

In connection with telephone-exchange service it is essential from an economic standpoint that any well-ordered developmental plan shall make reasonable provision for an increase in the number of subscribers in the various areas served, and that such provision shall be in keeping with the normal anticipated development of particular localities. For example, in reticulating for telephonic purposes a newly-developed residential area, it is necessary to provide sufficient cable accommodation to enable service to be given not only to those persons from whom applications are actually in hand, but also those from whom applications may be anticipated within a reasonable period of time. In formulating developmental plans, therefore, a careful examination is made of all relevant data concerning the area to be cabled, as well as other similar localities, in order that the estimated future requirements over a given period may be assessed as accurately as possible, and provision for expansion made accordingly. Thus in every newly telephoned area there is usually a margin of circuits for future growth, in respect of which provision must be made in the matter of interest, depreciation, and maintenance charges notwithstanding that the circuits are not in use. In these areas in particular it will be the duty of the business agents to seek out prospective subscribers, with a view to bringing into use—and thus making revenue-producing as early as possible—such of these lines as might otherwise remain idle. Similar action will be taken in other areas in which the originally estimated telephonic development has not been maintained. In the case, also, of a subscriber relinquishing his service, efforts will be made to ensure as far as possible that the equipment thus thrown idle is again brought into use at the earliest possible date. By these means it is hoped to reduce to a minimum the amount of non-revenue-earning equipment, and thus maintain the financial position of the Telephone Branch.

Having been established only towards the close of the financial year, there has been as yet little opportunity of determining the extent to which the Department and the community in general will benefit by the operations of the new branch. The results to date, however, are most encouraging, and augur well for the ultimate success of the new venture.

Although, as already stated, the activities of the new branch are at present being directed principally to the development of telephone-exchange business, it is the intention, as circumstances permit, to extend the activities of the branch to other features of the Department's operations. For the present the business agents—termed "Business Managers"—are operating only at Auckland, Christchurch, and Wellington.

Coincident with the establishment of the new branch, arrangements have been made for the introduction of a system under which new as well as existing subscribers may, if they so desire, pay their telephone rental monthly in advance, instead of half-yearly in advance. Under this system subscribers who elect to pay monthly will receive in each month a combined rental and toll account. The effect of this will be that in these cases the due date of payment of rental and toll fees will coincide, the rental being paid one month in advance with the preceding month's toll fees. This innovation, it is considered, will be greatly appreciated, and will place telephone service more easily within the means of many hundreds of people to whom the former stipulation in regard to half-yearly payments was somewhat inconvenient. Further innovations are contemplated with a view to increasing the popularity and usefulness of the telephone as a means of communication, and enabling subscribers generally to obtain the greatest possible benefit from their telephone installations.

EARTHQUAKE, JUNE, 1929.

At 10.17 a.m. on the 17th June, 1929, one of the most severe and prolonged earthquakes in the history of New Zealand took place. The shock was felt extensively in both the North and South Islands, but the centre of the disturbance was near Murchison, in the South Island, and the area bounded approximately by Murchison, Westport, and Karamea was most affected.

As a result of the earthquake the Department's outside telegraph and telephone plant, principally pole-lines and underground cables, sustained considerable damage, but, fortunately, inside equipment, such as telephone-exchange switchboards and telegraph instruments, was not seriously affected. Many departmental buildings were also damaged, the Westport building to such an extent that it had to be vacated and, later, demolished. The tower of the building collapsed, fortunately after the premises had been abandoned by officers, and the other portion was very badly cracked. There was also most serious interruption of mail-services, caused principally by landslides, the important mail-service route Nelson - West Coast being totally interrupted by huge slips on the Murchison - Inangahua Junction section of the road, and to a lesser extent on the Inangahua Junction - Westport section, and the Westport-Karamea service by slips of great magnitude on the road between those places. In some cases lengths of up to two miles of road, and telegraph and telephone lines, with the supporting poles, were carried away, while in other cases sections of line and road were completely buried by huge landslides. In additional instances the earth was carried away from the poles, leaving them suspended in mid-air from the wires they were intended to support, and making great gaps in the road. The earthquake fault-line crossed the Murchison-Lyell Road, and at the point where it crossed caused the road to be thrown up approximately 14 ft. above its old level. Lesser effects, in the shape of poles being thrown out of alignment, and wires being broken, stretched, or twisted into a tangled mass were common. In one case a line of poles erected near the roadside was thrown over at such an angle as to prevent the passage of traffic along the road. Interruptions of some kind occurred to almost every line and road within the territory mentioned, dislocating all the usual outlets by road, telegraph, and telephone from the affected areas. Some idea of the damage sustained by roads and pole-lines is given in the photographs published in this report.

Telephone-exchange service at Westport, Nelson, and Blenheim, and at most of the intervening exchanges, was either completely interrupted or seriously disorganized, owing to contacts or breakages in the overhead lines or by fractures in underground cables. Interruptions were also experienced on the Christchurch-Blenheim main line and various other lines in the northern section of the South Island.