exchanges, but in view of the world-wide demand for automatic-exchange plant it is likely to be some years before all the necessary switching-equipment can be obtained and installed.

During the year manual switchboards were installed at Island Bay (Wellington) and Wanganui East. The installation of this equipment has enabled many applicants for telephones in the areas served by the exchanges to be given service. In addition, by the diversion of local automatic subscribers to the manual exchanges, congestion in the automatic exchanges which previously served the areas concerned was relieved.

The Lower Hutt manual system was considerably extended during the year, thus permitting the provision of telephones to over 600 new subscribers, many of whom had been waiting for telephones for a considerable time.

Extensions of the automatic systems at Dunedin and Wellington are to be made shortly by installing new automatic exchanges at Anderson's Bay and Johnsonville respectively. These exchanges will provide for new connections in the respective localities and will also afford relief to the adjacent exchanges at South Dunedin and Khandallah.

In order to provide temporary relief pending the installation of new automatic equipment, manual switchboards are to be installed at Karori (Wellington) and Northeast Valley (Dunedin). A manual system has also been authorized for installation at Palmerston North to provide for new connections at that place until equipment for extending the automatic system is received and installed. In addition, it is proposed to establish temporary manual exchanges at Auckland, Christchurch, and Hamilton for the same purpose.

NEW EXCHANGES

A new manual telephone exchange with 55 subscribers was opened on the 3rd December, 1946, at Reporoa, in the Taupo County. Authority has also been given for the installation of manual exchanges at Tokoroa, in the Matamata County; at Oparau, in the Kawhia County; and at Glen Murray, in the Raglan County; and for the establishment of a rural automatic exchange at Ngatimoti, in the Nelson district.

AUTOMATIC-EXCHANGE EQUIPMENT

In automatic-exchange areas the following additional switching-equipment is being installed to provide for the connection of waiting subscribers:—

Location.	Capacity.	Expected Date of Completion.
Anderson's Bay	540 individual and 50 four-party lines	June, 1947.
Blenheim	200 individual lines	May, 1947.
${f Johnson ville}$	200 individual and 100 four-party lines	July, 1947.
Karori	320 lines manual (temporary relief)	Sept., 1947.
Khandallah	400 individual lines	May, 1947.
North-east Valley	320 lines manual (temporary relief)	June, 1947.
Oamaru	200 individual lines	May, 1947.
Palmerston North	600 lines manual (temporary relief)	May, 1947.
\mathbf{Roslyn}	200 individual and 100 two-party lines	June, 1947.

TOLL TRAFFIC

The number of toll calls handled continues to increase. During the year 22,696,474 calls were dealt with, compared with 20,970,161 for the previous year, an increase of 13 per cent. (See also Table No. 7 in Appendix.)