

Exchange.	No. of Subscribers or Connections :	
	Mar. 31, 1896.	Mar. 31, 1897.
<i>Invercargill—continued.</i>		
Riversdale	14	15
Winton	9	9
Woodlands	8	8
Masterton	...	53
Napier	275	289
Hastings	...	22
Nelson	61	60
New Plymouth	100	123
Oamaru	87	96
Palmerston North	81	86
Thames	78	85
Timaru	73	74
Wanganui	118	138
Wellington	1,041	1,127
Hutt	1	1
Total	<u>5,143</u>	<u>5,747</u>

The total increase in number was, therefore, 604, and the rate of increase 11·74 per cent.

The connections may be classified as follow: Paying, 5,460; free, 111; bureaux, 176: total, 5,747.

The telephone-exchange receipts during the financial year amounted to £29,248 19s. 5d., as compared with £25,933 12s. 9d. the previous year—an increase of £3,315 6s. 8d.

The working-expenses, interest on capital cost, and allowance for depreciation for the year amounted to £34,991 2s. 8d.

The total capital cost of the telephone-exchange system to 31st March, 1897, was £134,299 11s. 4d.

The following telegraph works have been carried out during the year in the several districts:—

AUCKLAND DISTRICT.

Construction.

During the year new lines have been completed as follows: Whangarei to Poroti, Kuaotunu to Upper Kuaotunu, Hikurangi to Hukerenui, Mangapai to Maungakaramaea, Kaiwhaka, Dargaville Railway loop-line, Avondale to Henderson, Waikomiti loop, Auckland to Taupo, and Auckland to Waihi. In connection with these, 28 miles of poles were constructed, and 363 miles of wire erected.

The lines in course of construction and approaching completion are: Onehunga to Mangere, Kaeo to Totara North and Omanaia loop. New telephone-offices have been opened at Dargaville Railway (for Railway work), Epsom (also Bureau), Henderson (also Bureau), Hukerenui, Kaiwaka, Maungakaramaea, Maungatapere, Poroti, Puriri (also Bureau), Upper Kuaotunu, Waikino, Wai-papakauri, and at Whakapara. One office—Pukekararo—has been closed.

Fifteen offices have been re-wired and various alterations made in their internal arrangements, facilitating the business of the department. Tuakau is now connected by Morse (constant current) instrument in place of telephone. On the Auckland to Drury circuit the constant-current system has also been introduced, and it is proposed to similarly alter other circuits where it is deemed advisable.

The introduction of the Wheatstone automatic instruments communicating with Wellington has proved very satisfactory.

A new office has been built at Ohaeawai, and others are in course of erection at Waihi and Kuaotunu. The Coromandel office has been considerably enlarged.

Maintenance.

The lines have been periodically examined and overhauled. The sections referred to in last report as requiring renewal have also received attention, and it is proposed to put the more pressing renewals of this year in hand as soon as iron poles become available.

Three miles of line have been dismantled.

Auckland Exchange.

The accessions to the exchange continue, and during the year 127 fresh connections were made. The total number of subscribers, including bureaux, on the 31st March was 1,065.

Ninety miles of wire were erected (thirteen of which were for renewals) in connection with extensions.

In consequence of the large increase of subscribers it has been deemed advisable to order a multiple switch-board to meet present and prospective requirements.

Thames Exchange.

There has been but little increase in the number of subscribers. The exchange is in good working-order.

WELLINGTON DISTRICT.

Construction.

The demand for telephonic communication from the rising townships in this district continues, and no less than seventeen new telephone-offices have been opened—viz., Aohanga, Ballance, Bell