

The Service is indebted to the Egyptian State Broadcasting Service for placing at the disposal of our Broadcasting Unit in the Middle East regular periods to broadcast to our Forces.

Facilities were made available by the Service in connection with regular relays by radio telephone to the National Broadcasting Company of America of New Zealand news talks.

Technical.—Owing to the war, development work on studios or transmitting-stations remained suspended. Technical constructional work, however, was carried out to provide special broadcasting facilities in an emergency.

Listening watches have been maintained day and night on a number of overseas stations with regular recording of news bulletins, talks, &c.

The Radio Research Committee has restricted its work to such as has a direct bearing on the prosecution of the war. Other types of research have been suspended owing to shortage of staff.

The quality and efficiency of transmissions have so far been maintained, but necessary equipment is becoming increasingly difficult to obtain, and unusual vigilance and effort by a shortened staff are needed to maintain supplies and to keep the equipment functioning normally.

Financial Report.—The Revenue Account for the year ending 31st March, 1942, and the balance-sheet appear in parliamentary paper B.-1. [Pt. IV].

The revenue for the year amounted to £460,689, which comprised license fees, £420,201; receipts from sales of and advertising in *New Zealand Listener*, £28,248; interest, £11,257; and rents of land and buildings, £983.

Expenditure for the year was £261,130, leaving a surplus of £199,559. The chief items of expenditure were—programmes, £111,688; operation of stations, £43,368; administration, £32,817; *New Zealand Listener*, £30,956; depreciation, £35,788; Broadcasting Unit with New Zealand Expeditionary Force overseas, £4,110; miscellaneous, £2,403.

The capital assets at the beginning of the year were valued at £244,666. Additions amounted to £7,003, depreciation was £35,788, leaving a balance of £215,881 at the end of the year.

A further £260,000 was invested during the year to provide for future development, and to overtake arrears of construction and equipment which have been held up owing to war conditions, making a total of £800,000 now invested for this purpose.

JAMES SHELLEY, Director of Broadcasting.

SECTION II.—NATIONAL COMMERCIAL BROADCASTING SERVICE.

GENERAL.

Commercial Broadcasting under War Conditions.—The period under review represents the second complete year of operation under stress of war conditions, and in spite of these abnormal conditions the Service has established new peaks in both sales of station time and also in net profit. Since its inception sales revenue has climbed steadily from the sum of £98,419 in the first complete year of operation to the end of 31st March, 1938, to the sum of £224,514 for the year under review, last year's figures being £205,953. The net profit for the year was £62,983, an increase over the previous year of £10,899. As a general economy measure the customary accounts have been omitted from this report and will be published in B.-1 [Pt. IV] only.

National and Patriotic Services.—The authorities continued to use on an increasing scale the facilities of the Service for the broadcasting of National Service talks, announcements, &c., and considerable usage was made of the Service's own production unit for recording matter for the various branches of war publicity, &c. Marked success was achieved in the Liberty Loan and Bonds for Bombers Campaigns, &c.

Diversified Entertainment.—The functions of the Service to attract and hold the largest volume of listening by the provision of bright, popular, and diversified entertainment were maintained and further progress was made in the development of the Service's production studios and the utilization of local talent.

New Station Premises, Auckland.—On 6th October, 1941, Station 1ZB moved into new quarters in Durham Street, these premises being probably the most up-to-date and efficiently designed broadcasting studios in the Southern Hemisphere, comparing favourably with the latest trend in America and Great Britain.

C. G. SCRIMGEOUR, Controller.

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