

SESSION I (23RD PARLIAMENT).

1928.

NEW ZEALAND

POST AND TELEGRAPH DEPARTMENT

SPECIAL REPORT BY THE PRIME MINISTER (RIGHT HON. J. G. COATES).

Laid on the Table by Leave of the House.

REVENUE AND EXPENDITURE.

DURING the last eight years every effort has been made to conduct the Post and Telegraph Department as a business concern. Every opportunity has been seized of increasing the Department's business, which is so bound up with the business and social life of the community. That this policy has met with great success may be seen from the following figures: In 1921-22 the receipts amounted to £2,811,535, and the payments to £2,451,571; in the year 1927-28 the receipts rose to £3,329,511, while the payments fell to £2,299,571.

ACCOUNTING BRANCH.

Since 1920 many improvements of a major character have been carried out in the Department's Accounting Branch. The introduction of commercial balance-sheets and profit and loss accounts involved the adoption, in the Accounting Branch, of business methods and principles. To enable the Department to be placed on a sound commercial basis, with its own depreciation and other reserve funds, the Post and Telegraph Act was amended in 1927. The establishment of costing systems has led to a great increase in economy and efficiency. The introduction of machine accounting and labour-saving mechanical calculating-devices also has led to increased efficiency.

POST OFFICE SAVINGS-BANK.

In the Post Office Savings-bank Branch every effort has been made to increase the facilities for making deposits. During the last few years a number of sub-offices have been created ledger offices, thus enabling an increased number of depositors to withdraw their money without delay. Friday night attendance for the receipt of deposits has been extended to a number of sub-offices.

Arrangements have been made for depositors to authorize the withdrawal from their accounts by the State Advances Department of their periodical State Advances instalments.

In the case of deceased depositors the amount at credit which will be paid without production of probate or letters of administration has been increased from £100 to £200. This has proved a great boon to widows and other claimants of small means.

Arrangements have been made with the Australian Savings-bank Administration whereby the transfer of a portion of the amount at credit of savings-bank depositors in New Zealand may be made. Formerly it was necessary for the depositor to transfer the whole amount at credit.

A system of letters of credit has been established whereby a depositor may present a letter of credit at any branch of the Post Office Savings-bank and obtain such moneys as he may require within the limits authorized.

NEW POSTAL DISTRICTS.

Two new postal districts have been established, with Hamilton and Palmerston North as the respective chief post-offices. In view of the growth of the Auckland and Wellington Postal Districts, the establishing of new districts was deemed desirable in the interests of speeding up the conduct of public business.

POSTAGE-RATES.

In February, 1923, the rates of postage, which had been increased as a result of the additional burden cast on the country by the war, were reduced—the letter rate from 2d. to 1½d., the packet rate from 1½d. to 1d., and so on. In October, 1923, it was found possible to reduce still further the rates of postage. The letter rate was reduced from 1½d. to 1d., and the packet rate from 1d. to ½d.

In 1924 there was introduced a concession rate of ¾d. for "Householder" packets posted in numbers of 250,000 or more by one sender at one time. It was later found possible to grant a further concession, in that the ¾d. rate applies in the case of a 250,000 posting spread over any period of twelve months.

It was found possible in January, 1926, to introduce a cheap postage-rate for library books. Books exchanged between libraries, between libraries and their subscribers, between recognized book clubs and their subscribers, may now be sent within New Zealand at the rate of 2d. for 1 lb. and 1d. for each additional 1 lb. up to 5 lb. This cheap rate has proved a boon to the country reader.

PREVENTION OF LOSS OF POSTAGES TO THE UNITED STATES OF AMERICA.

Prior to 1922 the New Zealand Post Office retained the postages on parcels addressed to the United States of America, and the United States of America retained the postages on parcels addressed to New Zealand. This arrangement was most inequitable, as the United States forwarded to New Zealand many more parcels than New Zealand sent to the United States. In 1922 this disability was removed by the introduction, at the request of New Zealand, of a system of accounting, under which the country of origin pays to the country of destination 20 cents in respect of each parcel despatched.

