

last twelve months at the old rates (June, 1895, to May, 1896) by 604,721 paid telegrams, an increase of 31·7 per cent.

The number of telegrams of all codes forwarded last financial year was 2,696,233—an increase of 176,064 or 6·99 per cent., over 1896–97.

The proportion of telegrams per head of population was 3·72, as compared with 3·55 the previous year.

The number of ordinary telegrams forwarded was 2,023,421, of the value of £72,848 8s. 2d., compared with £76,413 16s. 2d. from 1,884,528 ordinary and delayed telegrams in 1896–97, a decrease of £3,565 8s. in value, but an increase of 138,893 in number.

The urgent telegrams numbered 106,597, of the value of £8,970 5s. 1d.—an increase of 9,354 messages, but a decrease of £63 19s. 2d. in value.

220,754 Press telegrams, of the value of £9,207 18s. 3d., were forwarded in 1897–98, as compared with 198,406, valued at £9,521 9s., forwarded in 1896–97—an increase of 22,348, or 11·26 per cent., in number, but a decrease of 3·29 per cent. in value.

The value of each Press telegram averaged 10·01d., as against 11·52d. in 1896–97.

The bureau messages numbered 118,643, of the value of £2,909 3s. 2d., as compared with 104,824, of the value of £2,483 9s. 1d.—an increase of 13,819 in number, and £425 14s. 1d. in amount.

The average value of each bureau message was 5·88d., as against 5·69d. in 1896–97.

The number of Government telegrams forwarded was 226,818, valued at £24,504 9s. 8d., as compared with 235,168, of the value of £23,118 2s. 6d.—a decrease of 8,350 in number, but an increase of £1,386 7s. 2d. in amount.

33,601 money-orders, for £113,584 17s. 8d., were transmitted by telegraph, as against 30,860, for £113,617 16s. 10d., in 1896–97—an increase of 2,741 telegrams, or 8·88 per cent.

The number of forwarded telegrams to every hundred letters posted in New Zealand for delivery within the colony was 8·91, as against 9·6 in 1896–97.

The telegraph cash receipts for the financial year, including telephone-exchange subscriptions, private-wire rents, &c., amounted to £136,220 15s. 6d., compared with £129,634 15s. 6d. in 1896–97—an increase of £6,586, or 5·08 per cent.

The expenditure, excluding cable subsidy, was £165,198 13s. 5d., as compared with £153,484 6s. 8d. the previous year—an increase of £11,714 6s. 9d., or 7·63 per cent. Additional staff was required to meet the increased volume of business caused by the introduction of sixpenny telegrams; the cost of maintenance of new wires had to be provided for; while country telephonists, who are paid by fees, drew a considerably larger sum than during 1896–97.

There were 6,484 miles of line and 18,024 miles of wire at the close of the year—an increase of 199 and 1,553 miles respectively.

The net expenditure out of loan for telegraph extension was £29,384 2s. 11d., as compared with £36,791 8s. 11d. in 1896–97.

The number of private wires and subsidised lines was 157, compared with 133 in 1896–97. The amount received for rent, maintenance, &c., was £1,364 5s. 5d., as against £875 1s. 11d. in 1896–97.

The total number of telegraph- and telephone-offices open at the close of the year was 824. Of these, 235 were telegraph- and 589 telephone-offices.

Forty-seven telephone-offices were opened and four closed. The following telephone-offices were opened:—

Aicken's.	Island Cliff.	Ohoka.	Tarata.
Athol.	Kiwirea.	Omanaia.	Tinakori Road.
Blackball.	Kokonga.	Omata.	Tokarahi.
Brookdale.	Lyndhurst.	Pahiatua Railway.	Totara North.
Clarence.	Lynton Downs.	Parnassus.	Turiroa.
Courtenay Place.	Mangere.	Peep-o'-Day.	Waikanae.
Dumbarton.	Mangere Bridge.	Pemberton.	Waikomiti.
Day's Bay.	Mendip Hills.	Putaruru.	Waipara.
Frankton Junction.	Mosgiel (bureau only).	Rangiwahia.	Waipu Junction.
Hawkeswood.	Motouau.	Reefton Railway.	Waipatiki.
Hukanui.	Nevis.	Rona.	Weber.
Hedgehope.	Oaonui.	Sumner Bureau No. 2.	

A telegraph-office was opened at Frankton Junction.

The offices at Cass, Hokonui, Island Bay, and Tawataia were closed.

The offices at Cullensville and Wellington Railway were converted from Morse to telephone, and the office at Ohingaiti from telephone to Morse.

The increase of business rendered necessary the erection of extra wire-accommodation over all main routes. Copper wire has been generally used with very marked advantage under conditions which would render working with an iron wire impossible. This is particularly the case on the Wellington–Dunedin circuit, which has a No. 8 copper wire between Blenheim and Dunedin.

In certain conditions of the weather, when Christchurch is unable to work with Dunedin on an iron wire, communication between Wellington and Dunedin is not affected. Similar results have been experienced on the Wellington–Christchurch, Wellington–Auckland, Wellington–Wanganui, and other circuits.

Where it has been necessary to reconstruct and alter the route of sections of line, copper wire of 150 lb. and 200 lb. to the mile has been used with considerable improvement in the working-capacity of the wires affected. The most important of these changes so far completed are between Kaikoura and Waiau, and Paikakariki and Palmerston North.

An important alteration in the route of the main northern wires will be absolutely necessary between Masterton and Waipukurau. The line at present runs by way of Tenui and Herbertville