

*Offices.*

Thirty new offices were opened, one was closed, and one was transferred to the Christchurch district. The number of offices at the end of the year was 301—viz., 71 Morse and 230 telephone stations.

*Telephone Exchanges.*

Three new exchanges have been opened—viz., at Balfour, with 6 subscribers; Lawrence, with 30; and Mosgiel, with 22 subscribers—making a total of 25 exchanges for the district. The number of subscribers' connections has increased during the year from 2,668 to 2,970. Of these 2,668 are paying connections, 46 are free, and 256 are bureau connections. This is an increase of 302, as compared with 189 during the previous year. Including 555 extension telephones, the total number of connections at all exchanges is 3,525.

In connection with exchanges in the district there are 153 miles 20 chains of line and 2,416 miles of wire.

The business between Invercargill and Gore having outgrown the capacity of one metallic circuit, it became necessary to run an extra pair of wires. As two metallic circuits were thus established, the Department was enabled to superimpose on these a third metallic circuit. By this means the telephone accommodation between those places has been trebled. These circuits were arranged so that, if necessary, the third circuit might be temporarily dispensed with and a Morse connection superimposed on each metallic circuit.

Increased telephonic accommodation which was required between Invercargill and Bluff was provided by similarly superimposing a third circuit on two circuits already in use. The Mataura telephone circuits to Invercargill and to Gore, which were previously single wires and liable to strong induction, were converted into metallic circuits by connecting the telephone-wire to a telegraph-wire and superimposing a Morse circuit.

A trunk wire was run from Oamaru to Kurow, and, in conjunction with an existing telegraph-wire, provided a telephone circuit, with the Duntroon office intermediate, the Morse circuit being superimposed. This improved the imperfect working that had been experienced as the result of two telephone earth-circuits having been erected parallel to each other, and facilitated the transmission of messages.

The total connections to the Dunedin Exchange number 1,848, an increase of 146 for the year. Of these 1,785 are paying connections, while 22 are free and 41 are bureau connections. There are 440 extension telephones, an increase of 54 for the year.

Steady progress has been made in Dunedin with the conversion of exchange connections from earth-return to metallic-return circuits. All subscribers (numbering 310) in the suburbs of Anderson's Bay, Caversham, North-east Valley, St. Clair, St. Kilda, South Dunedin, and Woodhaugh have had their connections thus improved.

Of metallic-circuit double wires in lead cables 876 miles have been erected. Of this 489 miles have been brought into use, displacing open aerial wire to the extent of 416 miles, of which 246 miles have been dismantled.

The total mileage of line connected with the Dunedin Exchange is 76. Including single-wire and metallic circuits in use, the mileage of wire is 1,856.

For the Invercargill Exchange a new branching multiple switchboard has been ordered, and is expected to arrive shortly. The necessary alterations have been made to accommodate the switchboard.

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