INSURED-PARCEL POST.

The insured-parcel-post system was extended in March, 1925, to parcels exchanged between New Zealand and Australia; in October, 1925, to parcels exchanged between New Zealand and Canada; and in July of the following year to parcels exchanged between New Zealand and Fiji.

CASH-ON-DELIVERY SYSTEM.

The system of cash on delivery for post parcels exchanged between Great Britain and New Zealand was introduced in January, 1920. Under the system it is possible for a person in New Zealand to order goods from Great Britain, to have them despatched by parcel-post, and to pay for them on delivery. Similarly, a person in Great Britain may order goods from New Zealand and pay for them on delivery.

This system was adopted as a result of representation by the British Government.

In July, 1926, the system was extended to parcels exchanged between New Zealand and Fiji.

PARCEL-POST TO GREAT BRITAIN: INCREASED WEIGHT-LIMIT.

The acceptance of parcels weighing up to 22 lb. for Great Britain was commenced in August, 1927. Prior to this the weight-limit was 11 lb.

DELIVERY AND RECEIPT OF MAILS ON FAST-MOVING TRAINS.

An automatic mail-bag-exchanging device, for use in dropping and picking up mails from fast-moving trains, was successfully operated at Levin on the 8th March, 1928, when the south-bound Main Trunk express, travelling at a speed of thirty miles an hour, dropped a mail for Levin and picked up one for Wellington. The

use of the exchanger enables certain correspondence from the Auckland, Taranaki, and Napier districts, and from Palmerston North, to reach Levin nearly four hours earlier, and certain correspondence from Levin to be delivered in Wellington some eighteen hours earlier.

OCEAN MAILS.

Mail-services to and from Great Britain via North America have been speeded up and placed on a better basis. Regularity in the departure and arrival of contract vessels has been ensured.

MARINE POST OFFICE.

In 1923 the system of employing mail-agents on the mail-steamers plying between Wellington and San Francisco and between Auckland and Vancouver was reintroduced. The result has been of considerable advantage to the business community and to residents outside the centres, in that delivery of overseas mails is made from twelve to twenty-four hours earlier than under the old system. The presence of mail-agents on the steamers also permits the Department to accept letters up to a later hour.

In addition to their ordinary duties, the mail-agents act as publicity agents for the New Zealand Railway Department. While *en voyage* they take the opportunity of advising passengers of the beauties and grandeurs of New Zealand scenery, of the tourist resorts, and of the almost unique opportunities for sportsmen. Lectures on these features are delivered at gatherings of passengers, and every help given in arranging tours in New Zealand. The agents are meeting with considerable success in their work, and but for their efforts many people who have toured the Dominion would have passed New Zealand by.

AERIAL MAILS.

In 1920 experiments were made with the carriage of mails by aircraft. Trials were made by seaplane between Auckland and surrounding districts, from Gisborne to Tokomaru Bay and to Napier, from Wanganui to Napier, and by aeroplane from Christchurch to Timaru via Ashburton. Letters were carried by air for the small additional postage fee of 6d. It was found, however, that the time was not then ripe for introducing, as a permanent arrangement, the system of aerial carriage of mails.

RURAL MAIL DELIVERIES.

Since 1922 a nominal charge for the delivery and collection at settlers' gates of mail-matter in rural areas has been made. The revenue so obtained has enabled the Department to extend the rural delivery system to more remote districts, and thus to bring the farmer into closer touch with the markets. It has also enabled the Department to effect improvements in mail communication with places which formerly were served but inadequately. The popularity of the rural delivery system is evidenced by the growth in the number of boxes—from nine thousand in 1922 to eighteen thousand in 1928.

PUBLICITY CAMPAIGNS.

The year 1927 marked the inauguration of publicity campaigns by the Post and Telegraph Department.

CONSOLIDATION OF POST AND TELEGRAPH ACTS.

In 1928 the Post and Telegraph Act, 1908, and amending Acts were consolidated in the Post and Telegraph Act, 1928.

