed to provide further facilities over the coaxial telephone cable for inter-Island traffic.

A three-channel carrier system was brought into operation between Seddon and Greymouth during the year, and the three channels have been extended to Christchurch by way of Seddon-Christchurch circuits in order to provide temporary toll facilities between Greymouth and Christchurch pending the rearrangement of the toll and telegraph lines via the Otira route necessitated by the enlivening of the Canterbury-Westland 66,000 volt transmission-line.

Other carrier systems brought into service during the year are as follows:—

Wellington - Palmerston North	..	..	..	One three-channel system.
Wellington - New Plymouth	..	..	..	One three-channel system.
Auckland - New Plymouth	..	..	..	One three-channel system.
Auckland-Hamilton	..	..	..	One three-channel system.
Hamilton Napier	..	..	..	One three-channel system.
Gisborne-Napier	..	..	..	One three-channel system.
Wellington-Napier	..	..	..	One three-channel system.
Dunedin-Invercargill	..	..	..	Two three-channel systems.
Nelson-Takaka	..	..	..	One single-channel system.
Dunedin-Cromwell	..	..	..	One single-channel system.
Dunedin-Heriot	..	..	..	One single-channel system.

Incidentally, the establishment of these systems has enabled the Department to provide a high-grade direct toll outlet between Wellington and Gisborne and additional direct toll outlets between Wellington and Auckland and between Wellington and Hamilton.

Further three-channel carrier equipment is now being installed in various parts of the Dominion, and seven additional systems will be brought into commission within the next five or six months. When these seven systems have been installed the Department will have a total of thirty-three-channel and twenty-eight single-channel carrier telephone systems in operation. These thirty-eight systems will provide the backbone for a substantial long-distance toll network and will assure an adequate number of high-grade toll circuits on all important sections. This will undoubtedly stimulate further the general development of toll business.

## EXTENSION OF TOLL AND TELEGRAPH SYSTEMS.

That the public is appreciative of the toll facilities available is evidenced by the steady increase in the number of calls made; and the demand for the provision of new outlets, either by the erection of new lines or by the adoption of carrier-current systems, is ever present. During the year additional facilities were provided between the following offices:—

Kaitiā-Awanui, Kaikohe-Okaihau, Hikurangi-Whananaki, Whangarei-Piipiwai, Henderson-Karekare, Auckland-Hamilton, Auckland-Rotorua, Auckland-Napier, Auckland-New Plymouth, Auckland-Wellington, Huntly-Mercer, Ngauawahia-Huntly, Hamilton-Huntly, Hamilton-Taupiri, Hamilton-Ngaruawahia, Hamilton-Napier, Hamilton-Wellington, Te Kuiti-Piopio, Te Kuiti-Awakino, Waharoa-Walton, Rotorua-Taupo, Gisborne-Te Karaka, Gisborne-Nuhaka, Gisborne-Wairoa, Gisborne-Napier, Gisborne-Wellington, Wairoa-Napier, Napier-Wellington, New Plymouth-Eltham, New Plymouth-Hawera, New Plymouth-Wellington, Inglewood-Stratford, Stratford-Eltham, Eltham-Hawera, Wanganui-Raetihi, Wanganui-Ohakune, Raurimu-The Chateau, Patca-Waverley, Palmerston North-Bulls, Palmerston North-Rongotea, Palmerston North-Pahiatua, Palmerston North-Wellington, Levin-Waitare Beach, Pahiatua-Eketahuna, Pahiatua-Masterton, Masterton-Featherston, Greytown-Featherston, Wellington-Nelson, Wellington-Christchurch, Wellington-Dunedin, Blenheim-Nelson, Nelson-Takaka, Wakefield-Thorpe, Kekerangu-Kaikoura, Kaikoura-Waiiau, Parnassus-Conway, Hawarden-Amberley, Kaiapoi-Rangiora, Christchurch-Amberley, Christchurch-Greymouth, Christchurch-Dunedin, Mayfield-Ashburton, Ross-Waiho Gorge, Lake Tekapo-Hermitage, Timaru-Dunedin, Oamaru-Dunedin, Clyde-Omakau, Lawrence-Miller's Flat, Dunedin-Cromwell, Dunedin-Balclutha, Dunedin-Gore, Dunedin-Invercargill, Balclutha-Gore, Gore-Mataura, Gore-Invercargill.

In addition, 319 miles of toll and telegraph-pole line were reconstructed during the year. This work involved the replacement of 843 miles of wire.

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

- (a) The installation of toll switchboards at Dargaville, Maungaturoto, Paeroa, Matamata, Pahiatua, and Greymouth, and important extensions to the existing equipment at Auckland, Hamilton, Palmerston North, and Wellington.
- (b) Increased facilities for the direct dialling of toll communications between Maungaturoto-Whangarei, New Plymouth-Hawera, New Plymouth-Stratford, Eltham-Stratford, Kaponga-Stratford, Inglewood-Stratford, Whangamomona-Stratford, Stratford-Hawera, Eltham-Hawera, Manaia-Hawera, Patea-Hawera, Bulls-Marton, Feilding-Marton, Bulls-Palmerston North, Marton-Palmerston North, Tokomaru-Palmerston North, Shannon-Palmerston North, Ashhurst-Palmerston North, Pahiatua-Palmerston North, Rangiotu-Palmerston North, Paraparaumu-Wellington, Pahiatua-Masterton, Eketahuna-Masterton, Carterton-Masterton, Martinborough-Masterton, Featherston-Masterton, Greytown-Masterton, Duntroon-Oamaru, Kurow-Oamaru.
- (c) The installation of new toll testboards at Napier, Hamilton, and Greymouth, and the replacement by combined filter racks and testboards of the testing-equipment previously installed at Maungaturoto, Warkworth, Wellsford, Waipu, Woodville, and Culverden.
- (d) The installation of special toll switching-equipment at Lower Hutt, thus providing for more prompt disposal of local traffic in the Hutt Valley-Eastbourne areas.
- (e) The laying of special underground cable providing a hundred and fifty trunk lines between Napier and Hastings.
- (f) The provision of special relay lines for the National Broadcasting Service between Napier and Opaia and Invercargill and Daere.

#### MAINTENANCE OF TELEGRAPH AND TELEPHONE COMMUNICATION SERVICES.

Meteorological conditions of the type likely to interfere with telegraph and telephone communications were not widespread during the year, and many areas had no serious interruption of service.

Towards the end of April phenomenally heavy rainfall was experienced on the east coast of the North Island, and flooded rivers and washed-out roads and bridges were responsible for numerous breaks in the toll and telegraph circuits between Napier and Taupo and Napier and Gisborne. For several days the line gangs worked under great difficulties, and the Department is indebted to settlers in the affected localities who generously provided the men with food, accommodation, and transport. In some localities the conditions for transport were so bad that food, clothing, line material, tools, &c., for the workmen had to be dropped from aeroplanes. The efficient service cheerfully given during the restoration operations was appreciated fully, and gratuities in recognition of outstanding work were granted to over thirty men.

On the 30th July a very severe snowstorm was experienced in the Dannevirke, Norsewood, and Ormondville area, with the result that upwards of two hundred and fifty subscribers to the Dannevirke exchange were temporarily deprived of service, while at Norsewood and Ormondville practically every subscriber was without service. Communication was, however, restored promptly.

Fire which broke out in an adjacent building early on the morning of the 2nd August was responsible for the destruction of the Motueka Post-office building. Immediate steps were taken to restore telegraph and toll communication, which had ceased at 5 a.m., and by 7.30 a.m. limited services were available. By 9 a.m. the post-office had been reopened in temporary premises and telegraph and toll services had been fully restored. The provision of service to the telephone-exchange subscribers, some five hundred and fifty in number, was a larger job, but continuous work by the Department's officers enabled the exchange to be reopened at 1 p.m. on the 5th August.

On the 9th August a severe gale struck the northern portion of the South Island, and the lines on the east-coast route north of Christchurch and the circuits on the west-coast routes north and south of Greymouth were extensively damaged. The dislocation of services on both routes, which occurred early in the afternoon, interrupted communication between the North and South Islands, with the exception that the Nelson and Blenheim districts still had circuits working to Wellington. Traffic conditions were made more acute owing to the heavy traffic occasioned by the Grand National Race Meeting, which was in progress at Christchurch. All available radio channels were brought into service with a view to disposing of traffic with a minimum of delay. Shortly after 9 a.m. on the following day it was possible to reopen a multiplex channel between Christchurch and Wellington, and the other circuits were restored gradually during the day. By 6 p.m. the situation was normal. The storm also interrupted the service to some hundreds of telephone-exchange subscribers throughout North Canterbury, but the major portion of the damage was repaired the following day.

On Saturday, the 3rd December, exceptionally heavy rain was experienced in Dunedin, approximately 4 in. falling over a period of twenty hours. The resultant flooding of certain parts of the city was responsible for water penetrating to the Department's underground telephone cables, and service to approximately seven hundred subscribers was interrupted. By working long hours an augmented cable staff enabled full service to be restored early in the morning of the following Wednesday.

An electrical storm of unusual severity was experienced throughout Marlborough, Nelson, and West Coast (South Island) districts on the night of the 7th and the morning of the 8th December. Electrical discharges caused the operation of many circuit fuses, resulting in numerous interruptions to telephone and telegraph service, while in some cases considerable damage was done to lines and

equipment. The interruptions to major telegraph and toll lines, however, were not serious, the circuits being repaired without delay. At Blenheim approximately two hundred subscribers were without service for some hours.

A strong north-west gale which swept the east coast of the South Island on the night of the 18th February caused extensive damage to all the main-line toll circuits on that coast north of Dunedin. Much damage was also done to subscribers' lines in towns in the eastern portion of Canterbury. The breakages of lines were caused mainly by falling trees and branches. At a point approximately twenty miles south of Kaikoura all wires for a distance of more than a mile were broken in this way. The road was impassable at this point, and a deviation across country was necessary. Line gangs were despatched from several towns in the affected areas, and by the afternoon of the 20th February all toll and telegraph circuits were restored. Repairs to subscribers' lines were finally completed on the 24th idem.

#### POLES AND WIRES.

During the year 23 miles of pole-line and 2,000 miles of wire (including wire in submarine cable) were erected for telegraph and telephone (toll) purposes, while 82 miles of pole-line and 1,299 miles of wire were dismantled or, in localities where no longer required by the Department, sold to settlers for use as private telephone-lines.

The lengths of pole-line and wire (including wire in submarine cable) in use for telegraph and telephone toll purposes on the 31st March, 1938 and 1939, respectively, were as follows:—

	Year ended 31st March, 1938.	Year ended 31st March, 1939.
Miles of pole-line .. .. .	12,053*	11,994
Miles of wire .. .. .	66,889*	67,590

\* Revised figures.

#### FIELD OPERATIONS: MOLE CABLE PLOUGH.

In accordance with the present-day policy of placing telecommunication circuits underground as far as practicable, consideration has been given to ways and means of reducing the cost of laying underground cables, and by the adaptation of the old agricultural implement, the mole drain plough, the Department has evolved an appliance the use of which will result in substantial savings in labour charges on this work.

The plough is drawn by a tractor, and the cable to be buried is coiled on a drum which is mounted on a jinker and towed behind the plough. The cable is fed underground by means of a pipe behind the cutting-blade. The mole, or torpedo, which forces the underground channel for the cable is fitted on the front foot of the cutting-blade.

On one section of work which was completed during the year approximately one mile of twenty-five-pair cable was laid in five hours at an average depth of 20 in. The number of men employed was eight. It is estimated that the same work, if performed manually, would have required the services of fifty-five men for a similar time.

The disturbance of the surface of the ground on cultivated grass areas is so small that no restoration work is necessary after the cable has been laid. In other areas the surface is restored simply by running one wheel of the tractor over the cut.

At present the Department has only three ploughs available for this work, but it is proposed to obtain one for each of the larger engineering districts of the Dominion.

#### NEW ZEALAND SUBMARINE CABLES.

##### COOK STRAIT TELEGRAPH CABLES.

Two of the single-core telegraph cables—namely, No. 3 Oterangi Bay—White's Bay cable and No. 4 Lyall Bay—White's Bay cable—are at present out of commission owing to faults which developed in June, 1937, and February, 1938, respectively. In view of the additional facilities that have been established over the coaxial cable and the fact that it will be practicable to increase progressively the number of channels over this cable to meet traffic developments, no action is being taken to repair the faulty cables.

##### FOVEAUX STRAIT CABLE.

In January last the Foveaux Strait cable developed a fault which resulted in communication between Bluff and Stewart Island over the cable circuit being totally interrupted. The fault was subsequently found to be due to a break in the cable at a point approximately 1.75 nautical miles from Lee Bay (Stewart Island). In order to restore the cable to good working-order it was found necessary to lay-in a total length of 1.8 nautical miles of cable from Lee Bay outwards. The repair operations, which were undertaken with the aid of a small oyster-boat, were delayed to some extent by bad weather, but the cable was reopened for traffic on the 24th February.

While the cable circuit was unworkable, telegraphic communication between Stewart Island and the mainland was provided via the short-wave radio link established in 1931 between Half-moon Bay and Awarua-Radio to meet emergencies of this nature.



## RADIO-TELEGRAPH AND RADIO-TELEPHONE SERVICES.

### WELLINGTON - RADIO.

The completion of the additions to the transmitting building undertaken last year has permitted a much improved layout of the equipment at Wellington Radio. A start has now been made with the erection of the six steel towers which are to replace the temporary wooden masts erected to support the new aerial system. When this work is completed the existing tower will be dismantled.

Further transmitting-equipment installed during the year included a 1 kW. short-wave transmitter for use in the broadcasting of synoptic weather reports primarily for the aeradio service. Another 1 kW. transmitter is now being installed to provide facilities for transmitting on an alternative frequency for the overseas radio-telephone service.

### AWARUA - RADIO.

During the year a low-power short-wave radio-telegraph transmitter was installed to provide for an additional operating channel in the ship-shore service, while a 60 watt short-wave transmitter to provide improved emergency and local point-to-point services is now in course of construction.

In order to assist in the navigation of aircraft in the projected trans-Tasman air service, the installation of direction-finding equipment is being undertaken at Awarua. This will work in conjunction with similar equipment being installed at the Musick Point station near Auckland. An additional short-wave transmitter is also to be provided for intercommunication with the Musick Point station in connection with the direction-finding service.

