F.—1. xxvi

A quadruplex repeater set has been installed at Masterton, amply providing for much-needed extra communication between that office and Wellington, and at the same time allowing the latter office to work through to Dannevirke and intermediate offices.

It is intended to instal similar sets of instruments at Hawera and Palmerston North in the

near future.

Herbertville and Porangahau have been converted from Morse to telephone offices; and

Midhirst from telephone to Morse.

The "local" batteries in the Wellington office have been replaced by storage-cells, a change

which has proved both beneficial and economical.

Alfredton, Feilding, Inglewood, Opunake, Toko, Tolaga Bay, and Weber have been transferred to new offices erected at those places.

Cables.

On the 27th January, No. 4 Lyell Bay cable developed a fault, which has been located close to White's Bay. The cable can still be used for duplex purposes, but owing to the fault its capacity for work is reduced.

Repairs will be effected as soon as the s.s. "Tutanekai" is available for the work.

The three cables from Oterangi Bay to White's Bay, and the cable from Wanganui to Wakapuaka, have given no trouble during the year, and all are testing well.

Telephone Exchanges.

Preparations are being made to enlarge the switchboard-room at the Wellington Exchange to accommodate two additional sections of 300 each, which will soon be required to meet the steadily increasing number of subscribers.

The total number of subscribers on the 31st March was 1,731, an increase of 146 for the year. Of this number 1,644 are paying connections, 43 free, and 44 bureaux. The aggregate of all tele-

phones connected with this exchange is 2,041.

 $8\frac{1}{4}$ miles of poles and 131 miles of wire were erected during the year, making a total of 46 miles of poles and 1,613\frac{1}{4} miles of wire now connected with the exchange.

Feilding.—The removal to the new post-office necessitated practically the reconstruction of the exchange. 82 subscribers are connected.

Wanganui.—The number of subscribers is 321. A large amount of reconstruction work has

had to be done to strengthen the lines, which were overloaded in several of the main streets.

Napier.—A metallic circuit has been erected between the Napier and Hastings Exchanges, practically eliminating induction. This exchange has 326 subscribers. Other Exchanges.—The Manaia Sub-exchange has been refitted with a 50-number annunciator

and modern apparatus.

The transfer of the Inglewood Exchange to the new office necessitated the reconstruction of

the principal lines.

All the telephone exchanges in this district, of which there are now 23, are in good workingorder. Five new branch exchanges were opened during the year-viz., Carterton, Eketahuna, Hunterville, Patea, and Otakeho-while three more are in course of construction-viz., Dannevirke, Greytown North, and Waverley.

The subscribers connected with the several exchanges in the district total 3,761, an increase

of 437 during the year. The number of telephones in use connected with the exchanges is 4,078.

There are 200½ miles of poles and 2,815½ miles of wire now in use in connection with the exchanges in this district.

NELSON.

Construction.

The following lines and wires were erected during the year:—

Greymouth to Reefton, 48 miles, to enable the former office to have direct communication with Wellington; Blenheim to Nelson, 95½ miles, enabling Nelson also to work with Wellington

Kokatahi, Upper Kokatahi, Koiterangi, Rai Falls, Flat Creek, Whangamoa, Waitapu, Mahakipawa, and Woodstock were connected with the main system. The Okura River was spanned with 1 mile of line, and connected by telephone for signalling purposes. The total miles of poles and wire in this district is now $948\frac{1}{2}$ and $2,699\frac{1}{4}$ respectively.

Maintenance.

There has been a thorough overhaul during the year of the lines Ahaura-Greymouth, Greymouth-Hokitika, Hokitika-Okarito, and Lyell-Reefton. The line between Otira Gorge and Taipo has also been overhauled and put in order.

The lines across the rivers south of Okarito are all working well. The Waiho River will pre-

sently also be spanned for ferry purposes.

The sections Nelson-Hope Junction, Nelson-Wakapuaka Junction, Picton-Pelorus Bridge, have received a thorough overhaul, and spans shortened where necessary.

The Blenheim-Kaikoura section has also received attention, but requires extensive over-

hauling.

All telephone-offices have been supplied with the latest bridging bell telephones, considerably improving the conditions of working. The business throughout the district is increasing, and the wires are fully occupied.

Offices.

Nine new offices were opened during the year and one closed (Otira Gorge). Kaikoura office has been transferred to the charge of the Nelson Inspector.