CHAMBER OF COMMERCE MEMBERSHIP.

In order to assist the commercial community, permission was given in 1921 for Chief Postmasters and Postmasters to accept membership of Chambers of Commerce as representatives of the Department. The Chief Postmaster or Postmaster states the views of the Department on any departmental matter that comes up for discussion, and gives his prompt personal attention to any matter on which action requires to be taken.

STORES.

Since 1922 it has been the practice in dealing with tenders for the supply of stores to give preference firstly to goods of New Zealand manufacture, and secondly to goods of British origin. For goods made in New Zealand from primary products the preference is against British goods 10 per cent., and against foreign goods 20 per cent. For goods made in New Zealand from imported materials the percentages are 5 and 15 respectively. As the result of this policy many orders have been placed within the Dominion notwithstanding that such action involved a greater expenditure than would have been the case had the orders been placed overseas.

BUILDINGS.

One hundred and forty-nine post-office buildings have been erected since 1920—a yearly average of more than sixteen buildings. The total expenditure was approximately £600,000.

Additions were made to fifty existing post-office buildings, ranging in cost from £5,000 to £22,000. The erection of the buildings, &c., was necessary in order to keep pace with the progress of the Department's business. The structures have been planned on the most modern lines, and with a view to providing every facility for the convenient transaction of business.

Government recently authorized the erection of five large post-office buildings. Among these is the Dunedin Chief Post-office, nine stories high, estimated to cost not less than £200,000; Napier, £53,000; High Street (Christchurch), £16,000; Courtenay Place (Wellington), £30,000.

To overcome the difficulty experienced by officers of the Department in securing housing accommodation at certain places, Government have, since 1920, authorized the erection or purchase of forty-five residences for occupancy by departmental officers.

Consistent with its efforts to provide the country with the very best postal service, Government have, since 1920, authorized the expenditure of a considerable sum for the purchase of motor-vehicles, and for the erection of twelve workshop buildings and fifty garages. Facilities are being provided at each of the centres for the storage and delivery of petrol by the latest methods.

PUBLIC SERVICE GARAGES.

There was established in 1922 the Public Service garage system. In effect, Government motor transport (with the exception of the transport of some Departments which it is not practicable to place under the system) in the four principal centres is controlled by the Post and Telegraph Department, which hires vehicles to other Departments. Considerable economy is effected by this system of centralized control.

In the purchase of motor-vehicles preference is given, wherever practicable, to vehicles of English manufacture.

REGISTRATION OF MOTOR-VEHICLES.

The registration and licensing of motor-vehicles, formerly undertaken by local authorities, has, since the 1st January, 1925, been controlled by the Secretary of the General Post Office in his capacity of Registrar of Motor-vehicles. The present system is a vast improvement on the former one. It provides an adequate check on the payment of license fees, and an efficient index whereby any motor-vehicle can be traced immediately either by the registration number or by the name of the owner. All fees received in excess of the amount required for working-expenses are paid into the Main Highways Account for the purpose of improving and maintaining public roads. Local industry is fostered by the manufacturing of the motor-registration number-plates within the Dominion.

REFUND OF MOTOR-SPIRITS TAX.

Persons using motor-spirits in milking-machines, farm-tractors, launches, &c., are entitled to receive a refund of duty paid on such motor-spirits. Ninety-two per cent. of the net duty collected from motor-spirits used in motor-vehicles on which a license fee is payable is paid into the Main Highways Account; the balance is apportioned among larger boroughs.

TELEGRAPH RATES.

In 1923 the rate for ordinary inland telegrams was reduced from 1s. to 9d. for twelve words.

A night letter-telegram service was introduced in November, 1920, the charge being 1s. 6d. for thirty-six words. In 1923 the charge was reduced to 9d. for twenty-seven words.

Since 1920 the rate per word on ordinary cable messages exchanged with Great Britain has been reduced by 9d. per word; with Canada, by 6d.; Germany, by 7d.; France, by 5d.; Italy, by 5½d.; Holland, by 6d.; Union of South Africa, Rhodesia, South-west Africa, and British Central Africa, by 7d.; Fiji, by 2d.