### APIA - RADIO.

On account of the station's favourable position in the Pacific for the collection and dissemination of meteorological reports, a 1 kW. short-wave transmitter is being installed at the Apia-Radio station primarily for the transmission of weather information to trans-oceanic aircraft.

Two high-tension rectifier units have been supplied to Apia-Radio to enable the radio equipment to be operated directly from the public hydro electric power-supply.

### EMERGENCY RADIO SERVICE.

With a view to increasing the efficiency of the emergency radio-telegraph service established for the purpose of maintaining communication between centres in the event of the failure of the land lines, improved transmitting-equipment is being provided at a number of stations. Nine 10 watt transmitters are being distributed among smaller centres, while the more important stations are being equipped with 60 watt transmitters.

New emergency radio stations will shortly be provided at Wairoa and Opoiki.

### TRANS-TASMAN AIR SERVICE : ESTABLISHMENT OF NEW RADIO STATION AT EAST TAMAKI.

In order to provide adequate radio navigational aids for the proposed trans-Tasman air service, a radio station is to be opened at East Tamaki Head, near Auckland. As a national memorial to the late Captain Musick and his crew, who perished in the disaster which overtook Pan-American Airways flying-boat "Samoa Clipper" in January, 1938, while returning to New Zealand after the inaugural flight of the Auckland-Honolulu air mail-service, the site of the new station will be known as Musick Point and the station will be named the Musick Memorial Station.

A building embodying suitable architectural features is being planned, but as it probably will not be completed by the time of the inauguration of the air service arrangements are being made for temporary accommodation.

The station will contain a 1 kW. medium-wave (600-900 metre) transmitter and two 1 kW. shortwave transmitters. Duplication of the latter is being provided in order that there will be no interruption of the watch for aircraft signals during the period the station may be engaged in exchanging meteorological or other service data with the Australian terminal station. The equipment is on order, and is expected to be available in ample time for the opening of the air service.

Short-wave direction-finding equipment will also be provided at the Musick Point station and, in addition, at Awarua-Radio, and a point-to-point short-wave telegraph channel will be operated between these two stations.

To avoid the maintenance of two radio stations in the Auckland District, the services of Auckland-Radio will be transferred from the Chief Post-office building, Auckland, to the Musick Point station.

### AERADIO SERVICES.

The necessity of providing additional aeradio stations consequent upon the extension of the commercial air services has tested the resources of the Department as regards both technical and operating personnel.

The decision regarding the establishment of aeradio stations rests with the Air Department acting on the advice of the Aeradio Committee, but after the provision of a station has been authorized the work of installing the equipment and the staffing and operating of the station devolve upon the Post and Telegraph Department.

During the year aeradio stations were opened at Gisborne, Napier, Harewood (Christchurch), Tauranga, and Westport, increasing to fifteen the number of stations operated by the Department.

Improved medium-wave transmitting equipment has been provided at Hokitika, Blenheim, and Nelson, the previous equipment being released for temporary use elsewhere.

With a view to relieving the congestion on the medium-wave aeradio channels, the Wellington, Palmerston North, Blenheim, Nelson, and Christchurch stations have been supplied with transmitters for operation on short waves, and similar equipment will be provided shortly at other stations. This equipment will be utilized for intercommunication between the aeradio stations, leaving the 900 metre wave for solely ground-to-plane communication.

An experimental direction-finding station for use in connection with the Rongotai aerodrome (Wellington) was opened at Palmer Head, near Lyall Bay, on the 7th November, while direction-finding equipment has been installed at the Nelson aerodrome and will be brought into service shortly.

Equipment for direction finding and also for approach beacons is to be installed at several other aeradio stations.

The establishment of a permanent aeradio station at Raoul Island, in the Kermadec Group, has been approved by Government, and a second radio operator has now been provided at that station.

#### INSTALLATION OF RADIO EQUIPMENT FOR MARINE DEPARTMENT.

On behalf of the Marine Department, radio-beacon equipment has been purchased and installed at Cape Campbell, Marlborough. The station transmits the signal ZLOB.

Radio equipment for communication with the mainland has also been installed on behalf of the Marine Department at Cuvier Island, Moko Hinau Island, and The Brothers lighthouses.

### TELEPHONE-EXCHANGE SERVICES.

#### TELEPHONE DEVELOPMENT.

Telephone development continued during the year at a very gratifying rate, and notwithstanding that several telephone statistical records have been established in recent years the figures for the year now under review exceed those of any previous year in the history of the Department.

At the 31st March the total number of subscribers had reached the high figure of 157,605. The number of new connections was 49,025, exceeding the previous year's record by 695; but allowing for relinquishments the net gain in subscribers during the year was 9,755, or 6.6 per cent.

At the end of the year the total number of telephone stations (subscribers' connections, extension telephones, public call offices, &c.) was 202,712. If to this number is added the number of telephones (3,504) connected by private lines with toll stations, the total number of telephones in service in New Zealand at the 31st March, 1939, was 206,216, an increase of 7.1 per cent. over the number in use at the end of the previous year.

The telephone density in the Dominion is now 12.69 telephones per hundred of population, a figure which is exceeded in the United States of America only.

During the year a Telephone-manager was appointed to control the operating, accounting, and commercial sections of the Telephone Branch at Dunedin. Concurrently with the installation at Hamilton in November of a modern toll-board equipped for sixteen operators' positions, a Telephone-manager was appointed at that place also.

#### RESIDENTIAL TELEPHONE CONNECTIONS: REDUCTION IN CHARGES FOR MISCELLANEOUS EQUIPMENT.

During the year the charges for certain items of miscellaneous telephone equipment associated with residential connections were reviewed. Residential users had been required to pay for auxiliary apparatus on the same basis as business subscribers, and it was felt that, in view of the less extensive use made of such apparatus in residential premises and the consequent lower maintenance charges, the cost to residential subscribers should be reduced. From the 1st October, therefore, the following reductions were made in the charges for auxiliary apparatus associated with residential telephone connections :-

Item of Equipment.	Installation Charge.		Annual Rental Charge.	
	Old.	New.	Old.	New.
	£ s. d.	£ s. d.	£ s. d.	£ s. d.
Extension telephones (ordinary) .. .. .	0 15 0	0 10 0	1 10 0	0 15 0
Hand-microtelephones (automatic black) ..	..	..	0 10 0	0 5 0
Hand-microtelephones (automatic coloured)	..	2 0 0	1 10 0	0 5 0
Extension bell-				
Ordinary .. .. .	0 12 6	0 7 6	0 7 6	0 5 0
Loud .. .. .	0 12 6	0 7 6	0 10 0	0 7 6
Portable telephones-				
Magneto .. .. .	..	..	1 5 0	0 15 0
Automatic .. .. .	..	..	1 10 0	0 15 0
Jack equipment for plugging in portable telephones	*	*	0 15 0	0 10 0

\* No alteration.

The £2 installation charge for coloured automatic telephones represents the difference in capital cost between coloured and black instruments, and the payment of this amount by subscribers at the time of installation enabled the additional annual rental charge to be reduced substantially.

That the reduction in the rate for residential extension telephones was well received is evidenced by the fact that for the first six months following the reduction 1,291 new extension telephones were installed, compared with 261 for the whole year preceding the reduction in the rate.

The reduction in the rate for hand-microtelephones has also proved to be popular, the number of changes from the old to the new type of telephone having increased considerably.

#### TELEPHONE-EXCHANGE ATTENDANCE.

Growth in the number of subscribers enabled several of the smaller exchanges to qualify during the year for longer hours of attendance. In nine cases attendances were increased from 7 a.m.-9 p.m. to 6 a.m.-midnight, with additional hours of service on Sundays and holidays. In a further two instances the hours were increased from 9 a.m.-5 p.m. to 7 a.m.-9 p.m. In addition, the subscribers at five exchanges previously having no attendance on Sundays and holidays now receive two hours' service on those days.

#### NUMBER OF TELEPHONE-EXCHANGES.

The number of telephone-exchanges in the Dominion at the 31st March was 348.

The Mangapai exchange was closed on the 26th October, its ten subscribers having been provided with service on rural lines connected with the Whangarei automatic exchange.

#### PUBLIC CALL OFFICES.

During the year 83 new public call offices were opened, and at the 31st March 61 authorized installations were awaiting erection. Wherever warranted, an endeavour has been made to provide these facilities concurrently with the completion of dwellings in extensive housing-development areas.

At the close of the year there were 1,103 public call offices in operation, 1,053 of the 1d. type, 7 of the 2d. type, and 43 of the 3d. type. The 2d. and 3d. type machines cater for the more distant parts of the various telephone exchange areas. Of the 1,053 1d. type machines, 85 per cent. are automatic (dial-operated direct to the called subscriber) and 15 per cent. manually operated through an operator at the local exchange.

The revenue collected during the year amounted to £60,823, an increase of 10.2 per cent. compared with the amount received in the previous year. The average return from each machine was £57 5s. 5d.

#### NEW AUTOMATIC-TELEPHONE-EXCHANGE EQUIPMENT.

Practically the whole of the equipment for the new automatic-telephone exchange at Napier has been received, and the installation work is proceeding as rapidly as possible. It is expected that the cut-over of this exchange to automatic working will take place in December, 1939.

The equipment for the new automatic-telephone exchange at Gisborne was ordered in October and is due to arrive in the Dominion towards the end of 1939. Good progress is being made with the new telephone-exchange building.

The extension equipment for the St. Albans automatic exchange, Christchurch, and the initial equipment for the two new sub-exchanges which are to be established at New Brighton and Mount Pleasant (Christchurch), have arrived in the Dominion. Installation work is proceeding at St. Albans, and will be commenced at New Brighton and Mount Pleasant at an early date. Equipment for an extension of the central exchange at Christchurch is under order and due to arrive shortly.

Orders have been placed for initial equipment for the establishment in the Auckland metropolitan area of new automatic exchanges at St. Heliers, Otahuhu, Mount Albert, and Avondale, and for extension equipment for the Devonport, Takapuna, Onehunga, Mount Eden, Remuera, Ponsonby, and Auckland Central automatic exchanges. As delivery of the equipment will be spread over a period of three years, it is probable that eighteen months or two years will elapse before any appreciable portion of the equipment can be cut into service.

Extension equipment has been received for the Dunedin main exchange and for the Hamilton, Hastings, Hawera, Palmerston North, Masterton, Khandallah, and Miramar exchanges, while equipment for the Whangarei, Courtenay Place, and Wellington Central exchanges is due in the near future.

Quotations are expected shortly for extension equipment to be installed at the Wellington South and Lower Hutt automatic exchanges.

#### INCREASES IN EXCHANGE SWITCHING-EQUIPMENT, ETC.

The demand for telephone-exchange service has necessitated increases in switching-apparatus at the following exchanges: Kaitiaki, Kawakawa, Wellsford, Pokeno, Howick, Waihi, Ngaruawahia, Tauranga, New Plymouth, Gisborne, Napier, Paekakariki, Nelson, Rakaia, Geraldine, Alexandra, Mosgiel, Queenstown, and Riversdale.

Small extensions have been completed at the following automatic exchanges: Mount Eden, Remuera, Ponsonby, Devonport, Takapuna, Wellington South, Roslyn, and South Dunedin.

To meet the heavy growth in the St. Heliers (Auckland) area, a temporary automatic exchange was established.

Small extensions are to be provided in the near future at Oamaru and Blenheim.

A new branching multiple switchboard has just been installed at Otorohanga, and similar equipment is about to be installed in the new post-offices at Thames and Tauranga, while at Greymouth the switching-system has been reconstructed extensively and modernized.

The following is a summary of other important operations during the year in the development and maintenance of telephone-exchange systems in the Dominion:—

The laying or erecting of 81 miles of lead-covered cables containing 17,721 miles of wire for subscribers' circuits.

The erection of 481 miles of pole-line and 4,795 miles of open aerial wire for the connection of telephone-exchange-subscribers' stations.

The reconstruction or partial reconstruction of open aerial systems at a large number of telephone-exchanges.

The replacement of existing switchboards at Paeroa, Waihi, Opotiki, Mohaka, Manakau, Tadmor, Takaka, and Cave.

The removal of the telephone-exchange equipment, &c., to new premises at Little River, Geraldine, and Milton, and the re-establishment in temporary premises of the telephone-exchange at Motueka, where the post-office building was destroyed by fire.

The provision of a further inter-office trunk cable between Wellesley Street, Remuera, and Devonport exchanges which, in addition to facilitating inter-exchange working, had the effect of improving speech-transmission from the North Shore to the eastern suburbs of Auckland.

The installation of ringing-machine apparatus at Kohukohu, Hikurangi, Ruawai, Paparoa, Waipu, Wellsford, Warkworth, Te Kauwhata, Taupiri, Ngaruawahia, Otorohanga, Taradale, Leeston, Greymouth, Pleasant Point, Alexandra, Edendale, Riverton, Thornbury, Bluff, and Mataura, and the replacement of obsolete ringers at Papakura, Pukekohe, and Waiuku.

The installation of rectifiers which replaced primary-power units for exchange and toll dialling purposes at Dargaville, Hikurangi, Wairoa, Napier, Waipukurau, Miramar, Lower Hutt, Blenheim, Amberley, and Kaiapoi.

The rearrangement of the existing power units and the installation of an additional battery at Hamilton, and the replating of the main telephone-exchange batteries at Auckland Central, Mount Eden, and Dannevirke.

The conversion to metallic circuit of many departmental and privately owned telephone-exchange lines which previously operated on the earth-return principle. This has been made necessary by the rapid extension of power reticulation in the North Auckland and Bay of Islands power areas.

The installation of air-conditioning plant at Wellington South, and the complete overhaul of the existing air-conditioning equipment at the Wellington Central exchange.

