

laid, chiefly at Wellington and Auckland. A start has been made at Christchurch to place the cables underground, and similar work will be commenced at Dunedin and other centres next year. Cables providing for 25,150 miles of subscribers' wires were drawn into the conduits during the year.

SLOT TELEPHONES.

The number of slot telephones in use at the principal centres of population throughout the Dominion on 31st March, 1915, was 139, as against 93 for the previous year.

The revenue derived from these machines totalled £4,359, as compared with £2,633 for the year 1914, an increase of £1,726, or 65·55 per cent.

Coin-in-slot telephones were installed temporarily at the Military Camp, Christchurch, and the Show-grounds, Christchurch and Dunedin.

A reduction from 2d. to 1d. was made for each conversation from a slot telephone situated within half a mile from the telephone exchange at Auckland, Wellington, Christchurch, or Dunedin as a preliminary step towards extending the distance when supplies are available. The individual returns from the penny-in-the-slot telephones, as compared with the amounts derived at the twopenny rate from the same machines before the reduction, show that in many cases there was an actual increase in the amount earned. The action of the Department in reducing the rate for machines within a radius of half a mile from the central exchange has been amply justified.

In view of the repeated theft of amounts from slot-telephone cabinets the Department has found it of advantage to offer to pay a reward of £5 to any police officer securing a conviction for such offence.

AUTOMATIC EXCHANGES.

The building to accommodate the apparatus of the new system at Courtenay Place, Wellington, has been finished some time, and the alterations to provide for like apparatus at Newtown have been made. Some of the apparatus has come to hand, and has been placed in position in both buildings. Other portions that have arrived cannot be erected until further shipments are to hand.

The automatic-exchange building at Masterton has been completed, and some of the equipment erected. Further work is hindered by reason of the non-arrival of materials. The contracting company was manufacturing at Antwerp and London the apparatus for the several exchanges for which tenders had been accepted. As is well known, Antwerp fell into the hands of the Germans. Fortunately, the company was able to get away to London large quantities of the manufactured goods and the special tools used in their manufacture. These tools will be set up in factories in London and in America. When that has been done—and it is being carried out as vigorously as possible—a revival of manufacture on an extensive scale will begin, and will be carried on without cessation. It was expected that the materials necessary for the completion of the works under the existing contract would be manufactured in London, but in the meantime other difficulties have arisen, such as congestion of shipping and scarcity of skilled craftsmen, most of whom familiar with the manufacture of these appliances were Belgians, and have gone on active service. The company's factory in London was also largely depleted of men owing to recruiting necessities, and that factory has also been utilized to a large extent in the manufacture of war supplies, and the latest information is that it may be even more largely called upon to engage in that work. There is, therefore, little immediate prospect of large arrivals of the necessary materials to get on with the automatic exchanges until there has been time for the manufacture elsewhere to be put in hand, or until there is a marked turn in the tide of war events.

Tenders have been let for the erection of buildings to accommodate the apparatus at Mount Eden, Remuera, Ponsonby, Hamilton, and Blenheim. The work of erection at the first three named will be shortly completed. Hamilton has been begun, and the building at Blenheim is soon to be begun. Alterations necessary at Oamaru are being put in hand immediately. The plans of a suitable building to accommodate the new exchange apparatus and to meet post-office requirements at Wellesley Street, Auckland, are now being prepared by the Government Architect.

The present Strowger automatic plant will be continued in use for some time even after some of the exchanges of the Western Electric system are in operation, and special apparatus designed to enable that to be done is being provided.

In the Wellington telephone area, plans for a suitable main office telephone exchange, the site to be partly contiguous to and partly upon the present telephone-exchange site, will shortly be prepared. An exchange building will also be provided at Kelburn on a suitable site already obtained. Provision is also to be made for small district exchanges at Khandallah and Karori. Excepting Khandallah, for which it is necessary to make early provision, the others named are not immediately pressing.

When Courtenay Place and Newtown exchanges are equipped and working under the new system the manual switchboard, upon which there is considerable congestion at the present time, will be relieved.

A new building fronting Hereford Street, Christchurch, is to be erected, which will accommodate automatic switching apparatus, and serve for several other post-office requirements.

Sub-exchanges will be erected at Sydenham Post-office and at St. Albans, at which latter place a suitable site has been obtained. The Sydenham Post-office has ample room for the installation necessary there, and only comparatively slight alterations are called for.