In the case of South Africa the reduction, effected in June last, was the result of strong representations made by New Zealand prior to the visit to South Africa of a New Zealand Rugby football team.

The week-end cable service to Great Britain was resumed in 1921, after being suspended for over four years. The rate was then 13s. 4d. for twenty words. It has since been reduced to 11s. 8d. for twenty words.

A daily letter-telegram service to Great Britain and Canada was introduced in 1923. It has since been extended to the United States of America, and to most of the British possessions, including India, Ceylon, British Central, East, and West Africa, and the Union of South Africa.

A night letter-telegram service was established in 1924 between the Dominion and Australia, and between the Dominion and Fiji.

Various alterations favourable to newspapers have been made in the method of charging for inland press telegrams.

COMBINED TELEGRAM-FORM AND ENVELOPE.

A combined telegram-form and envelope which has been introduced makes for a speedier service and eliminates error. It also tends to permit economies in staff.

SPECIAL SPORTS NEWS SERVICE.

In connection with matters of exceptional interest to the public generally, as, for example, the tours of England and South Africa by a New Zealand representative Rugby football team, and the tour of England by a New Zealand representative cricket team, arrangements were made for official messages conveying the results of matches played to be exhibited for public information at all telegraph and telephone offices. The information was also supplied to telephone exchanges and communicated to subscribers on request. Similar services were given in connection with the tragic attempt at a trans-Tasman aeroplane flight by Messrs. Moncrieff and Hood, and the recent successful flights by Captain Kingsford-Smith and his intrepid companions.

TELEGRAPH SYSTEM.

The multiplex machine-printing telegraph system, which was introduced into New Zealand telegraph practice in 1921, has been considerably extended, and has almost revolutionized telegraph-operating methods. In addition to speeding up the telegraph service, the multiplex system has permitted circuits previously required for telegraph purposes to be made available as telephone speech channels. On the 31st March, 1927, 2,298 miles of circuit, from which were derived 9,192 miles of two-way channels of communication, were being operated under the multiplex system, the stations linked up being Auckland, Wanganui, Napier, Wellington, Christchurch, and Dunedin. Among other economies that have been effected in the operation and maintenance of the telegraph system is the universal-battery system, which has been installed at the Wellington, Auckland, Christchurch, and Palmerston North Telegraph-offices. Since 1920 the length of wire available for the transmission of telegrams by means of multiplex, morse, and telephone has been increased from forty thousand to sixty thousand miles.

ERECTION OF TELEGRAPH AND TELEPHONE LINES BY CONTRACT.

In order to determine whether telegraph and telephone lines can be erected more economically by private enterprise than by day labour, provision has recently been made for the erection of lines under the contract system.

TELEPHONE RATING SYSTEM.

A new scheme of telephone rentals was introduced in 1923. The principal object of the system was to provide a more equitable scale of charges, and at the same time to obtain, in revenue, an amount sufficient to provide for annual charges for maintenance, depreciation, and interest. The chief features of the new system are :—

- (1) The providing of a wider ratio between the charges for business and residential stations :
- (2) The extension of the party-line system to provide for as many as ten stations being connected with the same circuit, the annual rentals varying from £3 upwards.

Persons remote from the base-rate area may erect their own lines to connect with the departmental system at the base-rate area boundary or other pre-arranged point ; or the Department will erect lines to any distance, the annual rental varying with the length of the line. The system now in force is much more liberal than the previous one not only in regard to annual rentals, but in the way it frees from capital expenditure persons remote from a telephone-exchange centre.

The rates for toll communications have also been reviewed, and a more equitable method adopted of assessing the charge in accordance with the length of the circuit employed. Reductions have been made in the charges for communications over circuits exceeding 150 miles in length.

INFORMATION BUREAUX.