The length of various items of telephone-exchange plant in existence on the 31st March, 1938 and 1939, respectively, was as follows:

	Pole-line.	Single Duct Line.	Cable.			Wire.				
			Under-ground.	Aerial.	Sub-marine.	In Under-ground Cable.	In Aerial Cable.	Sub-marine.	Open Aerial.	Under all Headings.
	Miles.	Chains.	Chains.	Chains.	Chains.	Miles.	Miles.	Miles.	Miles.	Miles.
In existence on 31st March, 1938	16,334	48,841	105,779	36,864*	1,246	417,786*	45,482*	1,889	116,271	581,428*
Erected during year	482	2,615	6,104	401	131	17,221	500	332	4,795	22,848
Dismantled during year	51	53	781	412	..	2,769	508	..	589	3,866
In existence on 31st March, 1939	16,765	51,403	111,102	36,853	1,377	432,238	45,474	2,221	120,477†	600,410

\* Revised figures. † Includes 58 miles of earthworking 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, 1939, are as under:—

Telephone-exchange wire in underground cables	..	..	72.0 per cent.
Telephone-exchange wire in aerial cables	..	..	7.6 "
Telephone-exchange wire in submarine cables	..	..	0.4 "
Telephone-exchange open aerial wire	..	..	20.0 "

## TELEPHONE STATISTICS.

A comparison of statistics in respect of the telephone system is made in the following table, which shows annually since 1930 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 :

Year.	Number of Exchanges.	Miles of Wire.	Revenue.	Number of Telephone-stations	
				Total.	Per 1,000 Population.
			£		
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	548,186†	1,190,773	159,170*	102.06
1936 .. .. .	348	557,834	1,252,964	166,565*	105.85
1937 .. .. .	348	569,605	1,338,958	178,599*	112.52
1938 .. .. .	349	581,428†	1,458,042	192,019*	119.67
1939 .. .. .	348	600,410	1,557,327	206,216*	126.92

\* Includes approximately 4,000 non-exchange stations. † Revised figures.

The manner in which the exchanges are classified, the number of exchanges in each class, and the number of stations connected therewith on the 31st March, 1939, are shown in the following table :

	Class I. Exchanges or Networks observing Continuous Attendance and having more than 3,500 Paying Subscribers' Main Stations connected therewith.	Class II. Exchanges or Networks observing Continuous Attendance and having 1,001 to 3,500 Paying Subscribers' Main Stations connected therewith.	Class III. Exchanges or Networks observing Continuous Attendance and having 201 to 1,000 Paying Subscribers' Main Stations connected therewith.	Class IV. Exchanges or Networks where the Attendance is restricted.	Dominion Totals.
Subscribers' main stations ..	58,648	31,983	32,593	31,814	155,038
Toll and service stations ..	1,050	680	962	1,878	4,570
Public call offices .. .. .	837	177	77	12	1,103
Extension stations—					
P.B.X. .. .. .	17,774	4,432	1,412	165	23,783
Ordinary .. .. .	9,357	4,644	2,746	1,471	18,218
Telephone-stations: Class totals	87,666	41,916	37,790	35,340	202,712
Number of exchanges in each class	4	16	61	267	348

In addition to the stations shown in the preceding table, there were 3,504 stations connected by private telephone-lines directly or indirectly with departmental toll stations, making a grand total of 206,216 telephone-stations on the 31st March, 1939.

The following table shows the number of telephone-stations in the North and South Islands on the 31st March, 1938 and 1939, respectively :

	Number of Telephone-stations on 31st March,						Percentage Increase.
	1938.			1939.			
	Main Stations.	Extension Stations.	Total.	Main Stations.	Extension Stations.	Total.	
North Island ..	109,446	27,268	136,714	117,211	30,395	147,606	7.9
South Island ..	41,452	10,421	51,873	43,500	11,606	55,106	6.2
Totals ..	150,898	37,689	188,587	160,711	42,001	202,712	7.5

The number of telephone stations (main and extension) connected with each of the fifteen principal exchanges on the 31st March, 1939, was Auckland, 30,607; Wellington, 28,810; Christchurch, 16,445; Dunedin, 10,756; Hamilton, 4,253; Palmerston North, 4,132; Wanganui, 4,003; Invercargill, 3,740; Hastings, 3,251; Gisborne, 3,190; New Plymouth, 2,886; Napier, 2,521; Timaru, 2,426; Masterton, 2,340; Nelson, 2,295.

The number of party and rural lines on the 31st March, 1939, was 14,827, to which were connected 57,497 main stations—an increase of 688 and 3,224 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, 1939:

Percentage of	Class I Exchanges.	Class II Exchanges.	Class III Exchanges.	Class IV Exchanges.	Dominion Percentages.
Business stations .. ..	33	30	24	17	27
Residential stations .. ..	67	70	76	83	73
	100	100	100	100	100
Individual-line stations .. ..	87	73	46	27	63
Party- and rural-line stations .. ..	13	27	54	73	37
	100	100	100	100	100

#### OVERSEAS RADIO-TELEPHONE SERVICE.

A further highly satisfactory increase was shown in the number of overseas radio-telephone conversations during the year. The total number of calls handled was 2,645, an increase of 992 calls, or 60 per cent., over the number handled during the previous year.

The greatest number of calls was exchanged between New Zealand and Australia, there being 1,093 calls from New Zealand to Australia and 1,272 calls in the opposite direction. There were 220 calls from New Zealand to the United Kingdom and beyond, and 60 calls from those places to New Zealand.

It was possible during the year, with the co-operation of the British and Australian Administrations, to effect reductions in the rates for overseas radio-telephone calls to Australia, the United Kingdom, and other countries.

The charge for calls to Australia was reduced on the 25th July from 15s. a minute to 10s. a minute, with a minimum charge of £1 10s. For calls to the United Kingdom the charge was reduced on the 21st November from £1 14s. a minute to £1 10s. a minute, with a minimum charge of £4 10s. The charge for calls to other European countries also was reduced by 4s. a minute.

As in previous years, a specially reduced charge was available for calls to Australia and the United Kingdom during the period 23rd December to 4th January.

The radio-telephone service with the trans-Tasman vessel "Awatea" continues to be popular, 800 calls to and from the vessel being handled during the year.

#### BROADCASTING SERVICE.

##### RADIO-RECEIVING LICENSES.

The total number of licenses at the 31st March was 317,523, an increase of 32,516, or 11.4 per cent., on the number in force at the end of the previous year.

The following figures indicate the progressive growth in the number of licensed listeners since the earliest stage of radio broadcasting in the Dominion:—

31st March, 1924 .. ..	2,830
31st March, 1929 .. ..	44,810
31st March, 1934 .. ..	118,086
31st March, 1937 .. ..	241,308
31st March, 1938 .. ..	285,007
31st March, 1939 .. ..	317,523

The number of licenses at the 31st March represented 19·6 licenses per hundred of population, and indicates that 84·2 per cent. of the households in the Dominion are now equipped with receiving-sets.

The number of free licenses issued at the 31st March was 966.

Prosecutions for the use of unlicensed receiving-sets during the year numbered 999, the amount in fines totalling £826.

#### RADIO-DEALERS' LICENSES.

The number of radio-dealers' licenses at the 31st March was 1,259, 65 fewer than at the end of the previous year.

#### PRIVATE BROADCASTING-STATIONS.

There were six private broadcasting-stations licensed at the 31st March, four fewer than were licensed a year previously. The decrease in number was due to the control of Station 4ZC, Cromwell, being assumed by the National Broadcasting Service, and to Stations 1ZJ, Auckland, 2ZII, Napier, and 2ZP, Wairoa, being dismantled.

#### PRIVATE EXPERIMENTAL STATIONS.

The number of private experimental (amateur) stations licensed at the 31st March was 1,089, an increase of 40 over the number at the corresponding date last year.

During the year authority was given for licenses for the operation of amateur transmitting-stations to be issued free of charge to blind persons. As certain technical and Morse-operating qualifications are necessary before a transmitting license can be issued, a special examination has been arranged for blind applicants, and at present there are three qualified blind persons operating amateur stations.

## APPENDIX.

Table No. 1.

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

Year.	Balance forward.	Receipts.	Payments for Working-expenses.	Balance of Receipts over Working-expenses Payments.	Other Disbursements.			Payment to Consolidated Fund.	Balance.
					Depreciation Fund Investment, including Expenditure on Renewals, and Replacements of Assets.	Contributions to Post and Telegraph Officers' Sick-benefit Fund.	Interest on Capital Liability.		
1881-1882	..	234,529	233,291	1,238	..	..	..	..	*
1891-1892	..	320,058	268,343	51,715	..	..	..	..	*
1901-1902	..	488,573	465,756	22,817	..	..	..	..	*
1911-1912	..	1,087,710	988,911	98,799	..	..	..	..	*
1921-1922	..	2,811,535	2,451,571	359,964	..	..	..	..	†
1922-1923	..	2,687,768	2,114,994	572,774	..	..	..	..	†
1923-1924	..	2,688,954	2,120,584	568,370	..	..	..	..	†
1924-1925	..	2,889,450	2,416,257	473,193	..	..	..	..	†
1925-1926	..	3,100,396	2,409,556	690,840	..	..	..	..	†
1926-1927	..	3,220,666	2,346,274	874,392	..	..	..	..	†
1927-1928	..	3,329,511	2,299,571	1,029,940	..	..	..	..	†
1928-1929	..	3,445,545	2,445,068	1,000,477	550,000	..	428,000	..	22,477‡
1929-1930	22,477	3,641,620	2,560,199	1,081,421	570,000	..	481,000	..	52,898
1930-1931	52,898	3,707,420	2,642,400	1,065,020	558,248	..	504,000	..	55,670
1931-1932	55,670	3,715,230	2,164,538	1,550,692	80,029	..	550,000	941,616§	34,717
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
1935-1936	37,378	3,550,336	2,478,667	1,071,669	520,617	1,600	541,000	5,000	40,830
1936-1937	40,830	3,886,098	2,868,486	1,017,612	442,274	5,665	566,000	3,298	41,205
1937-1938	41,205	4,302,244	3,305,680	996,564	143,978	6,104	590,000	255,283	42,404
1938-1939	42,405	4,687,564	3,679,859	1,007,705	415,189	6,310	588,000	Nil	40,611

\* Revenue paid to Consolidated Fund. † Revenue paid to Consolidated Fund and utilized in payment of working-expenses, interest on loan capital, and reduction of capital liability. ‡ Post Office Account separated from Consolidated Fund, 1st April, 1928. § Section 4, Finance Act, 1931 (No. 2). Depreciation rates revised and adjustment made in amount paid to Consolidated Fund. || Section 26, Finance Act, 1935 (No. 2).

Table No. 2.

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

Issued in the Dominion.

Year.	Com-mission received.	Where payable.								Total.	
		In the Dominion.		United Kingdom.*		Australia and other British Possessions.		Foreign Countries.†		No.	Amount.
		No.	Amount.	No.	Amount.	No.	Amount.	No.	Amount.		
1863	£ 1,057	2,201	£ 9,614	4,740	£ 21,944	4,645	£ 24,145	..	£ ..	11,586	£ 55,703
1873	3,562	34,288	142,642	11,913	48,548	6,150	28,068	..	..	52,351	219,258
1883	9,023	132,232	402,559	26,211	91,634	14,113	46,940	..	..	172,556	541,133
1893	10,249	146,133	576,359	29,616	86,545	35,208	88,025	..	..	210,957	750,929
1903	15,882	273,535	1,108,067	63,309	157,790	59,468	150,368	..	..	396,312	1,416,225
1913	16,872	516,536	2,821,624	100,634	336,992	73,575	199,158	..	..	690,745	3,357,774
1923	28,357	545,605	3,849,423	54,461	223,143	68,044	284,778	16,869	32,815	684,979	4,390,159
1933	38,772	555,224	2,933,997	25,107	64,012	47,683	104,795	7,660	9,925	635,674	3,112,729
1934	42,310	564,108	3,003,360	27,470	68,748	54,547	125,524	8,496	12,081	654,621	3,209,713
1935	44,029	578,869	3,157,826	27,383	71,185	56,809	133,074	9,996	11,944	673,057	3,374,029
1936	48,433	633,846	3,552,632	30,608	79,747	59,269	151,708	10,243	10,561	733,966	3,794,648
1937	54,333	676,420	4,042,824	33,455	92,336	62,244	165,217	12,376	12,252	784,495	4,312,629
1938	60,441	731,346	4,501,244	35,642	102,005	68,072	184,508	12,990	14,536	848,050	4,802,293

\* Includes foreign offices to year 1913.

† Included under United Kingdom to year 1913.



Table No. 2—continued.

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

Drawn on the Dominion.

Year.	Where issued.								Total.	
	In the Dominion.		United Kingdom.*		Australia and other British Possessions.		Foreign Countries.†		No.	Amount.
	No.	Amount.	No.	Amount.	No.	Amount.	No.	Amount.		
1863	2,067	£ 9,169	415	£ 1,824	558	£ 3,078	..	..	3,040	£ 14,071
1873	34,288	142,642	1,482	6,626	1,668	7,689	..	..	37,438	156,957
1883	132,232	402,559	3,725	15,553	5,697	23,300	..	..	141,654	441,412
1893	146,133	576,359	8,745	32,617	10,679	40,929	..	..	165,558	649,905
1903	273,535	1,108,067	13,035	49,181	17,777	68,340	..	..	304,347	1,225,589
1913	516,536	2,821,624	12,693	70,084	31,450	110,487	..	..	560,679	3,002,194
1923	545,605	3,849,423	11,042	63,313	26,042	123,763	1,813	8,669	584,502	4,045,108
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	3,157,703
1935	568,379	3,167,590	9,485	49,628	34,566	70,964	3,460	13,195	615,890	3,301,377
1936	633,937	3,561,548	9,025	45,043	25,523	72,338	3,806	9,750	672,291	3,688,679
1937	678,018	4,053,369	8,824	44,434	25,509	73,755	3,204	8,647	715,555	4,180,205
1938	732,967	4,495,648	9,347	55,577	25,734	76,166	2,151	6,156	770,199	4,633,547

\* Includes foreign offices to year 1913.

† Included under United Kingdom to year 1913.

Table No. 3.

TABLE SHOWING THE NUMBER AND WEIGHT OF PARCELS EXCHANGED WITH OTHER COUNTRIES DURING THE YEARS 1937 AND 1938.

