GENERAL.

There are 11,066 miles of wire being used exclusively for telephone toll work, and 14,532 miles used exclusively for telegraph Morse work; 25,630 miles are being used simultaneously for telephone toll and telegraph Morse.

During the year 3,361 miles of line were reconstructed and overhauled.

The total length of trench line for telephone cables on 31st March, 1921, was 93 miles, and in this length of trench 246 miles of single-duct line of various kinds were buried.

TELEPHONE TOLL COMMUNICATIONS.

By a rearrangement of existing long-distance telephone and Morse circuits toll communications were made possible over a much wider range than hitherto, thereby giving intercommunication between the subscribers of the principal telephone exchanges in the Napier, Gisborne, Wanganui, New Plymouth, Palmerston North, Wellington, and Auckland districts during certain hours.

To enable intercommunication to be carried on between Christchurch, Blenheim, and Nelson, and

To enable intercommunication to be carried on between Christchurch, Blenheim, and Nelson, and between Wellington, Blenheim, and Nelson, Morse wires are now used for telephonic purposes during the hours that they can be released from telegraph work. Christchurch, Blenheim, and Nelson intercommunicate between the hours of 10 p.m. and 8 a.m. on week-days, and all day on Sundays. The Wellington-Blenheim-Nelson service is practicable only during the period 2 a.m. to 6 a.m. on week-days and Sundays.

With the inauguration of the foregoing services a revision of the charges for conversations over improvised circuits was considered necessary, and to this end the special charge for communications over these circuits was abolished in favour of the standard toll charges.

TELEPHONE FACILITIES FOR BACKBLOCKS.

Owing to the shortage of suitable material, the operation of the scheme to provide telephone facilities for backblock settlers has been rather restricted, but it is hoped that, with material becoming more plentiful, telephone communication with the backblocks will be considerably extended during 1921.

Automatic-telephone-exchange Installations.

An automatic-telephone exchange, having a capacity of 2,000 lines, was opened at Hamilton, replacing an obsolete manual switchboard by the very latest product of modern telephone engineering. Extensions to existing automatic or manual apparatus were made at all the principal centres, in order to relieve the situation as far as possible until those centres can be converted wholly to automatic working, which has been delayed to a large extent by the non-completion of buildings and the non-arrival of suitable automatic switchboard apparatus. Automatic exchanges are now in course of erection at Auckland, Palmerston North, Wanganui, Kelburn (Wellington), and Oamaru. New central automatic exchanges are being considered for Dunedin and Wellington, and a central exchange building is in course of erection at Christchurch. Owing to the comparative shortage of materials, the development of the telephone system has necessarily been handicapped in this as in other countries, but every effort is being made to provide for all requirements as speedily as conditions will permit.

AUTOMATIC PRINTING TELEGRAPHS.

The installation of automatic printing telegraphs has been delayed owing to the non-arrival of the greater part of the apparatus, which is long overdue. A portion of the necessary material has now been received, and staffs are being trained in anticipation of the early introduction of this up-to-date system.

SLOT TELEPHONES.

The total number of slot telephones in use at the end of the year was 319, against 295 at the end of the preceding year. Additional installations were authorized, but, on account of shortage of material, the manufacture of the machines has been delayed.

Installations in business centres continue to return revenue sufficient to cover working-expenses. Those in residential areas are not so remunerative.

The revenue for the year amounted to £18,512, being an increase of £1,040 over the previous year. The system may therefore be regarded as a success financially, as well as a convenient method of affording telephonic facilities to the general public.