Information bureaux were established in 1925 at the telephone exchanges at Auckland, Christchurch, Dunedin, and Wellington, whereby subscribers might readily obtain information regarding matters of general public interest.

At offices to which the daily weather forecast issued by the Dominion Meteorologist is telegraphed, telephone-exchange subscribers or private-line owners may receive such messages by telephone on payment of a small annual fee.

TELEPHONE-EXCHANGE SYSTEM.

In regard to the telephone-exchange system, over 50,000 additional subscribers have been provided with telephone-exchange service since 1920, the increase in telephones being from approximately 80,000 to nearly 140,000. The telephone-exchange plant also has been considerably extended by the opening of over fifty new exchanges, and by the installation or erection of an additional 272 miles of underground ducts, 657 miles of underground cable, 80 miles of aerial cable, 235,000 miles of wire in cables, 7,800 miles of poles, and 50,000 miles of aerial wire. In addition, local telephone facilities for the public generally have been very considerably augmented by the installation of an additional 251 public call offices (coin-in-the-slot telephones). Public call offices have been installed in the smaller towns which were previously unprovided for in that direction. A system of installing penny-in-the-slot telephones in shops located in the busy areas of the larger cities also has been inaugurated. Since 1920, coin-in-the-slot telephones—most of which are of the automatic type—have increased in number from 295 to 546.

AUTOMATIC-TELEPHONE SYSTEM.

A great deal has been done in modernizing the telephone-exchange system by converting to automatic working the exchanges in the Auckland, Wellington, and Dunedin metropolitan areas, and those in the provincial towns of Hamilton, Wanganui, Hawera, Stratford, Palmerston North, Napier, Masterton, Dannevirke, Blenheim, and Oamaru. Provision has been made for the conversion to automatic operation of the exchanges in the Christchurch metropolitan area, and for the installation of automatic exchanges at Whangarei, Marton, and Gisborne. Private branch exchanges of the automatic type, and a large number of intercommunicating systems of a semi-automatic type, have also been installed in large business establishments throughout the Dominion. Since 1920 the number of automatic-telephone stations has been increased from 7,500 to over 60,000. The proportion of automatic telephones to the total number of telephones in use in the Dominion is now 44 per cent.—probably the highest percentage of any country in the world.

TELEPHONE FACILITIES FOR BACKBLOCKS SETTLERS.

An appreciable amount of assistance has been granted backblocks settlers in the matter of obtaining telephone facilities by selling to them at stock-list prices and on a deferred-payment system the materials necessary for the erection of private telephone-lines. The erection of private telephone-lines—particularly by local bodies on behalf of settlers—has also been facilitated by an extension of the provisions of the Country Telephone-lines Act.

TOLL-LINE EXTENSIONS.

Inter-Island telephone communication has been provided, and the range of telephone communication greatly extended, by the laying of a telephone-cable across Cook Strait. As a result of this, and the extension of the toll lines generally in each Island, telephone communication has been made practicable between Auckland and Dunedin and almost all intermediate places. In addition to this, provision has been made for the inauguration of the most modern system of telephone communication—the carrier current system—which is now being installed between Auckland and Palmerston North, and between Seddon and Christchurch. Various other modern practices, including direct dialling between exchanges, have also been instituted and developed for the purpose of improving the capacity of toll circuits and speeding up the service generally. The length of wire available for toll traffic has been increased from 36,000 miles in 1920 to 53,000 miles.

WIRELESS.

Wireless communication between New Zealand and the Pacific Islands has been extended by the erection of radio-stations at Aitutaki, Mangaia, and Niue. The wireless service between New Zealand on the one hand and Samoa and Rarotonga on the other has also been considerably improved by the institution of short-wave working. Radio-stations have also been established at Kawau Island, Puysegur Point, and Stephens Island. In the matter of eliminating interference with radio-telephone broadcasting transmissions various effective measures have been instituted, including the replacement by continuous-wave transmitters of spark transmitters at the departmental coast stations at Wellington and Auckland.

Wireless press messages containing the news of the day are broadcast from the radio-station at Wellington daily for the information of passengers on ships.