Places.	Received.				Despatched.			
	1937.		1938.		1937.		1938.	
	Number.	Weight.	Number.	Weight.	Number.	Weight.	Number.	Weight.
		lb.		lb.		lb.		lb.
Great Britain and Northern Ireland (and countries via London)	77,420	621,682	84,697	667,865	14,254	73,216	14,945	68,668
New South Wales (including Japan, Italy, &c.)	39,453	182,680	40,872	190,834	11,518	38,454	12,923	44,611
Victoria .. .. .	13,711	57,514	12,734	53,230	5,645	18,949	6,082	20,810
Queensland (including Papua and Netherland East Indies)	1,399	3,695	1,353	3,402	1,608	5,035	1,713	5,062
South Australia .. .. .	913	2,986	852	2,538	746	2,605	878	2,749
Western Australia .. .. .	509	1,333	499	1,271	716	2,234	733	2,105
Tasmania .. .. .	195	420	171	418	577	1,769	584	1,588
Norfolk Island .. .. .	25	50	7	16	310	1,018	304	835
Canada .. .. .	20,497	204,703	21,357	224,877	1,517	6,585	2,163	7,826
Union of South Africa .. .. .	1,169	2,591	1,589	2,774	882	4,349	1,318	5,708
Aden .. .. .	70	289	87	300	..	..	..	..
India .. .. .	3,231	23,015	2,823	18,899	957	5,590	993	5,183
Ceylon .. .. .	287	1,127	290	1,112	67	268	87	351
Malaya .. .. .	606	2,210	678	2,326	341	1,482	359	1,122
Hong Kong (including Japan, China, &c.)	1,221	13,445	1,606	19,202	754	2,945	745	3,852
Fiji .. .. .	469	1,634	490	1,718	1,645	8,775	1,727	8,751
Tonga .. .. .	123	443	179	658	593	3,425	671	3,562
United States of America and possessions	35,477	205,626	38,995	213,655	3,245	11,971	3,664	13,705
Egypt .. .. .	292	2,134	318	2,172	53	269	61	214
Tahiti .. .. .	61	403	63	493	116	617	117	643
Uruguay .. .. .	..	..	..	..	20	87	26	128
Nauru and Ocean Islands .. .. .	4	9	5	24	22	95	61	163
Other countries with which direct exchanges exist	4	15	2	10	14	65	8	51
Totals .. .. .	197,136	1,328,004	209,667	1,407,794	45,600	189,801	50,162	197,687

NOTE.—With the countries named above, excepting those in parentheses, New Zealand has direct parcel exchanges. Parcels to and from other countries are forwarded through the intermediary of direct-exchange countries.

Table No. 4.

## POST OFFICE SAVINGS-BANK.—GENERAL STATEMENT.

## TABLE SHOWING THE BUSINESS OF THE POST OFFICE SAVINGS-BANK IN THE VARIOUS POSTAL DISTRICTS OF NEW ZEALAND DURING THE YEAR ENDED 31st MARCH, 1939.

Postal Districts.	Number of Branches at the Close of the Period.	Number of Deposits received during the Period.		Total Amount of Deposits received during the Period.		Average Amount of each Deposit received during the Period.		Number of Withdrawals during the Period.		Total Amount of Withdrawals during the Period.		Average Amount of each Withdrawal during the Period.		Excess of Deposits over Withdrawals during the Period.		Excess of Withdrawals over Deposits during the Period.		Interest for the Period.	Number of Accounts opened during the Period.	Number of Accounts remaining open at Close of the Period.	Total Amount standing to the Credit of all Open Accounts, inclusive of Interest to the Close of the Period.	Average Amount standing to the Credit of each Open Account at Close of the Period.								
		£	s.	d.	£	s.	d.	£	s.	d.	£	s.	d.	£	s.	d.	£						s.	d.	£	s.	d.			
Auckland ..	201	360,172	5,644	039	2	10	15	13	5	395,417	6,162	545	11	2	20	5	6	548,506	8	4	22,608	15,804	161,184	10,541,544	7	1	65	8	0	
Blenheim ..	17	19,993	270,985	6	2	13	11	1	16,839	322,851	10	19	3	5	51,866	4	8	20,051	3	2	1,066	907	11,129	699,581	17	5	62	17	3	
Christchurch ..	78	298,883	4,466	345	2	4	14	18	10	254,893	5,019	483	4	7	19	13	10	553,138	2	3	12,609	8,971	135,472	9,664,712	11	6	71	6	10	
Dunedin ..	82	137,080	2,220	148	5	11	16	3	119,495	2,730	861	15	4	22	17	1	..	510,713	9	5	7,822	6,775	70,766	5,166,796	17	6	73	0	3	
Gisborne ..	29	46,070	591,335	1	2	12	16	9	35,686	712,744	7	1	19	19	5	..	..	121,400	5	11	2,645	2,107	24,040	1,303,629	16	10	54	4	7	
Greytown ..	31	30,529	436,698	1	7	14	6	1	20,534	453,123	14	2	23	2	9	..	..	38,425	12	7	2,201	1,734	15,524	994,181	5	8	64	0	10	
Hamilton ..	97	158,865	2,290	158	2	11	14	8	121,205	2,469,489	10	5	20	7	6	..	..	179,331	7	6	12,978	9,397	70,594	3,685,062	12	5	52	4	0	
Invercargill ..	43	42,599	616,777	18	6	14	9	7	37,080	838,289	6	5	22	12	2	..	..	221,511	7	11	2,956	2,827	31,960	1,715,652	6	11	53	13	8	
Napier ..	49	97,711	1,357,822	5	3	13	17	11	81,048	1,619,549	4	11	19	19	8	..	..	261,717	19	8	5,591	4,796	45,593	2,740,701	13	4	60	2	3	
Nelson ..	33	39,111	596,581	2	1	15	5	1	32,162	659,153	3	6	20	9	11	..	..	62,572	1	5	2,239	1,747	20,174	1,222,438	15	1	60	11	11	
New Plymouth ..	37	67,760	1,081,539	4	1	15	19	3	50,433	1,259,618	13	10	24	10	6	..	..	178,079	9	9	4,150	3,992	35,747	2,144,024	1	4	59	19	7	
Oamaru ..	12	17,734	340,465	6	5	19	15	3	17,108	435,633	9	0	25	9	3	..	..	85,168	2	7	1,118	1,022	11,119	822,351	19	9	73	19	2	
Pahmeston North ..	36	110,229	1,763,237	14	2	15	19	11	89,398	2,006,165	4	6	22	8	10	..	..	242,867	10	4	7,316	5,627	47,194	3,245,293	19	2	68	15	4	
Thames ..	38	53,793	824,858	1	6	15	6	8	40,511	892,788	10	9	22	6	9	..	..	67,930	9	3	4,721	3,579	20,887	1,487,250	14	6	49	15	3	
Tenare ..	18	45,834	812,830	17	5	17	14	8	41,440	1,051,315	3	0	25	7	9	..	..	238,484	5	7	2,503	2,390	26,230	1,937,918	10	11	73	17	8	
Wairarapa ..	42	70,579	1,026,459	11	3	14	10	10	56,912	1,187,638	2	5	20	17	4	..	..	161,178	11	2	4,058	3,575	37,132	2,224,168	19	1	59	18	0	
Wellington ..	62	490,865	5,877,834	18	9	11	19	6	361,611	6,515,188	14	11	18	0	4	..	..	637,353	16	2	20,731	15,757	162,183	10,650,979	9	2	65	13	5	
Westport ..	20	11,395	145,538	1	7	12	15	5	7,009	143,639	17	4	20	8	3	..	..	10,141	11	8	782	610	6,389	306,170	8	5	57	6	3	
Western Samoa ..	2	3,738	38,919	8	0	19	8	3	3,729	44,416	12	3	11	18	3	..	..	5,497	4	3	445	210	2,611	68,847	13	6	26	7	4	
Rarotonga ..	6	1,996	21,718	3	6	10	17	7	2,212	21,891	9	11	9	17	8	..	..	143	6	5	326	91	1,894	28,778	17	11	15	3	11	
Totals for year ended 31st March, 1939	933	2,104,936	30,434,291	15	5	14	9	21,694,692	34,567,508	6	4	20	8	4	..	..	4,163,416	10	11	211,865	92,848	946,822	60,710,086	17	0	64	2	4		
Totals for year ended 31st March, 1938	928	2,190,971	33,041,081	14	3	15	1	71,622,340	29,629,073	19	3	18	5	3	3	412,007	15	0	1,669,383	16	5	128,927	88,979	920,805	63,146,929	16	9	68	11	6

Table No. 5.

POST OFFICE SAVINGS-BANK.—GENERAL STATEMENT.  
 POST OFFICE SAVINGS-BANK IN NEW ZEALAND, BY TEN-YEAR PERIODS, FROM 1868 TO THE 31ST DECEMBER, 1928, AND YEARLY PERIODS  
 FROM 1928 TO THE YEAR ENDED 31ST MARCH, 1939.

Year. Year ended 31st Mar.	Number of Branches of Post Office Savings-Bank open at the Close of the Year.	Total Amount of Deposits received during the Year.	Average Amount of Deposits received during the Year.			Total Amount of Withdrawals during the Year.	Average Amount of each Withdrawal during the Year.			Excess of Deposits over Withdrawals during the Year.	Excess of Withdrawals over Deposits during the Year.	Interest for the Year.	Number of Accounts opened during the Year.	Number of Accounts remaining 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 Amount standing to the Credit of each Open Account at the Close of the Year.																				
			£	s.	d.		£	s.	d.								£	s.	d.																	
1868	933	2,164,436 30	434	291	15	5	14	9	21,694	692	34	597	708	6	4	20	8	4	4,163	416	10	11	726	573	11	2	118,865	92,848	946,822	60,710,086	17	0	64	2	4	
1869	928	2,190,971 33	941	081	14	3	15	1	71,622	340	29	629	073	19	3	18	5	3	3,412	907	15	0	1,669	383	16	5	128,927	88,979	929,805	63,146,929	16	9	68	11	6	
1870	912	1,940,436 30	676	969	3	6	15	16	21,493	580	27	942	063	0	18	2	13	634	966	3	6	1,514	219	16	11	119,339	79,163	880,857	58,065,538	5	4	65	18	5		
1871	892	1,685,976 25	619	775	13	7	16	3	11,417	040	23	533	596	7	2	16	12	2	2,086	179	6	5	1,406	459	5	8	94,628	71,574	840,671	52,916,352	4	11	62	18	11	
1872	871	1,424,534 24	179	537	2	4	16	19	11,350	592	20	946	562	0	3	15	2	9	3,232	975	2	1	1,320	347	7	9	90,958	71,603	817,617	49,423,713	12	10	60	8	11	
1873	870	1,225,275 19	428	852	13	9	15	17	11,338	390	17	818	171	16	3	13	6	3	1,610	680	17	6	1,231	089	10	10	71,084	69,019	798,262	44,879,891	3	0	56	4	2	
1874	873	1,214,105 16	933	176	8	1	14	0	11,475	079	19	635	628	4	9	13	6	3	2,702	751	16	8	1,475	873	10	5	72,538	152,531	797,097	42,028,020	14	8	52	14	7	
1875	882	1,418,250 19	463	985	10	6	13	14	61,535	368	25	488	081	4	0	16	12	0	6,024	095	13	4	6,161	047	13	4	78,674	79,627	877,090	43,255,499	0	11	49	6	4	
1876	884	1,695,143 24	551	569	1	3	14	9	51,473	027	28	063	338	6	0	19	1	0	3,531	769	4	3	91,763	824	17	3	98,298	73,012	878,043	47,668,547	1	1	54	5	9	
1877	882	1,700,460 28	561	854	4	10	16	15	11,342	113	29	575	993	16	10	22	0	9	1,014	139	12	0	1,806	414	0	1	97,982	78,471	862,757	49,436,491	8	7	57	19	5	
1878	879	1,618,656 27	252	381	9	0	16	16	91,285	256	28	111	940	16	9	21	17	6	859	559	7	4	91,745	050	5	4	93,111	69,540	828,296	48,644,217	0	6	58	14	7	
1879	870	1,570,493 27	611	066	5	1	17	11	71,274	906	30	584	997	14	4	23	19	10	2,973	931	9	3	31,747	155	13	9	93,331	72,433	804,725	47,758,726	2	11	59	6	11	
1880	786	1,213,353 18	101	104	18	1	14	18	4	727	729	14	938	841	10	0	20	10	73	162	263	8	1	1,059	471	17	8	76,869	53,015	590,205	33,418,125	4	9	56	12	5
1881	593	706,101	9,674	075	4	0	13	14	0	484	672	9,417	820	10	3	19	8	8	266	254	13	9	379	808	6	7	80,133	57,829	342,677	12,159,293	18	1	35	10	11	
1882	409	281,749	3,279	611	7	5	11	12	10	196	764	3,194	893	16	7	16	4	9	84	717	10	10	128	128	16	6	37,265	26,628	169,968	4,957,771	5	5	29	3	5	
1883	290	145,355	1,544	747	7	11	19	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	
1884	147	69,908	762	084	12	0	10	18	0	42	746	742	063	14	3	17	7	2	20	030	17	9	31	664	12	9	13,605	9,634	32,132	819,071	8	2	25	9	9	
1885	55	13,014	194	535	11	6	14	18	11	6	365	107	094	17	3	16	13	6	87	440	14	3	4	880	7	3	3,282	1,186	4,252	163,518	15	7	38	9	1	
1886	46	6,977	96	372	7	10	13	16	3	1,919	26	415	18	9	13	15	3	3	69	956	9	1	1	241	5	0	2,520	361	2,156	71,197	14	1	33	0	5	

\* Totals from 1st Feb. to 31st Dec., 1867.

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

Table No. 6.

TABLE SHOWING THE ESTIMATED NUMBER OF LETTERS AND LETTER-CARDS, POST-CARDS, ACCOUNTS, CIRCULARS, &C., PACKETS, NEWSPAPERS, AND PARCELS POSTED AND DELIVERED IN THE POSTAL DISTRICTS OF NEW ZEALAND DURING THE YEAR ENDED 31ST DECEMBER, 1938.

