

The regulations are proposed to be revised in the following manner :—

No. 10 clears up the point in dispute as to whether charitable institutions should pay the whole cost of a line or only that beyond 1 mile from the exchange, as was intended.

No. 11 provides for a reduction of £1 on additional exchange-connections in the same premises. This should encourage business houses to subscribe for a number of wires covering necessary requirements.

No. 13 reduces the charge to a uniform rate of 10s. per annum for every additional $\frac{1}{4}$ -mile up to 3 miles, and 15s. per annum beyond 3 miles. If a special line of poles has to be erected beyond the 3 miles, the charge is £1 per $\frac{1}{4}$ mile.

No. 14 clearly defines points which have been in dispute about the use of extension telephones and annunciators in business premises, generally known as private branch exchanges.

No. 15 specifies the term for which subscribers have to sign bonds for long lines.

No. 16 provides a charge for temporary connections of 10s. for the first fortnight and 5s. for every subsequent week, plus the net cost of making the connection. This has heretofore been undefined.

No. 17 provides that subscribers who have already paid for the cost of construction beyond the 3 miles limit will be charged a uniform rate of 10s. per $\frac{1}{4}$ -mile, instead of 15s. for a circuit on an existing line and £1 for a circuit on a special line, as heretofore.

Nos. 19, 20, 21, 22, and 23 are fully dealt with in the preceding remarks.

It is proposed for long-distance telephones over trunk lines to increase the mileage at the 1s. 6d. rate from 140 to 150 miles, and at the 2s. rate from 180 to 200 miles, and to charge an additional 6d. for every 50 miles thereafter.

While it is necessary that the rules should be sufficiently rigid, the Department reserves the option, where spare wires, either cable or aerial, exist, to extend the maximum distance specified to the limit of such wire on the usual mileage charge.

The foregoing proposals will meet the convenience of a largely increased section of the public. There is, however, another section to whom relief should be given as early as possible. While under the new proposals a subscriber may, by combining with a neighbour, rent a party wire at a reasonable rate, a different principle will be applied as rapidly as possible to the principal cities. It is not desirable at present to make definite proposals, as, if automatic exchanges are introduced, it is hoped that it will be possible to treat the metropolitan areas as single exchanges without regard to the distance of the subscriber from the main exchange. This will be possible under the automatic system, as branch exchanges can be worked without attendants. The ultimate object will be to place automatic branch exchanges within about 2 miles of each other, or as may be found convenient, so that no subscriber's individual wire need exceed 1 mile. The present difficulty could, of course, be overcome by erecting branch exchanges at such places as Newtown with junction wires to the city exchange; but it would not, in view of the proposed introduction of modern apparatus, be desirable to incur such a large expenditure. The practical perfection of automatic and semi-automatic exchanges appears to be so assured that it would be at present unwise to incur cost for extending manual exchanges in outlying parts of the principal cities.

J. G. WARD,

Postmaster-General.

COMPARATIVE STATEMENT.

	Continuous Service.				Not open continuously.			
	Business.		Private Residences.		Business.		Private Residences.	
	Present Rates.	Proposed Rates.	Present Rates.	Proposed Rates.	Present Rates.	Proposed Rates.	Present Rates.	Proposed Rates.
	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.
1 subscriber, $\frac{1}{4}$ mile ..	7 0 0	7 0 0	5 0 0	5 0 0	5 0 0	5 0 0	5 0 0	5 0 0
1 subscriber, 1 mile ..	8 0 0	8 0 0	5 0 0	5 0 0	6 0 0	6 0 0	5 0 0	5 0 0
2 subscribers, 1 mile ..	6 10 0	6 0 0	4 0 0	4 0 0	4 10 0	4 10 0	4 0 0	3 10 0
3 subscribers, $1\frac{1}{2}$ miles ..	6 13 4	5 6 8	4 6 8	3 6 8	4 13 4	4 0 0	4 6 8	3 0 0
4 subscribers, 2 miles ..	6 15 0	5 5 0	4 10 0	3 5 0	4 15 0	4 0 0	4 10 0	3 0 0
5 subscribers, $2\frac{1}{2}$ miles ..	6 16 0	5 5 0	4 12 0	3 5 0	4 16 0	4 0 0	4 12 0	3 0 0
6 subscribers, 3 miles ..	6 16 8	5 5 0	4 13 4	3 5 0	4 16 8	4 0 0	4 13 4	3 0 0
3 subscribers, 5 miles ..	9 13 4	8 6 8	7 6 8	6 6 8	7 13 4	7 0 0	7 6 8	6 0 0
Capital cost, each ..	12 0 0	Nil	12 0 0	Nil	12 0 0	Nil	12 0 0	Nil
5 subscribers, 5 miles ..	8 4 0	6 13 0	6 0 0	4 13 0	6 4 0	5 8 0	6 0 0	4 8 0
Capital cost, each ..	7 4 0	Nil	7 4 0	Nil	7 4 0	Nil	7 4 0	Nil
5 subscribers, $7\frac{1}{2}$ miles ..	10 4 0	8 13 0	8 0 0	6 13 0	8 4 0	7 8 0	8 0 0	6 8 0
Capital cost, each ..	24 4 0	Nil	24 4 0	Nil	24 4 0	Nil	24 4 0	Nil
5 subscribers, 10 miles ..	12 4 0	10 13 0	10 0 0	8 13 0	10 4 0	9 8 0	10 0 0	8 8 0
Capital cost, each ..	41 4 0	8 10 0	41 4 0	8 10 0	41 4 0	8 10 0	41 4 0	8 10 0

The estimates relating to 5 miles and over are based on the supposition that the first 5 miles consist of a circuit on an existing line of poles; beyond 5 miles, special poles. Up to 3 miles, 10s. per $\frac{1}{4}$ -mile; 3 to 5 miles, 15s.; and over 5 miles, £1 per $\frac{1}{4}$ -mile.