It was arranged in 1923 for masters of vessels equipped with radio apparatus to obtain from the radio-stations at Awanui or Wellington reports on the weather conditions at desired points.

The British official wireless messages transmitted from the high-power station at Rugby, England, are being successfully received at the Awarua Radio-station, and are being made available to the newspaper press of the Dominion.

RADIO BROADCASTING.

Prior to 1925 the only broadcasting-stations in the Dominion were a few of comparatively low power which were operated by private enterprise. The rapid development of broadcasting led to the making of an agreement with the Radio Broadcasting Co. of New Zealand, Ltd., for the erection of modern and up-to-date broadcasting-stations at the four principal centres. This step was taken after exhaustive consideration of the most satisfactory method of exploiting the new service. On the 7th August, 1926, the first of the new stations was opened at Auckland. The Christchurch station was opened on the 1st September, 1926, and the Wellington station on the 16th April, 1927. On the 31st March last there were approximately forty thousand radio licenses in existence. The Radio Broadcasting Co. operates under Government control, and receives a proportion of the fees paid by licensees.

Particular attention is paid by the Department to the interests of radio licensees; and, in particular, much thought is given to the problem of freeing radio reception from interference. A special staff of Radio Inspectors has been instituted for the purpose of detecting and discovering sources of interference from outside electrical activities. The various types of receiving-sets are subject to examination and approval before their use is authorized, and certain types of sets which cause the condition known as "radiation" are prohibited.

Special regulations are in existence for the detection of unlicensed radio apparatus.

Wireless broadcasting has now become a matter of great importance in the home life of the community. The new stations at Auckland, Christchurch, and Wellington represent a great advance in broadcasting: they are as up-to-date and as advanced as can reasonably be expected in a country the size of New Zealand.

RECEIPTS AND PAYMENTS.

RECEIPTS AND PAYMENTS OF THE POST AND TELEGRAPH DEPARTMENT FOR THE PERIOD 1ST APRIL TO 31ST OCTOBER, 1928.

Item.	Postal.		Telegraph.		Total.	
	£	s. d.	£	s. d.	£	s. d.
<i>Receipts.</i>						
Postages	650,209	2 7	..	..	650,209	2 7
Money-order and postal-note commission ..	29,663	14 9	..	..	29,663	14 9
Money-order commission received from foreign Offices	530	5 11	..	..	530	5 11
Private box and bag rents and rural-delivery fees	19,484	13 6	..	..	19,484	13 6
Miscellaneous receipts	108,637	1 4½	18,320	16 10½	126,957	18 3
Paid telegrams	..	..	203,573	3 1	203,573	3 1
Paid tolls	..	..	244,727	1 1	244,727	1 1
Telephone exchange rentals	..	..	670,341	6 6½	670,341	6 6½
	808,524	18 1½	1,136,962	7 7	1,945,487	5 8½
<i>Payments.</i>						
Salaries	432,633	5 7	500,798	3 10	933,431	9 5
Conveyance of ocean mails	33,304	6 6	..	..	33,304	6 6
Conveyance of inland mails	80,291	9 7	..	..	80,291	9 7
Conveyance of mails by rail	57,200	0 0	..	..	57,200	0 0
Money-order commission credited to foreign offices	1,322	9 5	..	..	1,322	9 5
Maintenance of telegraph and telephone lines	..	..	102,967	15 6	102,967	15 6
Motor services and workshops	22,104	2 1	12,161	7 6	34,265	9 7
Miscellaneous	66,103	5 7	69,643	13 2	135,746	18 9
	692,958	18 9	685,571	0 0	1,378,529	18 9
Balance, receipts over payments	115,565	19 4½	451,391	7 7	566,957	6 11½
Interest paid on capital invested	..	..	..	..	180,000	0 0
Net balance	..	..	..	..	386,957	6 11½
Surplus funds invested	..	..	..	..	385,000	0 0
Balance uninvested	..	..	..	..	1,957	6 11½
					386,957	6 11½

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