Postal Districts.	Posted in the Dominion.					
	Letters and Letter-cards.	Post-cards.	Accounts, Circulars, &c.	Packets.	Newspapers.	Parcels.
Auckland .. .. .	33,509,486	957,658	26,459,984	2,168,881	1,884,883	1,335,139
Blenheim .. .. .	1,458,359	22,919	480,654	145,925	172,061	29,861
Christchurch .. .. .	17,027,665	650,793	14,488,405	1,223,352	2,051,575	588,887
Dunedin .. .. .	11,993,019	495,469	8,011,313	888,797	1,251,444	440,349
Gisborne .. .. .	3,547,249	49,803	1,443,713	153,218	390,443	55,588
Grey mouth .. .. .	2,289,359	46,345	920,234	109,304	232,680	55,848
Hamilton .. .. .	13,118,429	303,160	4,444,224	559,637	1,556,383	212,771
Invercargill .. .. .	6,258,425	163,696	4,337,213	299,611	502,123	109,291
Napier .. .. .	7,291,587	154,479	3,483,758	341,016	682,626	106,197
Nelson .. .. .	3,560,669	82,905	1,259,489	211,536	274,009	69,563
New Plymouth .. .. .	5,724,657	139,581	3,057,907	296,179	404,933	104,585
Oamaru .. .. .	1,552,496	31,616	534,291	80,366	100,759	27,443
Palmerston North .. .. .	7,448,939	158,678	4,039,629	419,419	523,014	168,168
Thames .. .. .	3,999,907	83,954	1,636,720	207,974	311,408	76,089
Timaru .. .. .	3,984,420	102,453	1,681,250	207,051	250,337	64,740
Wanganui .. .. .	5,015,688	158,379	2,076,818	266,071	472,133	99,073
Wellington .. .. .	29,039,911	485,459	23,143,321	2,093,494	5,487,998	1,257,126
Westport .. .. .	803,414	9,815	210,435	54,613	124,753	22,100
Rarotonga .. .. .	53,142	402	..	3,108	510	4,266
Western Samoa .. .. .	91,927	1,412	..	4,468	30,756	1,891
Totals .. .. .	157,468,748	4,098,976	101,409,358	9,734,020	19,704,828	4,828,975
Previous year .. .. .	148,731,604	3,433,946	81,736,408	10,154,131	14,425,637	4,194,253

Postal Districts.	Delivered in the Dominion.					
	Letters and Letter-cards.	Post-cards.	Accounts, Circulars, &c.	Packets.	Newspapers.	Parcels.
Auckland .. .. .	34,173,997	937,612	22,517,025	2,426,764	3,417,882	924,768
Blenheim .. .. .	1,591,320	41,977	1,080,899	101,243	397,488	78,078
Christchurch .. .. .	19,217,549	844,805	14,371,363	2,074,521	3,079,245	492,050
Dunedin .. .. .	12,161,019	532,376	8,886,599	1,270,756	2,009,670	446,758
Gisborne .. .. .	3,585,265	70,330	2,335,526	233,027	925,769	120,120
Grey mouth .. .. .	2,477,228	64,129	1,364,475	129,199	420,121	127,335
Hamilton .. .. .	11,448,281	130,378	7,519,958	640,571	1,689,922	417,625
Invercargill .. .. .	6,244,784	237,146	4,629,230	335,717	1,155,999	219,947
Napier .. .. .	7,468,890	257,595	5,085,427	330,074	1,303,666	231,270
Nelson .. .. .	3,265,041	78,975	2,100,040	198,919	671,073	134,715
New Plymouth .. .. .	5,866,263	214,617	4,524,041	376,764	1,105,858	207,987
Oamaru .. .. .	1,604,889	75,400	1,210,336	100,935	337,155	58,760
Palmerston North .. .. .	7,270,263	204,204	5,553,992	555,137	1,343,797	263,744
Thames .. .. .	4,331,444	224,224	3,082,068	297,438	736,554	182,936
Timaru .. .. .	3,831,260	133,679	2,739,404	200,988	610,090	117,858
Wanganui .. .. .	5,050,193	200,707	3,853,315	509,290	944,346	179,530
Wellington .. .. .	28,167,308	822,926	15,172,406	1,391,583	3,899,974	588,029
Westport .. .. .	1,138,150	40,313	602,131	78,445	288,340	60,333
Rarotonga .. .. .	48,624	282	..	6,510	20,046	2,850
Western Samoa .. .. .	95,725	2,128	..	11,812	61,712	2,624
Totals .. .. .	158,840,593	5,413,803	106,628,235	11,269,693	24,418,707	4,866,317
Previous year .. .. .	153,438,423	4,480,951	83,469,438	19,150,770	19,646,642	4,525,596

Postal Districts.	Total posted and delivered in the Dominion.					
	Letters and Letter-cards.	Post-cards.	Accounts, Circulars, &c.	Packets.	Newspapers.	Parcels.
Auckland .. .. .	67,683,483	1,895,270	48,977,009	4,595,645	8,302,765	2,259,907
Blenheim .. .. .	3,052,679	64,896	1,561,553	247,168	569,549	107,939
Christchurch .. .. .	36,245,214	1,495,598	28,559,768	3,297,873	5,130,820	1,080,937
Dunedin .. .. .	24,154,038	1,027,845	16,897,912	2,159,553	3,261,114	887,107
Gisborne .. .. .	6,932,514	120,133	3,779,239	386,245	1,316,212	175,708
Grey mouth .. .. .	4,766,587	110,474	2,284,709	238,503	652,801	183,183
Hamilton .. .. .	24,566,710	733,538	11,964,182	1,200,208	3,246,305	630,396
Invercargill .. .. .	12,503,209	400,812	8,966,443	635,328	1,658,122	329,238
Napier .. .. .	14,760,477	412,074	8,569,185	671,090	1,986,292	337,467
Nelson .. .. .	6,825,710	161,880	3,359,529	410,455	945,082	213,278
New Plymouth .. .. .	11,590,920	354,198	7,581,948	672,943	1,510,791	312,572
Oamaru .. .. .	3,157,385	107,016	1,744,627	181,301	437,914	86,203
Palmerston North .. .. .	14,419,202	362,882	9,593,621	974,556	1,866,811	431,912
Thames .. .. .	8,331,351	308,178	4,718,788	505,412	1,047,962	259,025
Timaru .. .. .	7,815,780	236,132	4,420,654	408,039	860,427	182,598
Wanganui .. .. .	10,065,881	359,086	5,930,133	775,361	1,416,479	278,603
Wellington .. .. .	57,207,219	1,308,385	38,315,727	3,485,077	9,387,972	1,845,155
Westport .. .. .	1,941,564	50,128	812,566	133,058	413,093	82,433
Rarotonga .. .. .	101,766	684	..	9,618	20,556	7,116
Western Samoa .. .. .	187,652	3,540	..	16,280	92,468	4,515
Totals .. .. .	316,309,341	9,512,779	208,037,593	21,003,713	44,123,535	9,695,292
Previous year .. .. .	302,170,027	7,914,897	165,205,846	29,304,901	34,072,279	9,019,849

Average number of letters posted per unit of population : 1938, 98.01 ; 1937, 92.85.

Table No. 7.

TABLE SHOWING THE NUMBER OF FORWARDED, AND THE REVENUE DERIVED FROM, PAID TELEGRAMS AND TOLL CALLS (INCLUDING CABLE AND RADIO MESSAGES AND OVERSEAS TOLL CALLS) DURING THE YEARS ENDED 31ST MARCH, 1939 AND 1938.

Year ended	Telegrams.				Toll Communications.				Total.	
	Ordinary.		Press.		Urgent Marine.		Number.			Value.
	Number.	Value.	Number.	Value.	Number.	Value.	Number.	Value.		
31st March, 1939	5,249,282*	440,444	462,805	60,942	27,923†	15,566,998	21,307,008	695,731	1,197,117‡	
31st March, 1938	5,003,761*	443,624	449,876	57,758	29,866†	14,480,207	19,963,710	637,807	1,139,189§	

\* Including urgent telegrams and letter-telegrams. † No payment received. ‡ Deduct £159,899 paid to other Administrations in respect of cable and radio messages. § Deduct £171,476 paid to other Administrations in respect of cable and radio messages.

Table No. 8.

TABLE SHOWING CABLE, RADIO-TELEGRAPH, AND RADIO-TELEPHONE BUSINESS TRANSACTED DURING THE YEAR ENDED 31ST MARCH, 1939, AS COMPARED WITH THE YEAR ENDED 31ST MARCH, 1938.

*Cable Messages.*

Year ended	INTERNATIONAL.				AUSTRALIAN.				Total.	
	Forwarded.		Received.		Forwarded.		Received.		Number of Messages.	Revenue earned by New Zealand.
	Number of Messages.	Revenue earned by New Zealand.	Number of Messages.	Revenue earned by New Zealand.	Number of Messages.	Revenue earned by New Zealand.	Number of Messages.	Revenue earned by New Zealand.		
31st March, 1939 ..	181,087	£ 7,781	155,058	£ 6,333	163,650	£ 4,929	160,555	£ 5,011	660,350	£ 24,054
31st March, 1938 ..	178,643	7,488	158,206	6,378	168,984	4,957	168,815	5,218	674,648	24,041
PRESS MESSAGES (included in above totals).										
31st March, 1939 ..	1,792	142	3,543	289	5,286	681	7,260	845	17,881	1,957
31st March, 1938 ..	2,340	312	4,414	395	5,409	648	7,394	895	19,557	2,250

*Radio-telegrams.*

Year ended	Forwarded.		Received.		Total.	
	Number of Messages.	Revenue earned by New Zealand.	Number of Messages.	Revenue earned by New Zealand.	Number of Messages.	Revenue earned by New Zealand.
31st March, 1939 ..	..	£ 14,749	27,263	£ 4,266	42,012	£ 7,650
31st March, 1938 ..	..	14,557	24,855	3,972	39,412	7,304

*Radio-telephone Calls.*

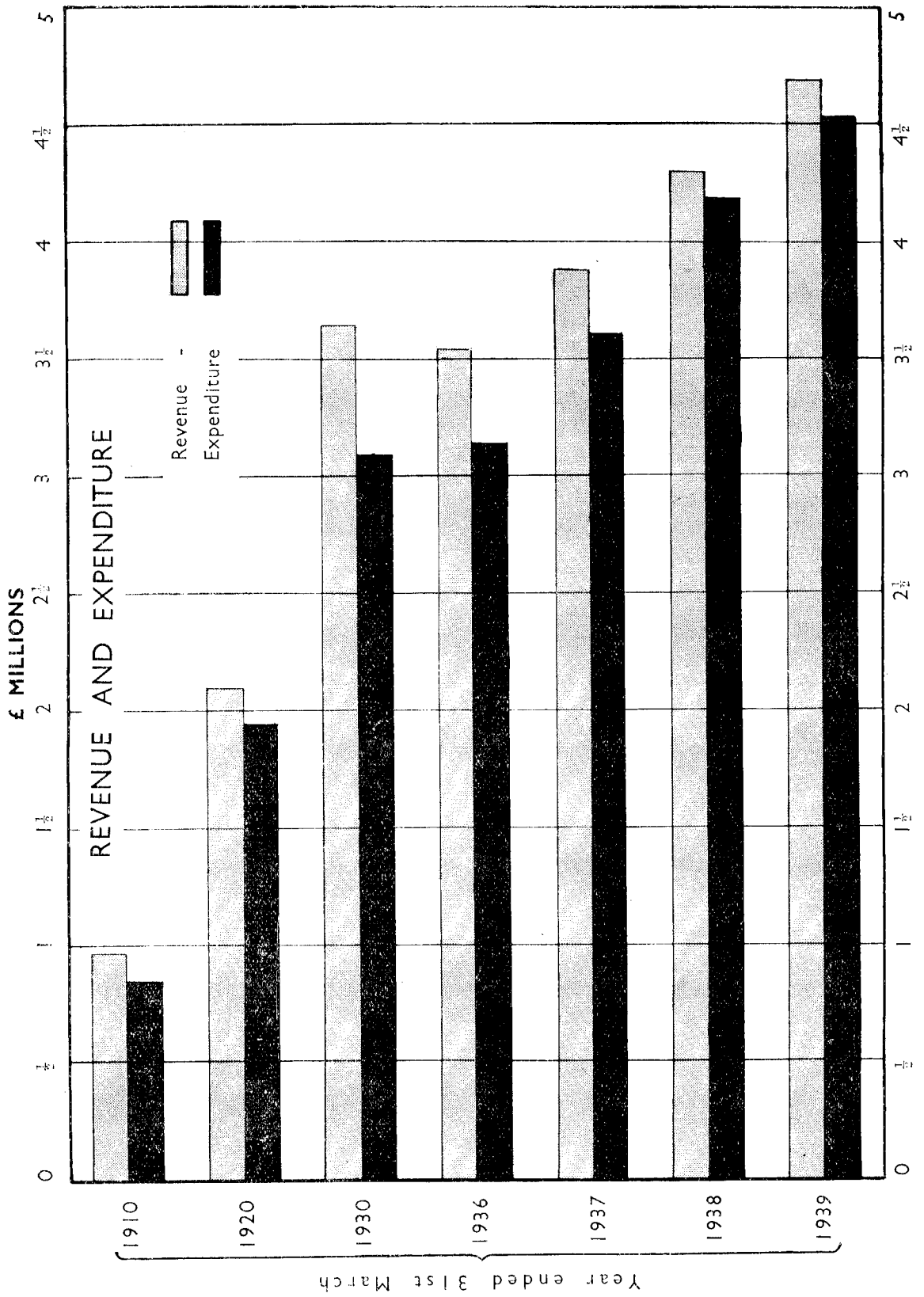
Period	Outward.		Inward.		Total.	
	Number of Calls.	Revenue earned by New Zealand.	Number of Calls.	Revenue earned by New Zealand.	Number of Calls.	Revenue earned by New Zealand.
31st March, 1939 ..	..	£ 1,676	1,781	£ 1,432	3,457	£ 2,898
31st March, 1938 ..	..	1,149	1,383	1,154	2,532	2,543

Table No. 9.

VARIATIONS IN FULL RATES PER WORD SINCE 1876 IN RESPECT OF CABLE MESSAGES EXCHANGED BETWEEN NEW ZEALAND AND THE UNITED KINGDOM, CANADA, SOUTH AFRICA, INDIA, AND AUSTRALIA.

