The average value of each bureau message was 5.84d., as against 5.42d. in 1908-9.

The following figures show the growth of the traffic in bureau messages as compared with ordinary telegrams:—

Average Value.

telegrams:—	Average Value.	
	Year 1909–10.	Year 1908-9.
The total number of ordinary (65,793, or) and receipts de- (£157 11s. 4d., telegrams increased by (1.26%) creased by or 0.10%	7·49d.	7·59d.
The total number of bureau communications increased by \[\begin{array}{lll} \ 120\%_0 & \ & \ & \ & \ & \ & \ & \ & \ & \ &	5·84d.	5·42d.

The number of Government telegrams forwarded was 89,762, valued at £4,850 17s. 2d., as compared with 87,676, valued at £4,821 10s. 10d.—an increase of 2,086 in number and £29 6s. 4d. in amount.

The number of paid forwarded telegrams to every hundred letters posted in New Zealand was 8.32.

NEW ZEALAND CABLE SERVICES.

At Orewa River three pieces of three-core cable, aggregating 440 yards, were laid to replace two short pieces which had to be abandoned owing to alterations to the bridge.

At Ohiwa a length of 10 chains had to be spliced in the cable owing to sea-encroachment.

On two occasions the D'Urville Island - Stephen Island cable has broken on the shore at the Stephen Island end. Repairs were promptly effected by the Nelson staff.

Two of the Cook Strait cables, Nos. 1 and 3, Oterangi Bay, developed faults in August, 1909. Repairs were effected after some delay caused by heavy sea.

OCEAN CABLE SERVICES.

The ordinary international telegrams for the year increased 9.4 per cent., and the intercolonial decreased by 8.19 per cent.

New Zealand's proportion of the deficit of £60,887 9s. 10d. on the seventh year's working of the Pacific cable, 1908-9, amounted to £6,765 5s. 6d.

The receipts and working-expenses of the Pacific cable for the year ended the 31st March, 1910, are estimated as follows:—

		£			£
Traffic revenue	 	113,000	į	Annuity and renewals	 109,315
Estimated deficit	 	59,683	i	Working-expenses	 63,368
			1		
		£172,683	İ		£172,683

New Zealand's proportion of the loss is stated at £6,631.

Of the ordinary paid business, the Pacific obtained—in 1907, 88 per cent.; in 1908, 85 per cent.; and in 1909, 83 per cent.; the Eastern Company's share being 12, 15, and 17 per cent. during the same years.

The following figures show the total number of forwarded ordinary telegrams for each of the past three years:—

Pacific.			E.E.A. & C.				
Year.		Messages.	Year.		Messages.		
1907	•••	102,490	1907	• • •	13.610		
1908	•••	101,724	1908	•••	18,873		
1909		96.648	1909		19,812		

The average best times in which messages are handled on the Pacific route are :-

							H.	m.
From	London	•••	• • •	• • • •	•••	• • •	 1	26
,,	America	•••					 0	16
"	Sydney	• • •					 0	5
	Melbourne						 0	18

During the year New Zealand has given the Pacific route 83.77 per cent. of the ordinary business to Australia.

1,050 Press telegrams were sent via Pacific and 1,220 via Eastern, compared with 1,142 and 1,262 respectively last year.

Regulations were issued on the 16th September dealing with the procedure to be followed by persons wishing to submit telegraph codes for examination. Persons can thus obtain an assurance by means of a certificate that their codes meet the requirements of the International Telegraph Regulations.

The Press cable rate to and from the United Kingdom was reduced from 1s. to 9d. a word from the 1st August, 1909. At the same time the New Zealand terminal and transit rate for all international Press matter was reduced from 1d. to ½d. per word.

From 1st August. 1909, the Department's business at Wakapuaka was transferred to the charge of the Eastern Extension Australasia and China Telegraph Company (Limited), which now works on beha'f of the Department the land lines communicating with Wellington and Nelson.

A break in the Doubtless Bay - Norfolk Island cable occurred on the 5th March, 1910. Communication was restored on 10th idem.