

The sub-exchanges at Geraldine and Waimate are rapidly developing. To meet the requirements at Geraldine a second trunk wire is to be run from Timaru to Temuka, to relieve the present circuit, which at present serves both exchanges.

Two new cables have been run into the Ashburton Exchange to provide for additional connections.

For the Timaru Exchange larger poles were erected to replace those overloaded and unsafe. Provision was also made for future requirements. A fire which occurred in this exchange on the 22nd July damaged several cables. The necessary repairs were quickly effected without inconvenience to subscribers.

A new room was built to accommodate the telephone exchange at Waimate.

The Waimate-Glenavy trunk metallic circuit was opened on the 19th April, 1905.

A second wire has been run from Timaru to Fairlie to provide, with the present wire, a metallic circuit between those places. Much improvement in telephonic communication has resulted.

At the Christchurch Exchange a new section of branching multiple switchboard, providing for 450 connections, was added to the switchboard early in the year. Two new sections, each of which will provide for 450 connections, are under order. When these are in position there will be switchboard accommodation for 3,300 subscribers. The installation of metallic circuits for subscribers has begun, and is being proceeded with as rapidly as possible. The greater part of the work of erecting the requisite poles has been completed, and 4 miles of overhead cables have been suspended. The work has been delayed by building operations, the room for the terminal apparatus not being yet available. The motor and the air-compressor for air-drying the insulation of lead-covered cables are now in position, and it is expected that they will be working shortly.

The number of subscribers' connections to the Christchurch Exchange is 1,887, comprising 1,800 paying connections, and 40 free and 47 bureau connections.

Considerable alterations to the lines throughout the city, such as strengthening poles, altering routes, elevating and insulating wires in connection with the introduction of electric tramways, &c., have been effected during the year.

There are 502 extension telephones in the district, of which 425 are connected with the Christchurch Exchange and 58 with that at Timaru.

There are 2,562 connections in the district, as compared with 2,236 for last year, which gives an increase of 326 connections.

The total length of line and wire is 176 miles and 2,656 miles 45 chains respectively.

DUNEDIN DISTRICT.

Construction.

The following lines and wires have been erected during the year:—				Poles.	Wire.
				M. ch.	M. ch.
Invercargill to Mabel Bush	...	...	...	13 0	16 0
Mosgiel to Momona	...	...	...	2 20	9 20
Bluff to Green Hills	...	...	...	...	5 0
Invercargill to Awarua Plains	...	...	...	...	1 60
Balclutha to Hillend	...	...	...	6 50	11 0
Invercargill to Gore (second trunk metallic circuit)	...	...	...	...	85 0
Oamaru to Kurow (trunk wire)	...	...	...	...	46 0
Dunedin to Mosgiel (trunk wire)	...	...	...	...	22 0
Morrison's to Islay Downs	...	...	...	0 20	1 40
Dunedin to Milton (trunk wire)	...	...	...	...	37 0
Waikouaiti to Merton	...	...	...	...	5 40
Clydevale to Greenfield	...	...	...	3 0	3 0
Warepa to Kaihiku	...	...	...	3 0	3 0
Centre Bush to Dipton (bureau wire)	...	...	...	...	11 0
Rough Ridge to Ida Valley	...	...	...	5 0	5 0
Oamaru to Ngapara (Morse circuit)	...	...	...	...	12 40
Maheno to Hampden Square	...	...	...	...	13 0
Waimahaka to Waikawa and Otara	...	...	...	36 0	37 40
Mossburn to Te Anau and Manapouri	...	...	...	52 0	52 0
For the Public Works Department:—					
Chatto Creek to Alexandra South	...	...	...	10 40	10 40
Owaka to Catlin's River Camp	...	...	...	5 0	5 0
For the Railway Department:—					
Edendale to Kamahi	...	...	...	...	3 60
Tapanui to Kelso	...	...	...	...	4 0
				136 50	400 20

There were 2,013½ miles of line and 4,822½ miles of wire in the district on the 31st March, 1906, exclusive of telephone-exchange connections.

Maintenance.

With the exception of the break in the Stewart Island cable, from the end of November to the 8th December, there have been but few interruptions during the year, all lines having worked satisfactorily. About one-fourth of the lines of the district has received an overhaul. When running trunk lines and other extensions it has been necessary to strengthen and overhaul the existing lines.