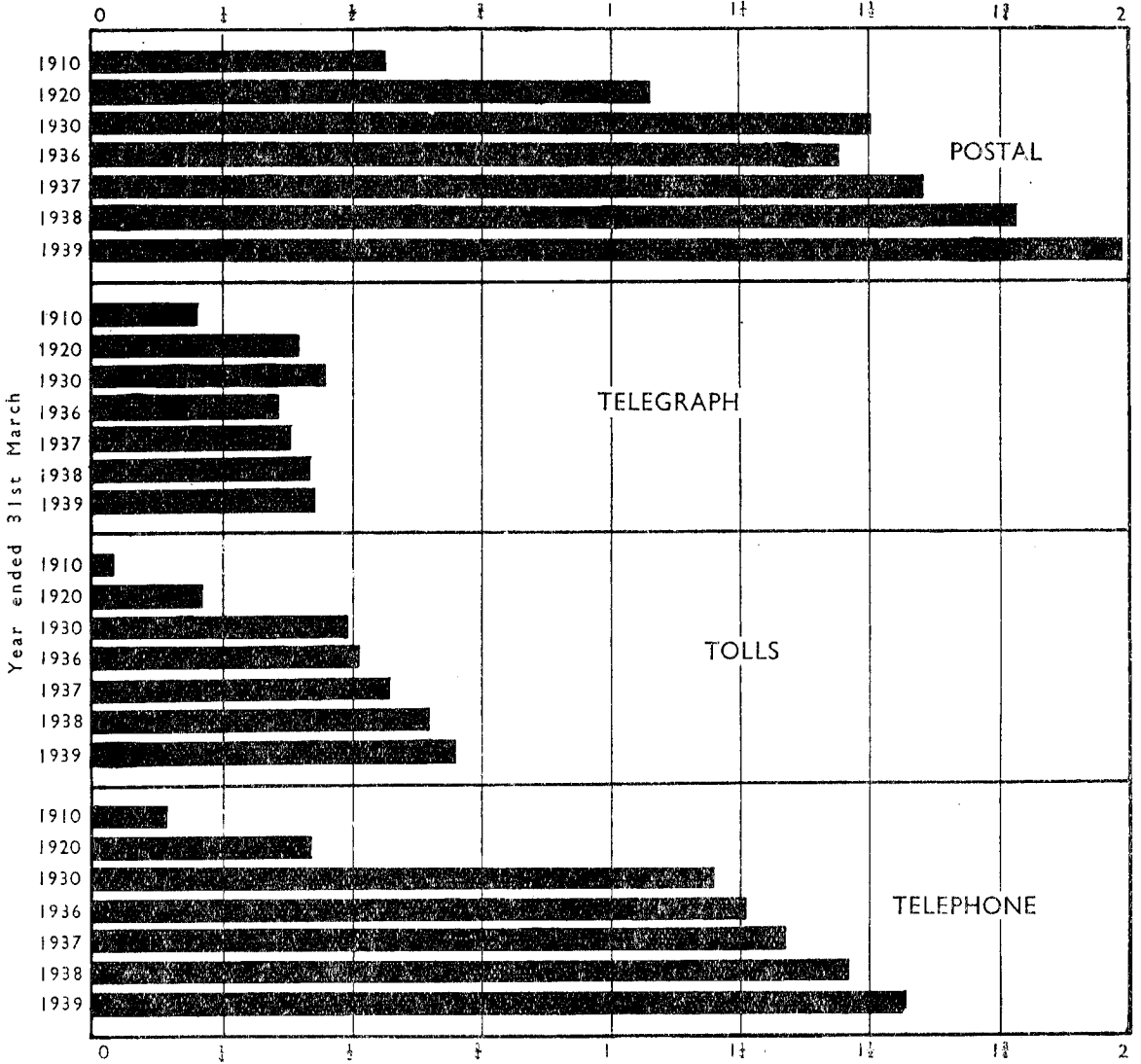
Year.	United Kingdom.	Canada.	South Africa.	India.	Australia.
	s. d.	s. d.	s. d.	s. d.	s. d.
1876 .. .. .	11 4	14 4	.. .. .	8 8	0 10½
1877 .. .. .	11 6	14 6	.. .. .	8 9	.. .. .
1880 .. .. .	11 10	12 4	16 11	9 1	.. .. .
1882 .. .. .	.. .. .	12 8	16 7	.. .. .	0 9
1883 .. .. .	.. .. .	13 10	16 5	.. .. .	.. .. .
1885 .. .. .	.. .. .	13 6	.. .. .	.. .. .	.. .. .
1886 .. .. .	10 6	11 0	16 4	9 0	.. .. .
1888 .. .. .	.. .. .	11 6	.. .. .	.. .. .	1 0
1891 .. .. .	10 2	11 2	16 0	.. .. .	.. .. .
1893 .. .. .	5 2	6 2	10 2	5 2	0 5
1896 .. .. .	.. .. .	.. .. .	10 4	.. .. .	.. .. .
1897 .. .. .	.. .. .	.. .. .	7 6	.. .. .	.. .. .
1900 .. .. .	.. .. .	.. .. .	.. .. .	.. .. .	.. .. .
1902 .. .. .	{ 3 4 3 0*	4 4	2 6	4 11	{ 0 4½*
1903 .. .. .	.. .. .	2 4	.. .. .	2 10	.. .. .
1915 .. .. .	2 8	2 0	.. .. .	.. .. .	.. .. .
1924 .. .. .	2 3	.. .. .	.. .. .	.. .. .	.. .. .
1925 .. .. .	.. .. .	1 9	.. .. .	.. .. .	.. .. .
1927 .. .. .	1 11	1 6	.. .. .	.. .. .	.. .. .
1928 .. .. .	.. .. .	.. .. .	1 11	.. .. .	.. .. .
1931 .. .. .	1 8	.. .. .	2 0	.. .. .	.. .. .
1938 .. .. .	1 3	1 3	1 3	1 3	0 4½

\* From 7th December.

