

During the year, 175 miles of line, carrying 272 miles of wire, have been erected, and 340 miles of wire erected on existing lines. On the 30th June, 1878, 3,434 miles of line, carrying 8,035 miles of wire, were in circuit, showing an increased mileage upon the previous year of line 175 miles, and wire 612 miles.

The number of stations open to the public on the 30th June was 182, 28 of which were opened during the past year, 8 being in the North Island and 20 in the South Island.

The extent of line maintained during the year was 3,318 miles, the average cost per mile for maintenance being £5 10s. (116 miles of line not included in maintenance table: *see* footnote, Table E).

Since the date of the last report the whole of the lines previously under the control of the Provincial Government of Canterbury, and used for railway purposes, have been taken into the charge of this department. The railway work is, however, performed as before, and in all cases takes precedence upon the wires set apart for its use. In the majority of cases the railway operators are officers of the Railway Department, but, to bring them also within the control of this department, a small additional salary is granted them.

Wherever a railway telegraph station is or has been opened, and where an ordinary telegraph station has not been established, the office is thrown open for the convenience of the public. At railway stations where a telegraph office proper is within a convenient distance, a receiving office is established, where messages are accepted and forwarded to the telegraph office for transmission. These stations prove a source of great convenience to the travelling public. Since the inauguration of this system, the following railway telegraph stations have been established—viz., Burnham, Coalgate, Cust, Dunedin Railway Station, Elbow, Horndon Junction, Manuka Creek, Oreti, Orari, Rangitata North, Rolleston, Sheffield, Southbridge Junction, Springston, Waipahi, Winslow, Washdyke, Waitahuna, Waimate Junction, in the South Island; and Farndon, Inglewood, Kopua, and Waitara, in the North Island. The cost of erection of lines and establishment of stations is in the first instance borne by the Telegraph Department, and that and subsequent expenditure divided between Telegraph and Railway Departments upon a basis agreed upon by the two respective departments. To instruct the officers of the Railway Department in telegraphy and the proper mode of rendering telegraph accounts and performing the duties connected with a telegraph station generally, travelling instructors were appointed, and the desired end attained at a comparatively small cost.

To provide sufficient staff for the working of new stations, and to supplement existing staffs to keep pace with the ever-increasing work of the department, it is found necessary to instruct cadets all the year round, which is done at the Head Office, two classes of six in each being constantly under tuition. At the end of three months, or less, they are sufficiently advanced to draft to stations. By these means the department is enabled to introduce from fifty to sixty young operators every year, which fully meets the requirements of the service, providing for officer-ing new stations, strengthening existing staffs, and supplying the places of officers leaving the department. This system of training cadets affords respectable employment for lads leaving school, and is eagerly sought after by the colonial youth, who, as a rule, prove themselves apt operators. The salary upon entry awarded them being liberal, the department is enabled to obtain a superior class of boys from all parts of the colony.

The nominal strength of the department on the 30th June, 1878, was 716, against 612 on the same date in the previous year.

On the 1st July, 1877, an "urgent" code was introduced by Order in Council, giving precedence to telegrams upon which the "urgent" or double transmission fee is paid. All such telegrams are forwarded before ordinary telegrams, but in their order of receipt as regards other messages of the same code. The number of "urgent" messages sent during the year was 13,455, the value of which amounts to £2,099 16s. 8d. One-half of this may be looked upon as extra revenue, obtained by the introduction of the system. It might be but fair to give the system credit for the whole of the revenue derived by it, as the question arises whether the messages would have been sent at all if the transmitters were not inclined to the belief that they would receive more than the ordinary expedition in forwarding to their destination. Every care is exercised that "urgent" messages receive the quickest despatch; and to business people and traders generally the system presents great advantages, and is duly appreciated. In thus speaking of the "urgent" code, it must not be concluded that the department loses sight of the necessity for quick transmission of "ordinary" messages. Every officer in the service is carefully cautioned of this, and any unnecessary delay on a telegram on the part of any officer is met by fine or reprimand.

In the last report the destruction by fire of the Blenheim transmitting station was noted. A new office, built of concrete, has since been erected, and is now in the occupation of the department.

The work passing through the Australian cable and foreign lines appears to be steadily increasing.

The duplex system continues to work without the slightest difficulty, and proves of immense advantage to the department.

Appended to the report are plans showing the various telegraphic circuits, as also maps showing the geographical position of the various telegraph stations throughout the colony.

The following line, which was in course of construction at the date of the last report, has now been completed:—