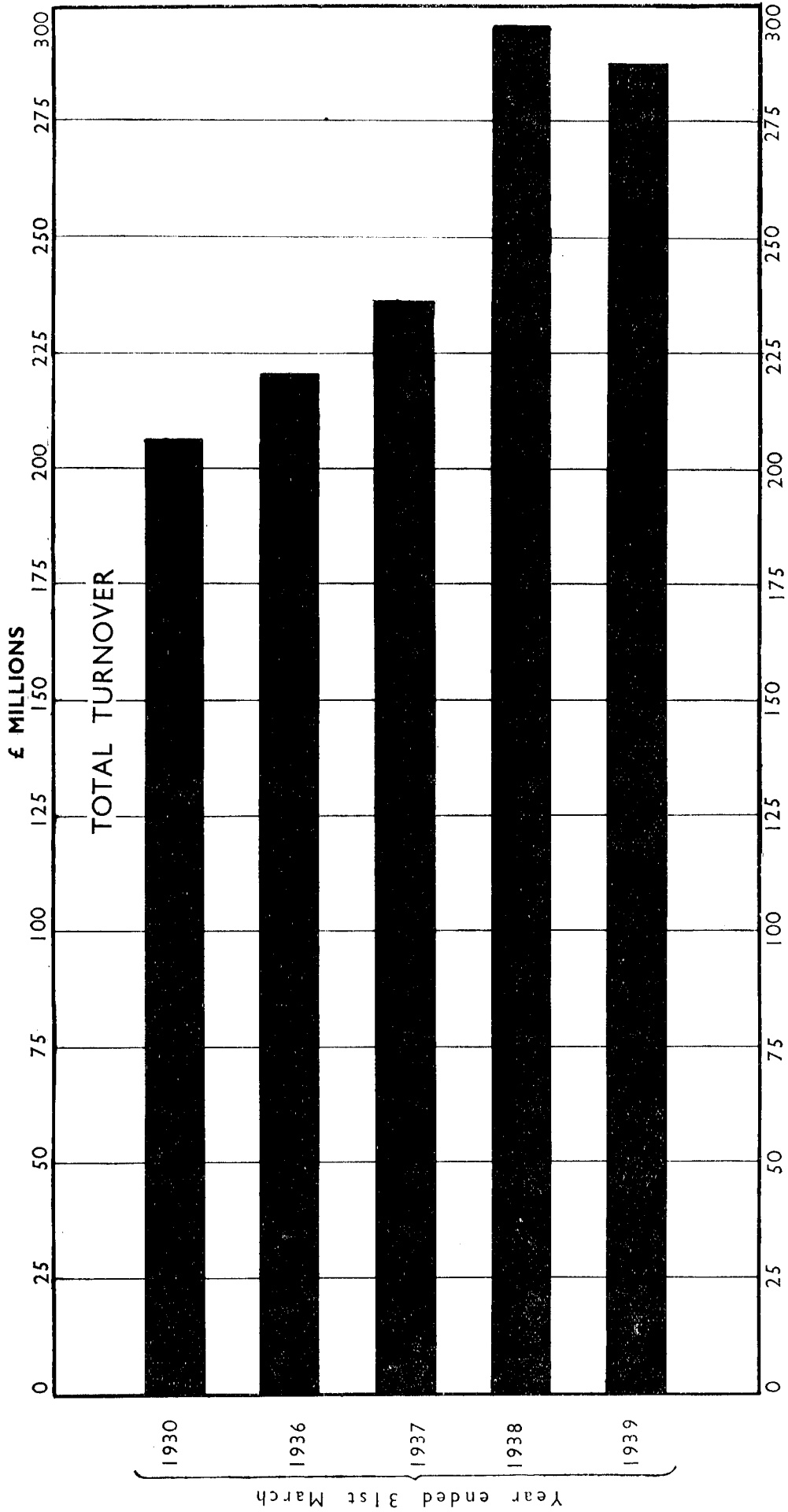


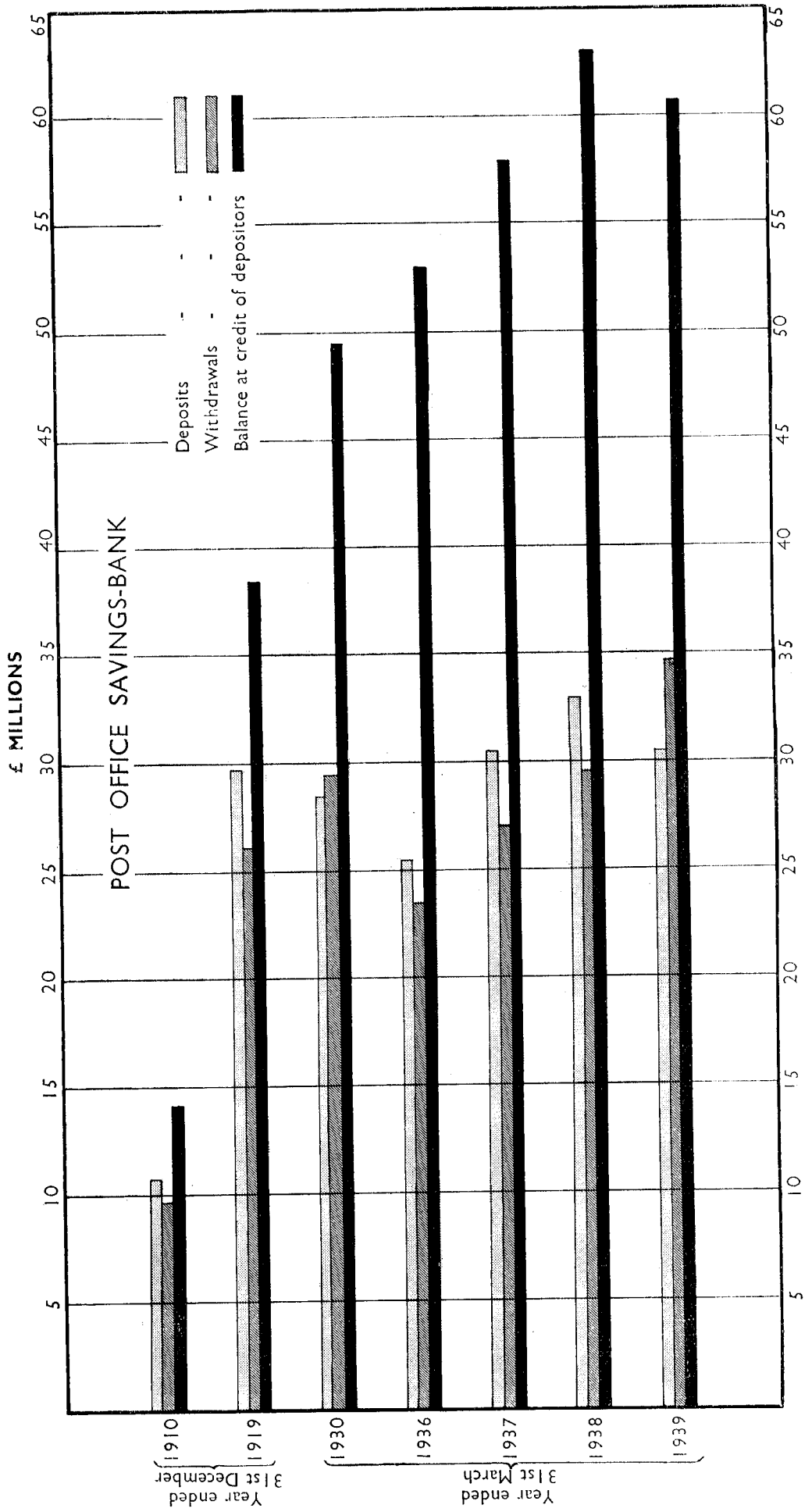
REVENUE UNDER SEPARATE HEADINGS

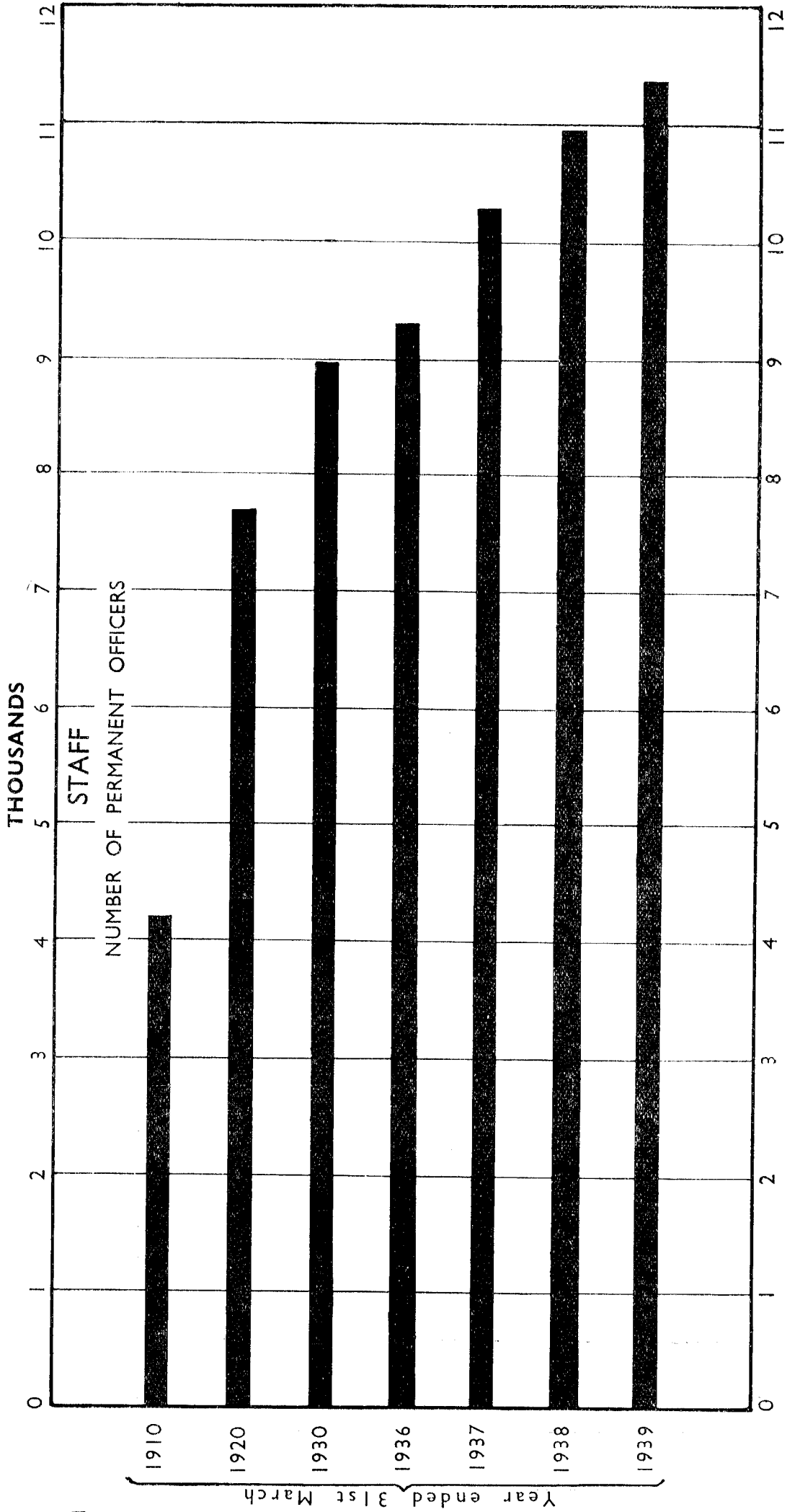
£ MILLIONS



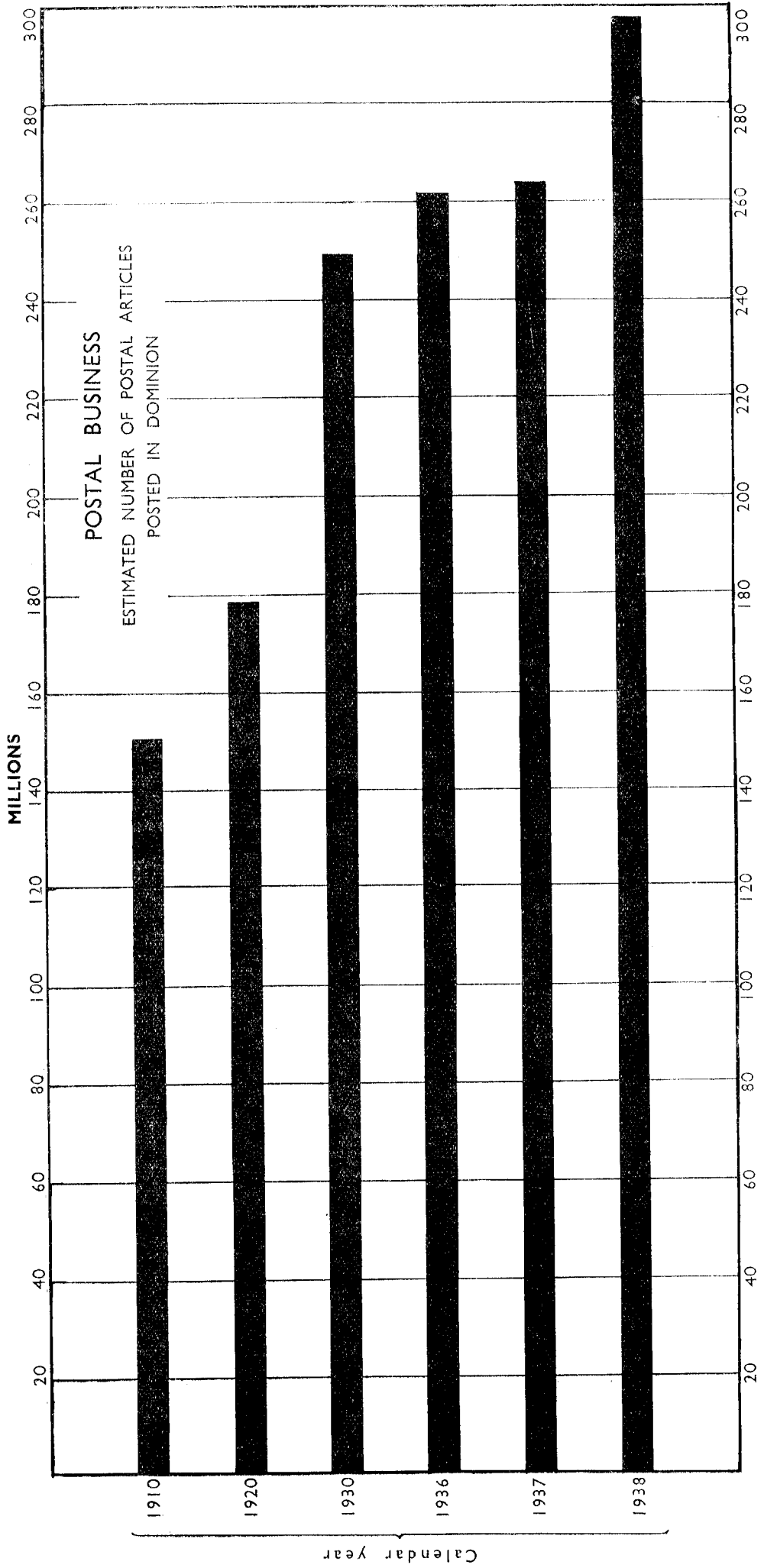






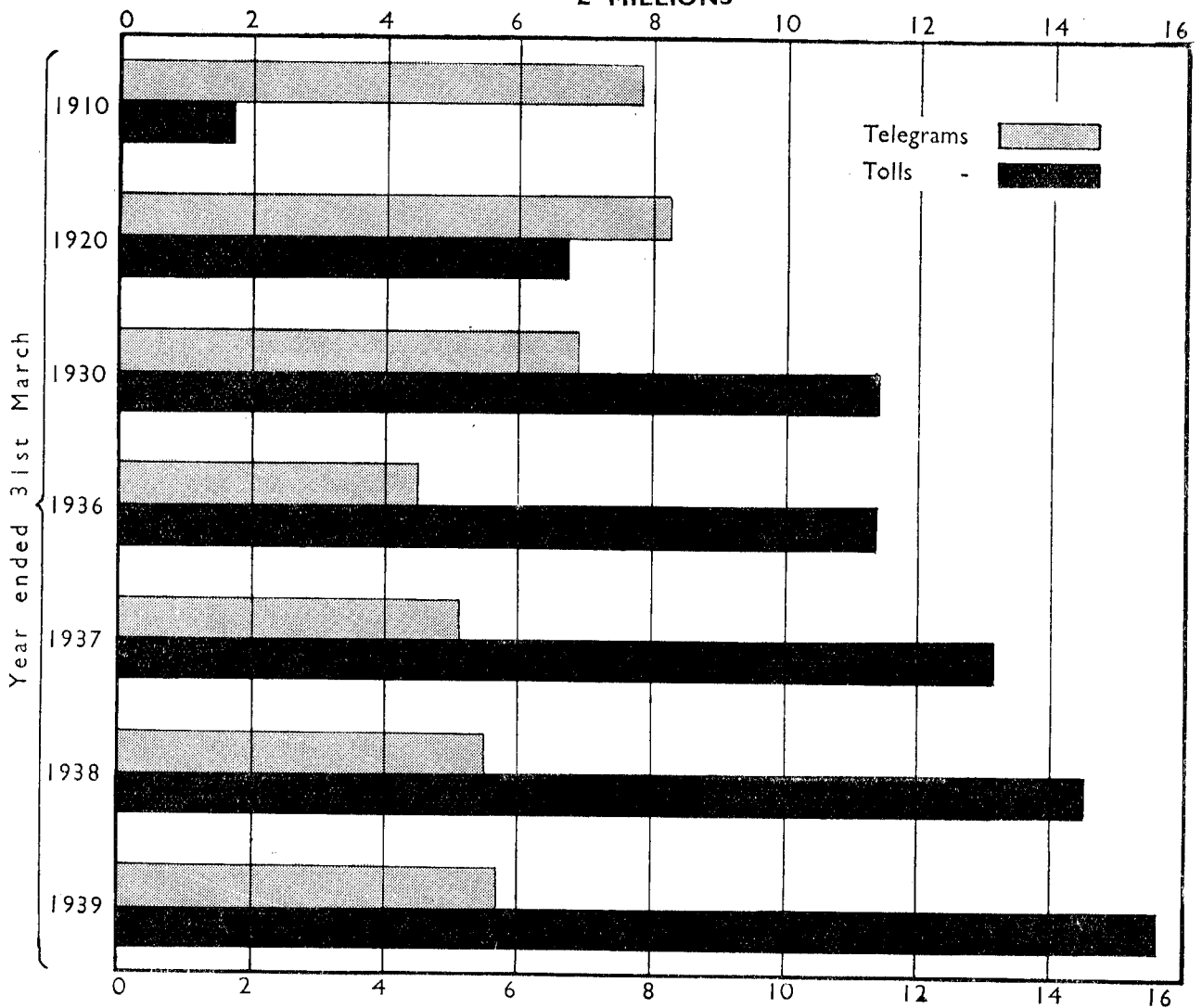


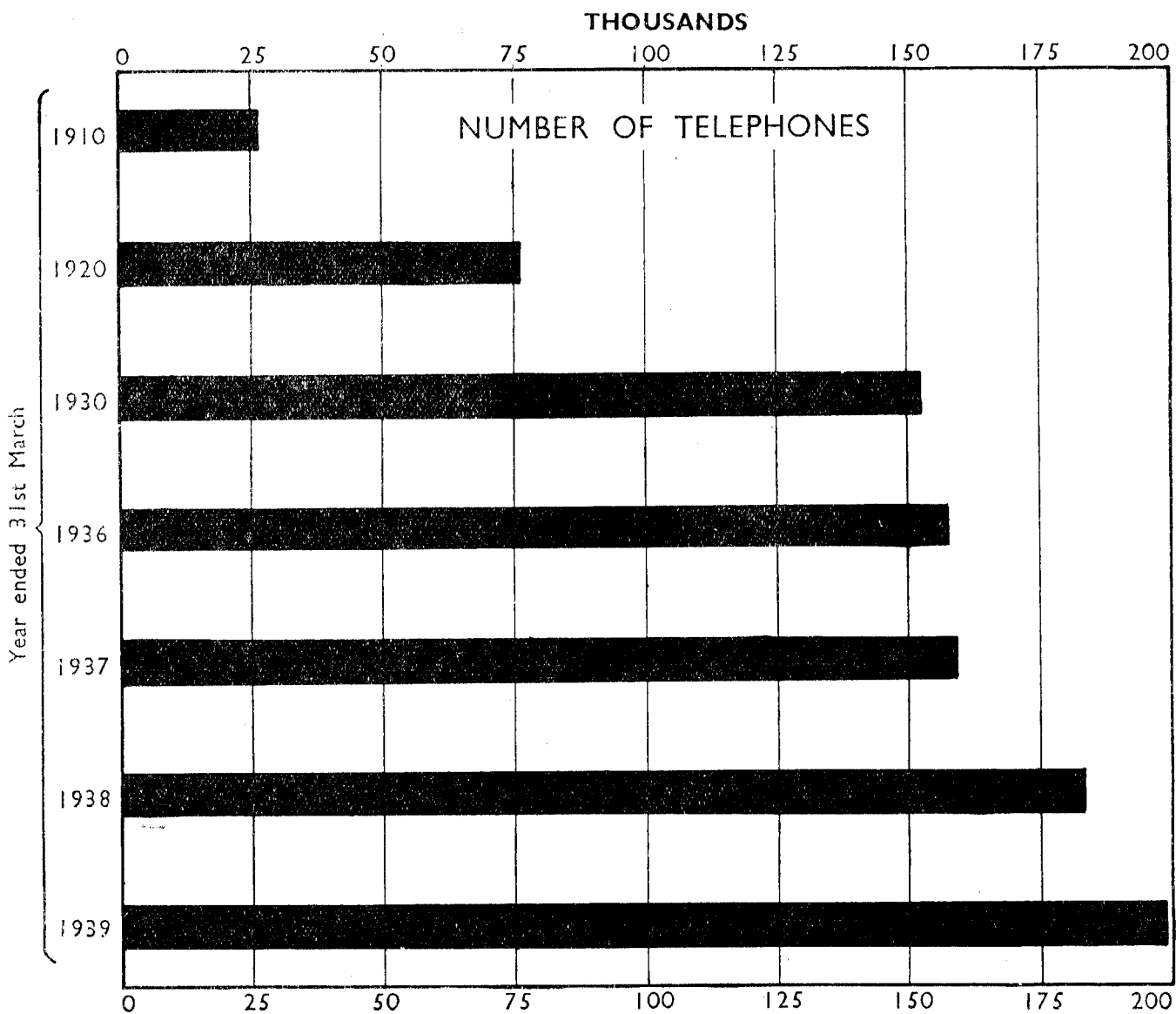
1-F. 1.

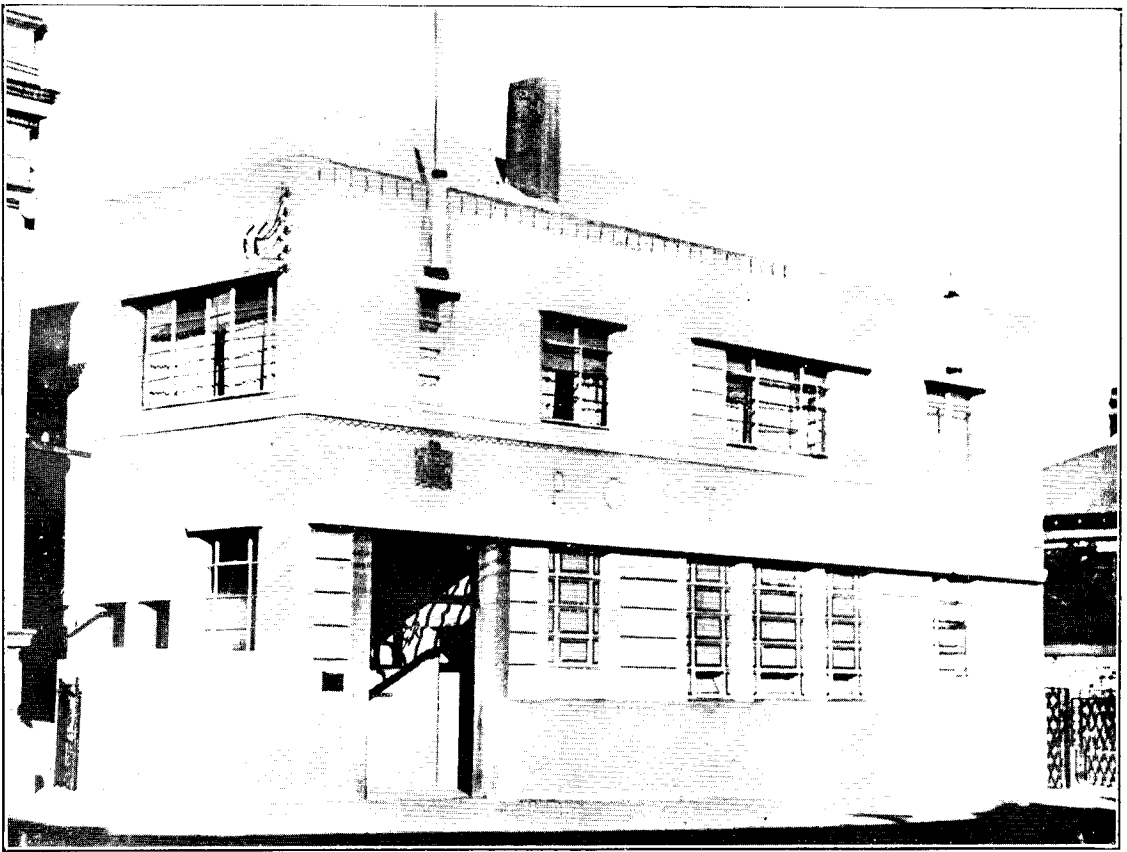


## TELEGRAMS AND TOLL CALLS

£ MILLIONS



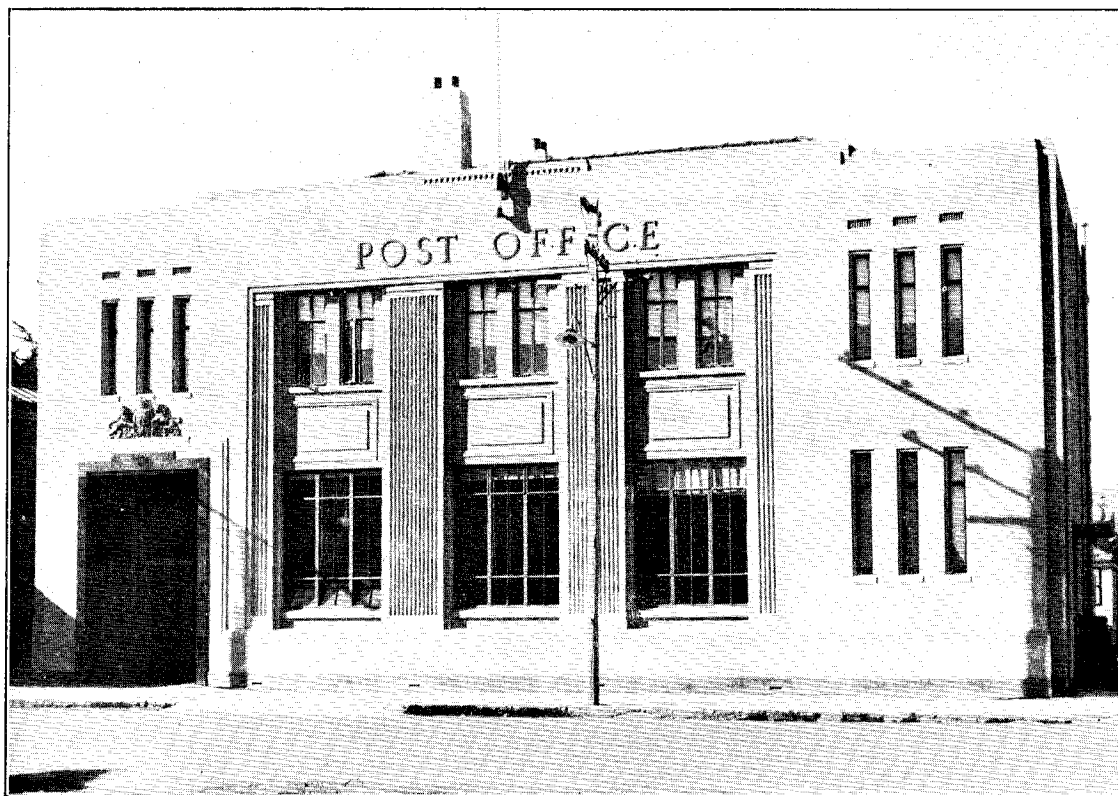




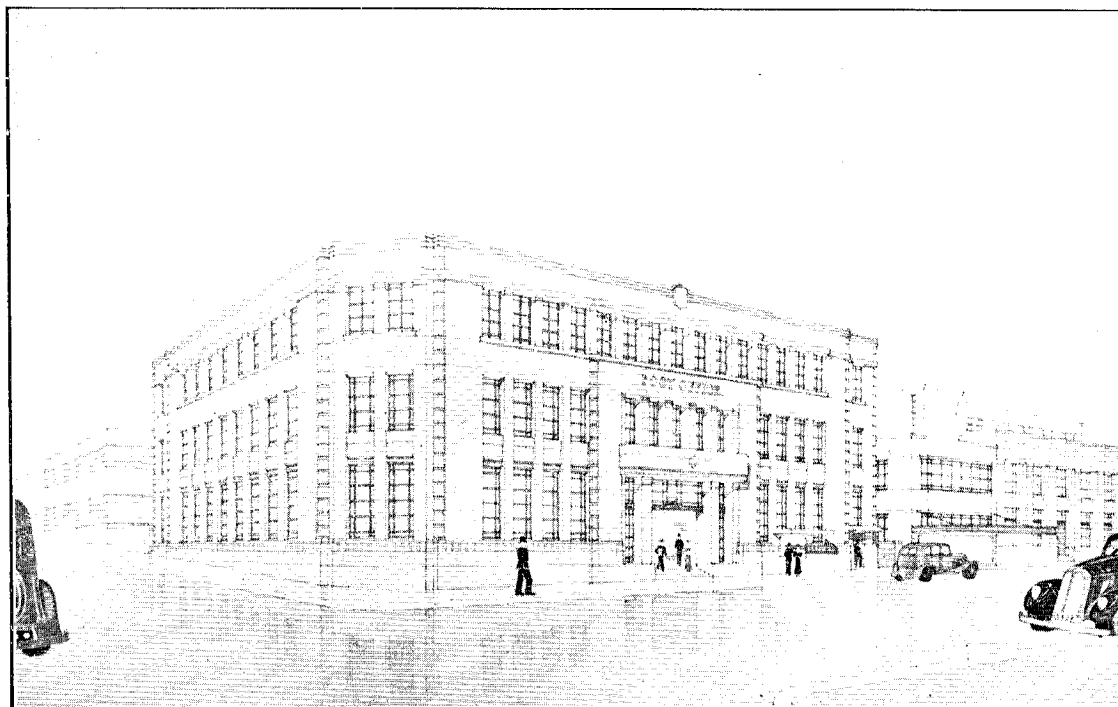
NEW POST-OFFICE, DEVONPORT.



NEW POST-OFFICE, TAURANGA.

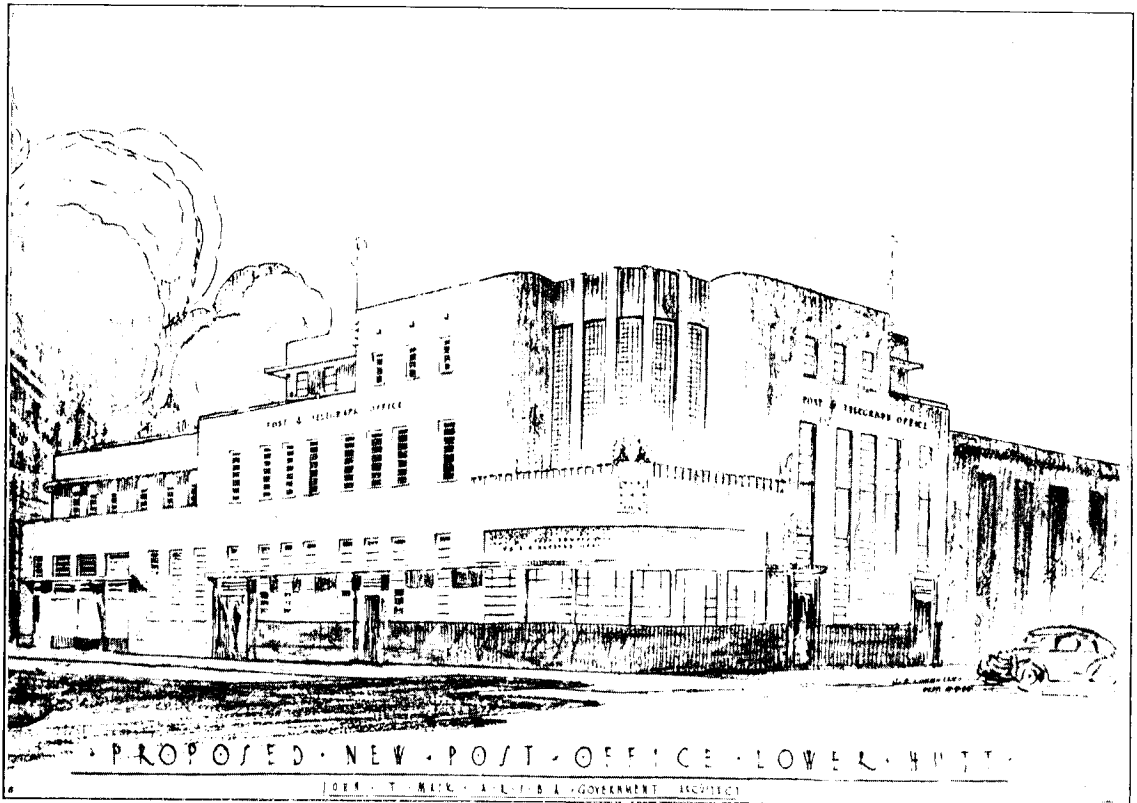


NEW POST-OFFICE, MILTON.

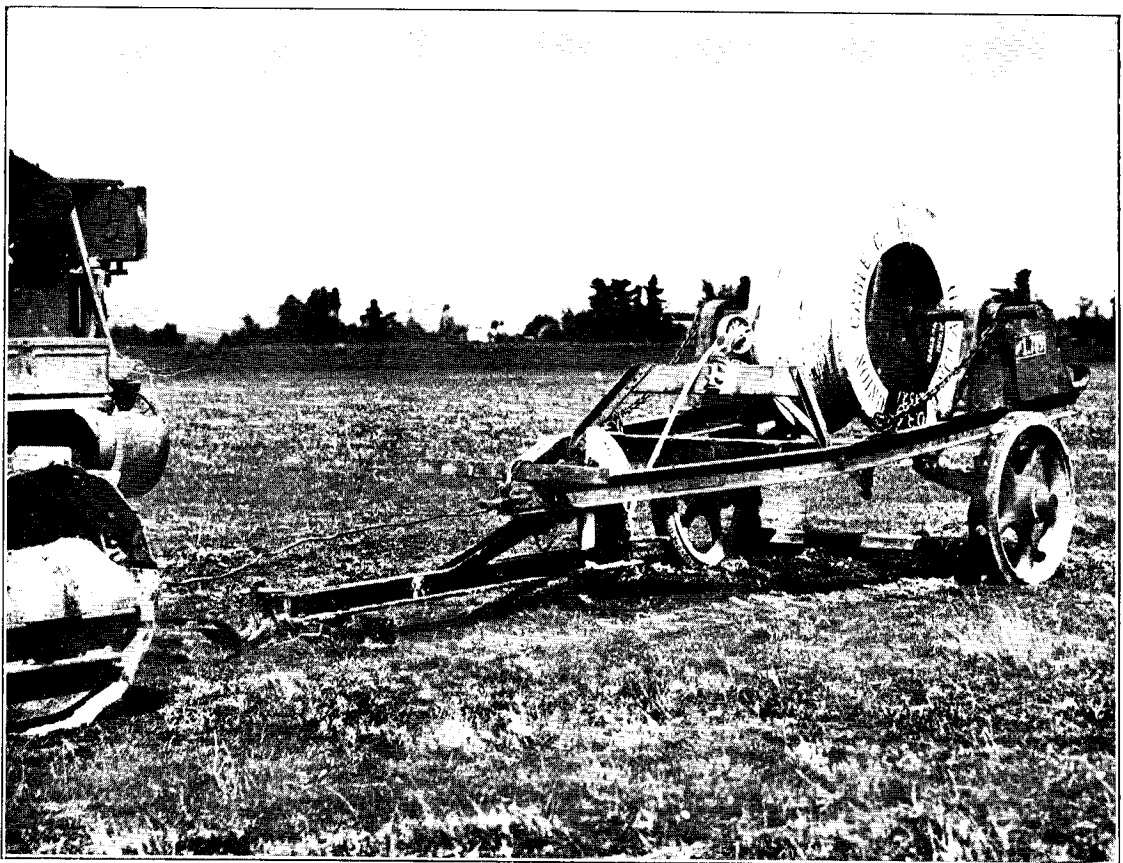


PROPOSED NEW CHIEF POST-OFFICE, NEW PLYMOUTH.





PROPOSED NEW POST-OFFICE, LOWER HUTT.



MOLE CABLE PLOUGH. (SEE PAGE 24.)

*Approximate Cost of Paper:* Preparation, not given; printing (1,975 copies, including graphs and illustrations), £88.

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*Price 1s. 9d.]*

